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Differentiated Integration as a Conscious Policy Choice: The Way Forward

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Differentiated Integration as a Conscious Policy Choice: The Way Forward

Vittoria Meissner and Funda Tekin

Abstract

Is differentiated integration an unintended consequence of the European Union integration process or is it a conscious policy choice of national decision-makers? By investigating national political preferences on EU integration based on a new interview data set collected in nine EU and non-EU countries, the policy paper outlines three main results. First, differentiated integration is at present widely considered as a desirable and effective alternative to foster integration in the EU as long as it upholds an inclusive character. Second, only in specific policy areas do political actors perceive differentiated integration as effective in terms of both output and outcome in the long term. Third, tailored forms of external differentiation will represent a viable solution for the EU's relations with third countries in the near future. The paper also outlines specific recommendations on how differentiated integration might be used as a more strategic and conscious policy choice in the future.

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Executive summary

In order to ultimately achieve political unity among its member states, the European Union has to resort to flexible forms of cooperation and hence pursue differentiation to make European integration possible. Over the decades, differentiated integration has become a structural element of the EU. The question addressed in this policy paper is whether differentiated integration represents an unintended consequence of the EU integration process or whether it is a conscious policy choice on the part of national decision-makers.

By investigating national political preferences on EU integration based on a new interview data set collected in nine EU and non-EU countries (the Czech Republic, Finland, France, Germany, Italy, Norway, Turkey, the United Kingdom and Ukraine), the policy paper presents a set of recommendations that address stakeholders at the national and European level. These recommendations aim at fostering a more strategic application of differentiation that is compatible with the EU core values and does not obstruct the final goal of an ever closer Union. They are based on four main arguments. First, conversely to previous rather negative perceptions, differentiated integration is at present widely considered not only as an *inevitable* but also as a *pragmatic* and sometimes even *desirable* way to foster integration in the EU. Second, most of the interviewed political actors point out that this kind of integration should have an open character and accordingly not be exclusive, allowing other countries to join at a later point in time. Third, the turn in the perception of differentiated integration towards a conscious policy choice varies between policy areas. Only in specific policy areas do political actors perceive differentiated integration as effective in terms of both output and outcome in the long run. Fourth, tailored forms of external differentiation could continue to represent a solution for the EU's relations with non-EU members in the future.

We elaborate three recommendations in view of internal differentiation for the selected EU members, and three recommendations with regard to external differentiation in relation to the non-EU members under analysis.

The first recommendation would be to favour a multi-speed and accordingly temporary process of differentiated integration over a permanent one, allowing member states to join at any time. Given that differentiation is supported in principle as long as it is temporary, we recommend exploiting the full spectrum of flexible forms of integration. This includes the extension of qualified majority voting (QMV) to other policy realms, as it prevents blockades without the need to resort to differentiation. QMV is thus a possible solution to bypass differentiation. Differentiated integration will remain “the most obvious way forward in the newly enlarged EU”, unless QMV becomes the prevalent mode of decision-making (De Neve 2007: 508). It is essential, however, to estimate whether QMV or differentiation would be the more effective policy solution when consensus cannot be reached between EU member states, on a case-by-case basis.

The second recommendation is that Europhile political representatives at the national and EU level need to counteract trends among Eurosceptic national parties, which tend to instrumentalise differentiated integration, making it a tool to move further away from the EU rather than a flexible temporary solution to achieve more integration in the long run.



The third recommendation revolves around the area of foreign, security and defence policy. Given that this is one of the most sensitive policy areas, touching upon core aspects of state sovereignty and national security, flexibility needs to be preserved and informal forms of cooperation between different groups of countries should continue to be actively supported.

With regard to non-EU members, the first recommendation relates to EU-Turkey relations, where accession negotiations have reached a deadlock and an EU membership is more unlikely than ever. The EU could try to reconcile with the country by considering the advancement of cooperation with regard to the Customs Union as well as visa agreement and foreign policy. A potential increase in cooperation should however only be pursued upon the condition of compliance with human rights.

The second recommendation stems from interviews with political elites in Norway and Ukraine. In both countries, the EU could consider engaging these partners in closer cooperation within specific policy areas such as security or environmental cooperation.

Despite Brexit, the interviews revealed that political actors in the UK were overall in favour of more cooperation and specifically of a closer economic as well as security relationship with the EU. Respondents from the UK would prefer less differentiation but of course not in view of a potential EU membership. As a third recommendation with regard to this specific relation, the EU could eventually work towards an EU-UK relationship that follows the European Economic Area model.

