

# THOSE WHO WANT MORE DO MORE

**Prof. Ingrid Shikova, PhD.**

*European Studies Department, Faculty of Philosophy,  
Sofia University „St. Kliment Ohridski“*

## ***Abstract:***

*Differentiated integration is one of the important topics in the debate of the future of the European Union. The key question we are asking is whether and how the implementation of differentiated integration can contribute to progress into cooperation and policy implementation in different spheres, avoiding bottlenecks and stagnation in the integration process, or the result would be a fragmented European Union with unpredictable development of the Member States relations. Based on the Goal Setting Theory, the article proposes to adjust the SMART approach to the „intelligent“ application of differentiated integration, ensuring its positive impact on the integration process.*

**Keywords:** European Union, differentiated integration, SMART approach, future of Europe

Differentiated integration is not a new phenomenon in European integration and enjoys great attention from both politicians and researchers. The proposed definitions and concepts are just as diverse as the forms that differentiated integration takes. Its importance for the development of European integration has been both overestimated and strongly criticized. This diversity in the analyses and assessments, also causes the ambiguous perception of differentiated integration - as an engine or as a brake on European integration in the future.

## **1. Differentiated integration – the two-faced Janus to help those who want more to do more**

The acceptance of **heterogeneity** as the main reason for the need to apply differentiated integration is plausible and justified. When we talk about heterogeneity, however, it should be clarified that its origin can be associated with

different preferences, interests and opportunities - economic, ideological, institutional, governmental, social attitudes. A thorough analysis on the differentiated integration (Advisory Council on International Affairs - the Netherlands, 2015) examines four situations which are the result of heterogeneity in its various manifestations and presuppose in practice the motives for the various forms of differentiated integration. Firstly, the social, economic and political starting points of the Member States are so different that it is not possible for them to follow the same 'path' (they want to but cannot); secondly, the majority of Member States want to deepen their cooperation, but a small number do not want to participate; thirdly, a small leading group of countries wants to go further into the integration, but the majority of countries do not want to; fourthly, crisis situations requiring intervention for which there is no consensus among all Member States. Each of these situations presupposes both the motives for differentiated integration and its forms - permanent or temporary exceptions, enhanced cooperation, intergovernmental cooperation.

As mentioned above, the economic interests of the Member States, the benefits and costs often take precedence over the application of differentiated integration. Here again we will return to heterogeneity in its various aspects, because a number of researchers have come to the conclusion that the more heterogeneous the European Union is, the more likely it is that groups of countries will create their own „clubs“ in order to achieve their own interests and group goals (Majone, 2012). In fact, differentiated integration is largely an inevitable consequence of heterogeneity in its various manifestations, the interests of individual groups of Member States, their preferences and benefits, and this presupposes its increasing application in the future. The more Member States the Union has, the less likely it is that they will all share the same goals and ambitions for the future of the European project.

To this generally accepted reason for applying differentiation, two more should be added. The first one is related to **public attitudes**, which are also quite diverse. Deepening integration, the transfer of sovereignty at the level of European institutions, the implementation of common policies in a number of areas are topics on which there are serious disagreements and conflicting views in society about the future of the integration project, and this leads to different reactions from the national governments. Perceptions of differentiated integration differ significantly: while in Germany or France it may have a positive connotation and be associated with the idea of creating a „pioneer's group“ designed to make faster progress in deepening integration, in Bulgaria and in some other Central and Eastern European countries, it is seen as a path to first- and second-class membership.

The second reason, which cannot be avoided but is rarely discussed, is the issue of **trust between Member States**. Trust is in fact a belief based on important concrete facts that other Member States are following the agreed rules. The creation of legislation within the EU goes through its implementation in the national systems of the Member States. It is obvious that even if there is

political will in the EU to adopt legislation, to implement integrational policies, its incorrect application by some Member States and the lack of trust in the bodies that implement it, may make it meaningless. In this sense, we should note the trust, or more precisely the lack of it, is also one of the factors for the application of differentiated integration in certain areas.

The existence of different options for differentiated integration raises the question of whether and to what extent Member States are willing and being able to participate in certain EU policy areas. Although at first glance the answer to this question may seem simple, the discussion it provokes is related to the political goal of differentiated integration. Here we can see its dual nature and its dual use. For some Member States, differentiated integration is means of deepening integration, while for others it proves to be a convenient tool for withdrawing from inconvenient integration policies.

## **2. Differentiated integration – how to achieve a positive balance?**

No matter how it is theorized, differentiated integration is one of the important topics in the discussion of the future of the European Union. In fact, the main question we should ask is whether and how the implementation of differentiated integration can contribute to progress into cooperation and policy implementation in various fields, preventing difficulties and stagnation in the integration process or the result would be a fragmented European Union with unpredictable development of relations between Member States in the future.