Introduction

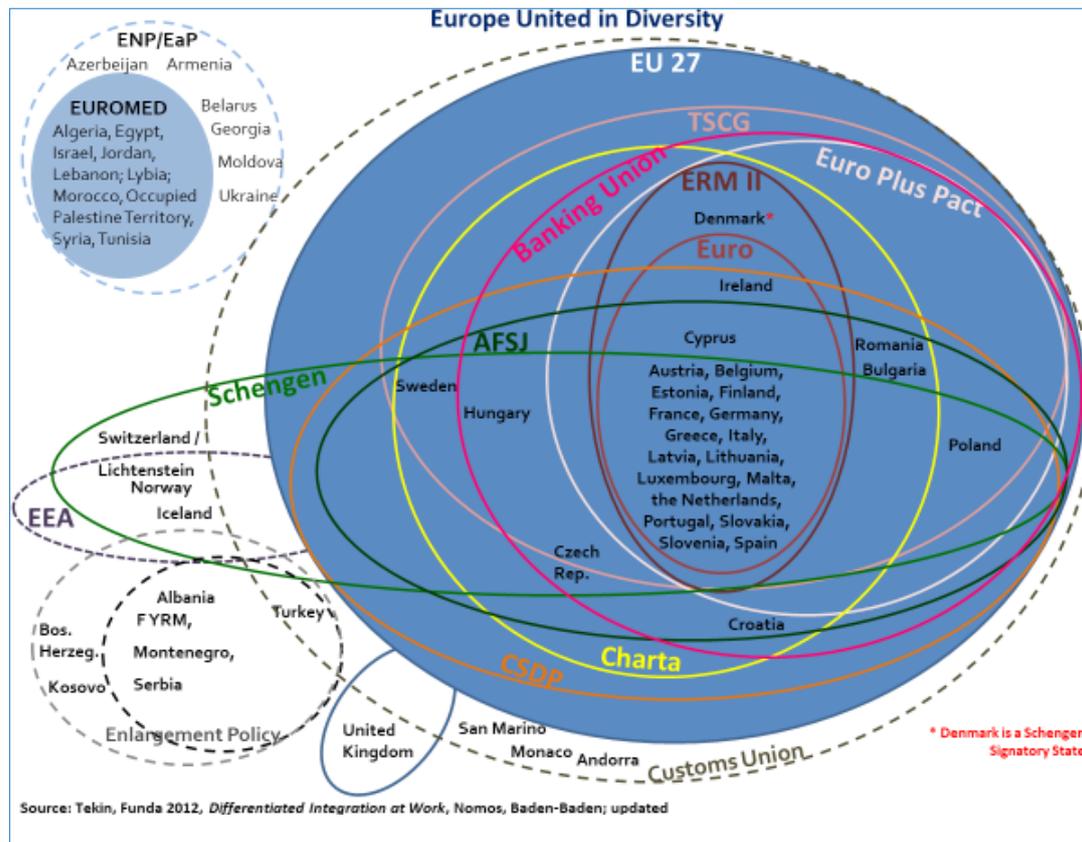


After more than 50 years of continuous deepening and widening, the European Union has reached a state in which forms of differentiation contribute substantially to the Union's political unity. The EU has to resort to flexible forms of cooperation and hence pursue differentiation to make European integration among its very heterogeneous members possible (see Figure 1).

We define differentiation as any modality of integration or cooperation that allows states, specifically members of the EU and non-members, to work together in non-homogeneous, flexible ways. Differentiated integration is the related process of integration in which member states, potentially joined by non-EU members, opt to move forward at different speeds and/or towards different objectives. In view of increasing national backlashes and Eurosceptic trends across EU member states and a Union that is continuously in crisis mode, the question arises whether and under which conditions differentiation can be beneficial to European integration. We approach this question from a new angle by considering the conditions at the decision-making level underlying differentiation. Differentiation can correspond to a policy practice, in order to avoid stalemate in negotiations between member states on specific policies. It can however also correspond to a deliberate policy choice, which is considered the optimal solution to a certain policy problem because

integration would be facilitated by (initial) cooperation of only the willing and able (e.g., the existing Permanent Structured Cooperation, PESCO; see also Chopin and Lequesne 2016).

Figure 1 | Europe united in diversity



In the academic debate, differentiation has been widely recognised as a means of integration (e.g., Leuffen et al. 2013, Tekin 2012). It is, however, important to consider whether differentiation reinforces centripetal or centrifugal effect and hence triggers forms of multi-speed integration or disintegration (Kölliker 2001). The debate on differentiation in the EU has been also partially shaped by politicians, such as Tindemans in 1970, Schäuble and Lamers in 1994, or Chirac and Kohl in 1995 (see also Brunazzo 2019). Yet, while EU politics have always implemented differentiated forms of integration, institutions in Brussels have traditionally regarded differentiated integration as a “collateral damage” of integration. The EU’s Heads of State and Government politically endorsed the EU’s differentiated reality only at the European Council meeting on 27 June 2014 (European Council 2014). In 2017, the president of the European Council, Donald Tusk (2017), maintained that “it is quite natural for such a very complex political system like the EU to have differences and different levels of integration”. In particular, he emphasised the possibility of enhanced cooperation among a group of member states as enshrined in Article 20 TEU and Title III of the TFEU. The 2017 Commission’s White Paper on the future of the EU outlined the prospect of differentiation as one of its five scenarios (European Commission

2017: 20), and French President Macron as well as German Chancellor Merkel have repeatedly discussed a multi-speed Europe (Euractiv et al. 2017). Despite political acknowledgement of its necessity, differentiation is still perceived as a “second-best option”. In 2019, for instance, the European Parliament stated “that any kind of differentiated integration upon which agreement is reached is [...] a second-best option, and not a strategic priority” since the ultimate goal of the EU should be to convince member states to participate in common actions (European Parliament 2019).

For our policy paper, we tested whether political actors no longer regard differentiated integration as a second-best option, but rather as a *desirable* and *effective* alternative to foster integration in the EU. Effectiveness of differentiation is defined in terms of (1) *output* – facilitating “policy-making”; (2) *outcome* – facilitating “policy implementation”; and (3) *impact* – facilitating “problem solving” compared to both a no-policy-change scenario (relative improvement) and an ideal scenario (improvement in absolute terms) (Lavenex and Križić 2019: 11).

Differentiation represents a toolbox to accommodate diversity, whether through major long-term projects like the Economic and Monetary Union (EMU) or as a flexible means to cope with crises and political divergence as for instance during the Eurozone crises or the recent Covid-19 pandemic. This paper investigates the national preferences on differentiation at the government and political level. It argues that among the majority of both Europhile and Eurosceptic political actors interviewed, differentiation as a policy choice is no longer understood as collateral damage or a second-best option of integration, but as a conscious choice in specific policy fields – even if for different reasons. This argument is based on a comprehensive interview data set collected between October 2020 and January 2021 among political representatives in nine EU (Czech Republic, Finland, France, Germany, Italy) and non-EU countries (Norway, Turkey, Ukraine and the United Kingdom).¹ The interviews outline preferences across the political spectrum, including political actors of government and opposition, as well as at the national and local level.

In more detail we argue that first, conversely to previous rather negative perceptions (for instance the opposition to the “hard core of countries” proposal in Schäuble and Lamers 1994, see also Brunazzo 2019), differentiated integration is at present widely considered not only as an *inevitable* but also as a *pragmatic* and sometimes even *desirable* way to foster integration in the EU. Second, most of the interviewed political actors point out that this kind of integration should have an open character and accordingly not be exclusive, allowing other countries to join at a later point in time. Third, the turn in the perception of differentiated integration towards a conscious policy choice varies between policy areas. This entails that only in specific policy areas do political actors perceive differentiated integration as effective in terms of both output and outcome in the long run. Fourth, tailored forms of external differentiation could continue to represent a solution for the EU’s relations with non-

¹ In total, researchers in the Horizon EU IDEA project conducted 117 interviews. The selection of interviewees aimed at ensuring a fair balance between government and opposition representatives, gender, as well as the local and national levels in order to guarantee a uniform and complete coverage of the political spectrum along the left-right and the Eurosceptic-Europhile axes.



EU members also in the future, based on the interviews conducted in the UK, the “eternal accession candidate” Turkey and the EU’s neighbour Ukraine.

In the following sections 1 through 3, we apply a taxonomy exercise across the interview material and present the respective level of support for differentiated integration in general terms as well as in three policy areas that are already differentiated. These policy areas are the aforementioned EMU and the Single Market; the Common Foreign and Security Policy (CFSP) as well as the Common Security and Defence Policy (CSDP); and finally, the Area of Freedom, Security and Justice, specifically the migration and asylum policy. Four categories structure the interview material: (a) in favour of the status quo; (b) in favour of more differentiated integration; (c) in favour of less differentiated integration; and (d) against differentiated integration. Thereby, we traced the predominant policy choices in order to then draw conclusions about the general future of differentiated integration.

We also assess preferences for external differentiation in Norway, Turkey, Ukraine and the UK in view of the selective policy integration of non-member states (Schimmelfennig et al. 2015) and hence the relationship between the EU and third countries. The EU could solve difficulties in its external relations with non-EU members by understanding which type of external differentiation in which specific policy area is the most suitable. In the specific case of third countries, preferences among political actors in the data set were classified differently than those in the reports on EU member states: “in favour of a more remote relationship with the EU” means “in favour of more differentiated integration”, whereas “in favour of a closer relationship with the EU” means “in favour of less differentiated integration”. In the particular circumstances of the UK as a former member state, the chosen taxonomy (“in favour of the status quo”; “in favour of more/less differentiated integration”) does not fully apply.² The EU-UK Trade and Cooperation Agreement entered into force in May 2021, after the interviews have been conducted. Before the agreement, some interviewees thought that in the light of ongoing negotiations the UK could still want to cooperate more closely with the EU according to the pick-and-choose procedure. This would have again entailed more rather than less differentiation.³

In the final section, we develop policy recommendations for EU institutions and the selected states in order to understand differentiated integration as a conscious and desirable policy choice. The recommendations should foster future reforms that are compatible with and conducive to an effective Union.