The analysis of the current practice of differentiated integration gives grounds to draw several conclusions about its future application and the consequences for the integration process. The future of the European Union cannot go without taking into account the peculiarities of modern development and political realities. That is why differentiated integration is inevitable and even to some extent already accepted by its opponents as the „necessary evil“. On the one hand, it is clear that even today the different speeds are reflected not only in the views of leaders, but also specifically in the fact that there is a **diversity of preferences** and a **diversity of capacity** to the participation of the different Member States. And the very fact that the Treaties provide for „enhanced cooperation“ of a number of countries willing to deepen and to develop integration in a given area, proves that different speeds are not only possible but also permissible, and in practice are already a reality. A pragmatic approach becomes imperative, especially when quick decisions need to be made in crisis situations.

Proof of this is that even the European Commission, which is called upon to safeguard Community interests, demonstrates a certain tolerance for differentiated integration. The proposed third option, „Those who want to do more, do more“ in the White Paper on the future of Europe in 2017, is entirely plausible and realistic. Tolerance, however, is within certain limits. For example, this scenario states that a group of countries could work in much closer cooperation,

in particular the field of taxation and social issues, which has to further strengthen the single market and its four freedoms. At the same time, it is emphasized that relations with third countries, including in the field of trade, must be managed at EU level on behalf of all Member States.

The conclusion is that the „two faces“ of differentiated integration should always be taken into account - on the one hand, it can in some cases contribute to moving forward and deepening integration in the long run, but on the other hand, it can also lead to disintegration in some policies, therefore non-participation in them should not be allowed. The two faces of differentiated integration require its careful, reasonable and intelligent implementation and, above all, ensuring the necessary balance in political, institutional and legal aspects - balance between unity and differentiation, between the institutions that implement differentiated integration and the need to preserve institutional unity in the EU, between the flexible forms and the homogeneity of European legislation.

### **2.1. Mandatory „foundation“ of principles, policies and legislation**

There are several issues that need to be approached carefully so that differentiated integration turns into „smart integration“ and has a positive effect on the development of the European project: preserving the fundamental values and principles of the EU and not violating the existing European legislation, the existence of a binding „foundation“ of policies and legislation to be applied by all Member States, transparency in the management of differentiated integration, the existence of solidarity and responsibility, ensuring „permeability“ for all who wish and are prepared to join.

First of all, it should be emphasized, that differentiated integration cannot and must not be applied in a way that undermines the fundamental values on which European integration is based, in accordance with Article 2 of the TEU. In other words, the request to „opt out“ of these values and principles cannot be granted. The same applies for the main objectives of the European Union, referred to in Art. 3 of the TEU. Second, it would be unacceptable for differentiation to become the predominant form of integration and to lead to the erosion of the existing European legislation. This means that there must be a mandatory „minimum“ of values, principles, objectives and legislation to be applied by all Member States without exception and which are not subject to differentiated integration in any form. The acceptance of the positive „face“ of differentiated integration as a tool for progress in certain areas must necessarily be linked with caution and prevention of the risk of undermining the „acquis communautaire“.

### **2.2. Institutional transparency**

Accepting the positive side of differentiated integration, we must not miss the problems it creates and the impact it has on the institutional architecture, the decision-making process and the management of European integration in

general. There are many questions here. The shift towards different circles of cooperation between groups of Member States undoubtedly leads to risks, especially for relations between participating and non-participating countries, to difficulties in coordination, to ambiguities and insufficient transparency, especially if differentiated integration is achieved through intergovernmental cooperation. The continued development of the integration process and its new constructions and projects through the intergovernmental method limits, even isolates, the Community institutions at the expenses of increasing the weight and influence of the large Member States. An important factor for mitigating possible negative consequences of differentiated integration is its implementation in the general institutional framework and with maximum transparency. But even under the Treaties, differentiated integration can have its adverse effects on clarity, transparency and legitimacy in decision-making. For example, is it appropriate for Members of the European Parliament to vote on policy issues in which their countries are not involved?

### **2.3. Appropriate wording**

It would be a very dangerous and undesirable to present the differentiated integration in the narrative of „first speed“ countries and „second speed“ countries or a pioneer group and a group of lagging behind, core and periphery. This narrative largely creates a sense of isolation and detachment. The feeling of „second class“ membership is already known, for example in relation to the transitional periods for the free movement of workers from the Member States that joined the EU in 2004-2007, or in the differences of the level of agricultural subsidies. Attitudes towards the perception of differentiated integration may be very different depending on the terms used: enhanced cooperation is perceived more positively than a two-speed Europe, structured cooperation is preferred to a Europe of concentric circles or a Europe with a core and periphery.