2 The researchers therefore classified the answers as follows: “In favour of the Status Quo” means “backing the EU-UK Trade and Co-operation Agreement (TCA)”. “In favour of more Differentiated Integration” means “in favour of a more remote relationship with the EU”. “In favour of less Differentiated Integration” means “in favour of a closer relationship with the EU”.

3 The UK interviews were nonetheless interpreted by the researchers in the same way as in the cases of Turkey and Ukraine with the exception of the question relating to the impact of past UK opt-outs on the Brexit debate.



1. In favour of differentiation as policy choice: Safeguarding the status quo?

Most country reports indicate that the integration of all EU 27 members is often the preferred option among the interviewed policy makers. Yet, some of them (e.g., reports on the Czech Republic, Finland and Germany in the EU IDEA data set 2021) also acknowledge the current status quo of differentiated integration in the EU as an effective way to foster integration without preferring either more or necessarily less differentiation for future integration in specific policy areas. Status quo means the current state of differentiation, specifically in the EMU, the CFSP and CSDP as well as the Schengen area (see Figure 1). Respondents favouring the differentiation status quo in the EU do not consider it a structuring principle, but rather a temporary option that a member state can choose if it is not ready to accept cooperation or another step forward in integration. Differentiation should thus continue to be allowed only in the aforementioned policy areas in which it already exists. With regard to the EU's external differentiation and preferences of third countries, only respondents in Norway partially favoured the current status quo of their country's relations with the EU (more details follow below).

With regard to the EMU specifically, in the Czech Republic, still a non-Eurozone member, all interviewees stated that they did not wish for changes in the current arrangements (EU IDEA data set 2021: 11). The majority of German (EU IDEA data set 2021: 66) as well as one third of the Finnish respondents were also in favour of the current EMU status quo of differentiation and thus of consolidating differentiated integration until eventually all members join the euro. Differentiated integration is regarded as a fact and as a pragmatic solution for EU integration, but the ultimate goal should be nonetheless to eventually achieve deeper integration (EU IDEA data set 2021: 24).

The overwhelming majority of interviewees across the selected EU members considered that the status quo of the Single Market – in terms of non-differentiation – was preferable to more differentiated integration. Only in Italy did a parliament representative of a soft-Eurosceptic party enthusiastically embrace the idea of more differentiation in this policy area, reflecting a deep discontent about the current functioning of the EMU and the regulations of the Single Market that would, in his opinion, require major reforms.

In view of the CFSP and CSDP, some interviewees from the Czech Republic positively emphasised the importance of PESCO as it currently is, in order to improve common capabilities. They also highlighted the importance for EU members to continue cooperating within the structure of NATO. Interviewees from other countries had another preference in this specific sector, as outlined in the next section.

When it comes to the Schengen area, only interviewees from France explicitly considered the status quo allowing for temporary and justified deviations from open borders as sufficient for dealing with potential challenges regarding the free



movement of people inside the EU (EU IDEA data set 2021: 55). With regard to the migration and asylum policy area more generally, none of the country reports expressed a preference for the current status quo.

Non-EU member respondents from Norway favoured the status quo of their country's differentiated relationship with the EU as established through their membership in the European Economic Area (EEA). Some Norwegian representatives claimed that more cooperation between their country and the EU in an increasing number of policy areas, as well as the possible concomitant deepening of integration in existing EEA sectors, would tend to weaken Norway's sovereignty, given the complexity of the EU system. Despite government and bureaucratic officials generally considering Norway-EU relations as symmetric on paper but asymmetric in practice, they were ultimately satisfied with regard to the EEA agreement. In their opinion, the agreement represents a much more comfortable arrangement for their country than having to rely on officials' and politicians' ability to negotiate ad hoc deals. Whereas Norway regards the EU as an important partner to tackle climate change problems globally, Norwegian respondents also highlighted the weakness of the EU on the world stage with regard to foreign, security and defence issues as well as its migration policy. This is mainly ascribed to the internal divisions within the EU and hence the EU's difficulty in pursuing more unity among its members. In the cases of Turkey, Ukraine and the UK, none of the respondents favoured the current status quo of their respective country's relations with the EU.

2. Differentiated integration as the way to move forward? Only if multi-speed

With regard to political opinions from the interview data set on "more differentiated integration", we distinguish between those political actors that are in favour of a multi-speed EU and those that would like to promote more medium-term coalitions of the willing (EU IDEA data set 2021: 41). Multi-speed differentiated integration is limited in time in order to allow all members to join eventually, such as treaty-based enhanced cooperation or permanent structured cooperation (PESCO). A coalition of the willing corresponds to a limited number of member states forming a vanguard in a certain EU policy that can take flexible, quick and ambitious action to move supranational integration forward.⁴

Overall, interviewees from the Czech Republic, France and Germany considered differentiated integration as a positive and suitable alternative to unified integration. Through differentiation member states can choose the form of integration that suits them best, allowing for less conflict and more room for efficiency as well as effectiveness (EU IDEA data set 2021: 6, cf. Telle et al. 2021: 34). Although many political representatives across Europe still have a rather pragmatic approach

⁴ For example, in 2019 Chancellor Angela Merkel proposed a coalition of the willing among EU countries for CO₂ pricing in transport, buildings and agriculture to meet 2030 climate targets (Wettengel 2019).



to differentiation, considering it a necessary tool when negotiations are at an impasse, the interviews show a significant turn. A new perception emerged that differentiated integration is not only a pragmatic, but also an effective way of integrating with countries if consensus among the 27 member states is difficult to reach. Representatives in Finland, Germany and France consider differentiated integration not only an inevitable process to move forward in the EU, but also a desirable policy solution to achieve more unity and one that should be chosen more often. However, whereas German respondents were clearly favouring multi-speed forms, French representatives would accept or even approve forms of enhanced cooperation turning into permanent forms of coalitions of the willing (e.g., EU IDEA data set 2021: 42). A French government representative (EU IDEA data set 2021: 52), for instance, even considered PESCO to be “too inclusive”, as a more restricted number of member states in the group would have better satisfied certain interests, such as with regard to the countries’ defence budget and military capacities.

Conversely to the French and the Czech Republic reports, where some respondents preferred the idea of “permanent” forms of differentiation to a “compulsory single procedure” (e.g., EU IDEA data set 2021: 9), the main condition that was pointed out in other EU member countries’ reports including Germany and Italy is that any form of differentiated integration should not be exclusive but have an open character in order to allow other countries to join at a later stage. This highlights a clear preference for a multi-speed differentiated integration process. The potential of differentiation in general and enhanced cooperation in particular was however often tied by the interviewees to more and deeper integration (e.g., the establishment of the Eurozone including all EU members; EU IDEA data set 2021: 7).

A further interesting finding was that in France, Finland and especially in the Czech Republic, Eurosceptic political representatives favoured the process of differentiated integration, considering such cooperation not only appropriate but also beneficial given the heterogeneity of the EU. Nonetheless, this preference was mainly linked to instrumentalising differentiation for safeguarding their own national interests while questioning the overall European project. A Eurosceptic interviewee from France, for instance, thought that it should be possible for an EU member state to permanently leave Schengen. Such an interpretation of flexible forms of cooperation as not being conducive to more and deeper EU integration needs to be clearly distinguished from the preferences of the majority of respondents for more differentiation in order to achieve a more effective Union.

Conversely to the EMU and Single Market where the majority of respondents preferred the current status quo (as outlined above in section 1), the EU’s CFSP and CSDP were the two policy areas in which the majority of interviewed actors in all member states considered more differentiated integration as the preferred option to move forward, as it would be the most effective one. This is not only because such policy matters concern key areas of a sovereign nation state, but also because 21 EU member states are NATO members, whereas six member states (including Finland and Sweden) are not. To most German respondents, defence policy represents a paramount as well as a positive example of differentiated integration, in which further steps in the direction of more differentiation are conceivable in the near future. They





envisage, for instance, closer cooperation with France, Portugal, Spain, Italy, Belgium and Luxembourg, but also some of the Scandinavian countries and some of the Eastern European countries in view of a “European Defence Union” (EU IDEA data set 2021: 60, 70). According to all EU member countries’ reports with the partial exception of the Czech Republic (see previous section), differentiated integration is not only a necessary but also a desirable instrument of cooperation in the foreign, security and defence area, where countries have very different strategic interests.

Unanimous decisions will likely continue to apply to both policy areas and hence groups of member states resorting to informal mechanisms – including regional groupings, contact and lead groups, flexible cooperation within international bodies and the option of the High Representative of the Union tasking national foreign ministers to act on behalf of the EU – are the most promising route to further develop EU cooperation and contribute to the effectiveness and coherence of EU foreign and defence policies (see Grevi et al. 2020).

Unlike interviewees in Finland and France (more details follow in section 3), some German respondents could not imagine the EU making progress in the highly sensitive policy realm of migration and asylum without a group of member states moving forward. In their opinion, more flexible temporary forms of cooperation should be the present EU objective in this area. This was backed up also by Italian representatives, however only from Centre and Centre-Left parties, who expressed their openness to more flexible forms of cooperation in the hope of avoiding future crises (EU IDEA data set 2021: 94). As long as the European countries have not harmonised their asylum systems, migration in the EU cannot be regulated uniformly. Despite the risk attached to such differentiation, which might trigger centrifugal (potentially disintegrating Europe) instead of centripetal forces (uniting European countries closer together as in the case of multi-speed cooperation), most respondents seemed to agree that temporary differentiated solutions are the only way to move forward and avoid crises in the near future. Less flexibility is, conversely, preferred across the selected EU members’ respondents in the border control area, where the temporary reintroduction of border controls for a prolonged period of time is not effective (see also De Somer et al. 2020).

With regard to the selected non-EU members, Europhile party representatives in Norway see differentiation as a tool that can provide more options for participation in and association with interesting and important EU policies and projects. Opting in on more policy areas of importance, such as climate and environmental policy, might strengthen Norway’s position not only in the EU but also internationally. Representatives from “Eurosceptic” parties by contrast see opportunities for opting out of cooperation that they think is not in Norway’s interest (EU IDEA data set 2021: 102).

In Turkey, respondents primarily looked at NATO when it comes to defence and security policy. Given the numerous difficulties attached to this area, as for instance in the case of the long-standing conflict with Greece and Cyprus in the Eastern Mediterranean, respondents could not exclude more differentiation as a potential option in the future. In the cases of Ukraine and the UK, respondents did not favour



more differentiation in any of the policy realms under analysis, which would lead to a more remote cooperation with the EU.

3. Towards more integration and less differentiation

In the data set, answers in favour of less differentiation were interpreted as favourable to more integration between all members having the same rights and obligations. Many respondents emphasised that all member states are bound by the treaties to eventually participate in the euro and that these conditions must eventually be met (e.g., EU IDEA data set 2021: 66).

The EU's Single Market (and the related four freedoms) was the policy area in which most interviewees from the relevant EU member states as well as Norway clearly agreed not only on the current status quo (see section 1), but also on no differentiation in terms of possible future opt-outs, given that this area represents the core of the EU.

In line with this preference, for the majority of respondents an important goal of the EU was the completion of the Banking Union, which “by resolving its internal shortcomings would make participation even more appealing for both outsiders and insiders” (Mack 2020: 3). Along the same lines, interviewees across the political spectrum in the Czech Republic (EU IDEA data set 2021: 12), France (EU IDEA data set 2021: 48) and Italy (EU IDEA data set 2021: 87) stressed the importance of completing the Banking Union (for details see Deslandes et al. 2019) and moving forward towards more integration and hence less differentiation. In Italy, there is stronger opposition to differentiated integration (see also Leuffen et al. 2020) and to the EU in general (EU IDEA data set 2021: 78), probably due to the euro as well as the migration governance crises. At the same time, Eurosceptic voices among Italian political actors have decreased during the Covid-19 pandemic; such actors were not critical of the newly adopted Recovery Plan and economic solidarity among countries, in contrast to their reactions to previous EU austerity measures (see EU IDEA data set 2021: 84).

There was less agreement among EU respondents on having a Eurozone budget, for which the 2020 Recovery Plan should not represent a substitute. A French interviewee (EU IDEA data set 2021: 48) spoke favourably with regard to a Eurozone budget, whereas political actors from the non-Eurozone member Czech Republic strongly opposed it (EU IDEA data set 2021: 11). The latter expressed their fears about a further institutionalisation of the EMU driving the Czech Republic farther away from the core of European integration, that is, those member states using the common currency.

In contrast to general expectations, representatives from the non-Eurozone Czech Republic considered it to be disadvantageous for individual member states and for





the EU as a whole in the long run to allow differentiation to become mainstream (EU IDEA data set 2021: 7ff.). They were concerned that this would lead to permanent divisions with significant consequences for the Czech Republic. Although the Czech Republic profits from differentiation by not yet being a member of the Eurozone, political representatives clearly oppose a “core Europe”, which could lead to second-class membership.

In sum, most respondents across EU members agreed on the current status quo of differentiation in the EMU while simultaneously calling for even less differentiation in this area.

The Schengen Area, including the migration and asylum policy represented the topic on which respondents' preferences – not only across the selected countries, but also within the same country – diverged the most. Whereas German and Italian representatives could imagine more differentiated forms of cooperation in this area in the future (see section 2), some political representatives in Finland considered differentiation as the less feasible solution to move forward on the path of integration (EU IDEA data set 2021: 25). Many French interviewees also saw a need for more harmonisation in Schengen rules and procedures across member states, in the hope that this would reduce the concentration of refugees in particular countries (EU IDEA data set 2021: 55).

With regard to external differentiation, overall less differentiation and hence closer cooperation between the EU and the respective country was the favoured preference across most interviewees in all the third countries included in the survey. Especially in Turkey, none of the respondents favoured the current status quo of the country's relations with the EU (EU IDEA data set 2021: 112). They overwhelmingly expressed support for Turkey's full EU membership, which would entail more integration and hence less differentiation in the long run. The option of Turkey becoming an EU member might however remain wishful thinking as it does not seem feasible either in the medium nor even in the long run. In general, opposition parties in Turkey unanimously agreed that EU-Turkey relations could not possibly improve under the current governing coalition and that deterioration would continue unless a change of government should take place in the near future. With regard to economic and trade cooperation, Turkey already enjoys various forms of cooperation with the EU, which are ultimately based on the EU-Turkey Customs Union agreement (e.g., Tekin 2021). Most political actors in Turkey would welcome a more advanced Customs Union as well as further cooperation with the EU with regard to visa agreement, foreign policy cooperation, as well as cooperation in technology and education. As for the EU-Turkey migration deal, this is not considered in essence a negative development in the relations. Some Turkish representatives argued that the migration deal represents a good example of how the EU and Turkey can work together in areas of common interest.

The UK was the most peculiar case. Overall and despite Brexit, respondents from the UK were in favour of a closer cooperation with the EU and hence of less differentiation compared to the status of current relations. At the time the interviews were conducted (end of 2020, beginning of 2021), the Trade and Cooperation Agreement (TCA) had



just been finalised. Against this background, most of the respondents from the UK regarded the trade and economic relationship with the EU as rather negative. This was due mainly to the fact that their country had consequently to face more barriers to trade with the EU than did Norway or Turkey, although the UK was much more economically integrated with the EU than either of those countries were. In specific realms such as economic, environmental (similar to respondents in Norway) and foreign cooperation, political elites in the UK were in favour of more cooperation with the EU and hence of less differentiation.

Recommendations

The six recommendations that are elaborated in the following aim at describing common paths to achieve more effective integration in the EU through differentiation as a conscious policy choice in specific policy areas.

Based on the aforementioned findings, we present three recommendations for EU members in view of internal differentiation, and three recommendation with regard to external differentiation – that is, the EU's external relations with third countries.

Overall, differentiated integration is considered a desirable and effective policy choice by political elites across the EU members included in the survey, as long as it does not affect or touch upon the core values of the EU, as for instance the four freedoms and related Single Market. As highlighted by most interviewees, the EU could be safeguarded along forms of multi-speed and according to some interviewees in France and Italy even along variable geometries, but the Union needs to stand on common ground. There cannot be flexibility on the EU's fundamental principles such as the rule of law and democracy (EU IDEA data set 2021: 76). Interviewees in EU member states regard forms of enhanced cooperation as a positive solution, whereas opt-outs have a clear negative connotation (e.g., EU IDEA data set 2021: 41). Hence, multi-speed is the predominant policy choice among all patterns of differentiated integration in the opinion of the selected EU political actors, with however some differences across policy areas and countries. The main concern for EU members' political representatives is that excessive differentiation could negatively affect the foundations of the EU project in the long run, including its values such as the rule of law. As long as patterns of differentiated integration do not entail risks to the overall EU integration, such as in the area of foreign, security and defence policy, they should be regarded as a tool for those members that would like to push EU integration forward, without having to wait for all members to be on board (e.g., report on France in the EU IDEA data set 2021).

Our first recommendation would be to favour a multi-speed and accordingly temporary process of differentiated integration over a permanent one, allowing member states to join at any time (cf. also Leuffen et al. 2020 on public opinion). Given that differentiation is supported in principle as long as it is temporary, we recommend exploiting the full spectrum of flexible forms of integration. This includes the extension of qualified majority voting (QMV) to additional policy areas,



as it represents an effective tool to avoid deadlocks in decision-making without differentiating between member states. QMV is theoretically a possible solution to bypass differentiation (see De Neve 2007). The QMV procedure can however itself bear the risk of triggering more differentiation either because member states would refuse to participate in policies where they risk being outvoted or they would refuse to implement the decision in cases where they have been outvoted. The two QMV decisions on the relocation of refugees of September 2015 are a prime example. At the same time, whether QMV would be the most effective solution to bypass deadlocks needs to be estimated depending on the policy area in question. Some of the political representatives that were interviewed would favour the abolition of the unanimity rule in the Council and introduce QMV instead, in order to avoid deadlocks (Czech Republic, France reports in the EU IDEA data set 2021). Moving away from unanimity towards QMV is therefore seen by some of the interviewees as a further important pre-condition for allowing for more political unity in the EU (EU IDEA data set 2021: 42).

Differentiation should not become a defining feature of European integration and should definitely not become a structural permanent element in key fields of European integration such as the Single Market (e.g., reports on Czech Republic and Germany in the EU IDEA data set 2021).

Our second recommendation is that Europhile political representatives at the national and EU level need to be careful to counteract trends among Eurosceptic national parties, which might tend to instrumentalise differentiated integration. If not prevented, Eurosceptic parties could make differentiation a tool to move further away from the EU favouring national backlashes, rather than using it as a flexible temporary solution to achieve more integration in the long run. For instance, the Lega Nord in Italy looks at differentiation mainly as a tool that could help implement regional autonomy (EU IDEA data set 2021: 78). Europhile political representatives need therefore to communicate clearly the ultimate objective of differentiated integration and the benefits of a more effective EU integration. The goal should be to inform public opinion and oppose Eurosceptic rhetoric while also pushing flexible forms of cooperation towards deeper and closer EU integration. A further risk that needs to be counteracted is that the issue is also seldomly discussed in public political debates (see report on Finland in the EU IDEA data set 2021, cf. Stahl 2021).

The third recommendation revolves around the area of foreign, security and defence policy. Given that this is a policy area that touches upon sensitive areas of national sovereignty and national security, flexibility needs to be preserved and differentiation welcomed across EU countries also in the long term. Institutionalised forms of differentiation such as PESCO in particular as well as further forms of differentiation among small country groups – e.g., initiatives promoted and led by one member state such as the European Intervention Initiative (EII) led by France, Germany's Framework Nation Concept and the Nordic Defence Cooperation (NORDEF) of five Nordic States (for further details see Siddi et al. 2021) – make it possible to improve common capabilities (e.g., EU IDEA data set 2021: 16; 54).



As highlighted by Grevi et al. (2020) and Siddi et al. (2021), flexibility and differentiation in this area are therefore of the essence to move forward. Based on these findings, informal forms of cooperation between different groups of countries should continue to be actively supported. However, this approach should be pursued only under the conditions that such forms of differentiation adhere to common European values and build on long-established common EU positions, while also guaranteeing the involvement of the EU High Representative.

With regard to non-EU members, each of the third countries participating in the survey has its own specificities, which did not permit the elaboration of general recommendations for this group of countries. There are however some commonalities between the countries under analysis. Turkey and Ukraine, for instance, are theoretically in favour of less differentiated integration and hence of a closer relationship through potential membership. This perspective is however at present not feasible for either of them, whether in the medium or the long term.

The first recommendation relates to EU-Turkey relations, where accession negotiations have reached a deadlock and an EU membership is more unlikely than ever. The EU could try to reconcile with the country by considering the advancement of cooperation with regard to the Customs Union as well as visa agreement and foreign policy. Regarding the latter, however, Turkish respondents look at NATO rather than the EU as the strongest partner on the global stage. Similar to what was suggested by Okyay et al. (2020), a potential increase in cooperation should nonetheless only be pursued upon the condition of compliance with human rights and especially with asylum standards, when it comes to the specific EU-Turkey cooperation in the realm of migration.

Whereas most political actors in Turkey do not regard the EU as a strong global player, the overwhelming response among the elites in Ukraine considers the EU a strong partner on the global stage. Nonetheless, the majority of the interviewees believed that relations between Ukraine and the EU are at this point asymmetric – similar to respondents in Norway. In the specific cases of Ukraine and Norway, our second recommendation is that the EU could consider engaging these countries in closer cooperation within specific policy areas such as security and environmental cooperation. The effectiveness of external differentiation could thus be increased by allowing some EU partners, such as the ones mentioned, to contribute to the shaping of European policies (see also Aydın-Düzgit et al. 2021).

Despite Brexit, the interviews revealed that political actors in the UK were overall in favour of more cooperation and specifically of a closer economic as well as security relationship, for instance in terms of intelligence sharing, with the EU. Respondents from the UK would hence also prefer less differentiation. Most respondents did not consider the TCA as a sustainable long-term basis for the economic relationship between the UK and the EU. Although in the medium term the negotiation of an ad hoc agreement between the EU and the UK remains the most likely scenario, according to our third recommendation the EU could eventually work towards an EU-UK relationship that follows the EEA model.





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EU Integration and Differentiation
for Effectiveness and Accountability

Differentiation has become the new normal in the European Union (EU) and one of the most crucial matters in defining its future. A certain degree of differentiation has always been part of the European integration project since its early days. The Eurozone and the Schengen area have further consolidated this trend into long-term projects of differentiated integration among EU Member States.

A number of unprecedented internal and external challenges to the EU, however, including the financial and economic crisis, the migration phenomenon, renewed geopolitical tensions and Brexit, have reinforced today the belief that **more flexibility is needed within the complex EU machinery**. A Permanent Structured Cooperation, for example, has been launched in the field of defence, enabling groups of willing and able Member States to join forces through new, flexible arrangements. Differentiation could offer a way forward also in many other key policy fields within the Union, where uniformity is undesirable or unattainable, as well as in the design of EU external action within an increasingly unstable global environment, offering manifold models of cooperation between the EU and candidate countries, potential accession countries and associated third countries.

EU IDEA's key goal is to address **whether, how much and what form of differentiation is not only compatible with, but is also conducive to a more effective, cohesive and democratic EU**. The basic claim of the project is that differentiation is not only necessary to address current challenges more effectively, by making the Union more resilient and responsive to citizens. Differentiation is also desirable as long as such flexibility is compatible with the core principles of the EU's constitutionalism and identity, sustainable in terms of governance, and acceptable to EU citizens, Member States and affected third partners.



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