### **2.4. Solidarity and responsibility**

This is the place to pay attention to one element of the European integration, without which differentiation could lead into undesirable consequences and even become dangerous for the EU unity – this is solidarity. The risk of a short-sighted approach and of dividing the Member States on the selfish principle of „each for himself“ in differentiated integration is very real. At least, because the very concept of solidarity can be formulated and accepted in different ways (see in more detail Raspotnik, Jacob and Ventura, 2012). But here we will focus only on solidarity between Member States as a factor in the overall progress of the integration process. The form of solidarity between Member States is a component of the system of „package deals“ that links liberalization to redistribution. Perhaps the most eloquent is Jacques Delors' triptych, „competition that stimulates, cooperation that strengthens, and solidarity that unites.“ In fact, every major step in European integration involves a kind of solidarity agreement or, in Euro jargon, a „package deal“ – let us

recall, for example, the construction of the single market and the activation of the Structural funds, the building of Economic and Monetary Union and the creation of the Cohesion fund for the four less developed Member States. Whatever the project for the future of EU integration is, its key element must be solidarity to achieve cohesion between all Member States. The existence of huge socio-economic disparities between Member States and regions is not in the interests of either rich or poor countries. Without reducing these disparities, it would be difficult for the European Union to be stable and move forward to the path of integration, and differentiated integration will not save it.

In this „package deal“, however, solidarity must be combined with responsibility. The example of the euro crisis shows the extent to which the restoration of responsibility is essential for a long-term spirit of solidarity. The links between solidarity and responsibility are becoming fundamental. This combination can be called „active solidarity“ – it means making efforts and commitments by all the participants in this process. The centripetal and the centrifugal forces maintain a delicate balance between European solidarity and national selfishness. In the name of a common future, the „solidarity of enlightened selfishness“ must lead governments to identify national goals into a common and long-term integration strategy, and the European project must combine pragmatic differentiation with active solidarity. A European Union with an integrated core and a disintegrated periphery could not achieve the fundamental goal of the unity of the European continent.

### **2.5. The choice of national authorities and the correct dosing of differentiated integration**

In this context, differentiated integration places serious demands on national authorities. Membership in the European Union is becoming an increasingly complex task that requires increasing efforts. This is because, on the one hand, the quality of governance of individual Member States affects the achievement of common integrational goals, and on the other hand, European integration affects the quality of their own governance. Member States with low governance capacity could be slow and ineffective in implementing common policies (Tallberg 2002). This requires countries to make clear choices on national level, to analyse and identify areas in which differentiated integration can realistically be expected in the future. Differentiated integration is very likely to exist in areas such as energy, police cooperation, security and defence. The development of differentiated integration and the presence of Member States that do not want or due to inability, cannot join the majority of future projects, inevitably raise the question of their „full“ membership in the European Union or of finding another type of partnership.

In fact, the problem that the Member States have to solve is how to find the balance in which the European integration process develops in the „differentiated“ European Union. Differentiated integration is increasingly mentioned

as a panacea for all integration problems in the European Union. However, its careful application is the same as with drugs – if the dose is exceeded, the drug becomes a poison. The most important condition for the application of differentiated integration is its correct dosing – to be applied where it will really contribute to the progress of the integration process and in a way that will not lead to neglect of the EU values, principles and goals, to erosion of European legislation and, accordingly, of the whole European construction. The main requirement for differentiated integration in its specific dimensions is a clear political goal and a specific strategy for achieving the desired results. The differentiated integration project must be open and inclusive for all who would like to join it, following their own rhythm of preparation. This means ensuring a high level of „permeability“ – the possibility of later accession of Member States that meet the necessary criteria and the implementation of strategies to support the preparation of these countries.

It can be concluded that, being already a political reality, differentiated integration must be planned and implemented in the most intelligent ways in order to give positive results for the whole European Union and its citizens.

### **3. Management of differentiated integration through the SMART approach**

Differentiated integration is no longer an exception in the modern development of the European Union and it would be more productive to discuss its management, under what conditions to apply it, what means and methods would make it a tool for positive development of the integration process.

If we start from the statement that the goal justifies the means, then the application of differentiated integration in each specific case should have justified goals. Setting clear goals in the application of differentiated integration can be related to the goal setting theory applied in management. It is widely recognized as one of the most useful theories of motivation in industrial and organizational psychology, human resource management and organizational behaviour. Edwin Locke developed his theory of goal setting to explain human actions in specific work situations. The theory states that goals and intentions stimulate the human behaviour. In his article „Towards a Theory of Task Motivation and Incentives“ (Locke, 1968), he argued that properly set goals lead to better organizational effectiveness. Locke's research shows that clear, specific, albeit difficult goals lead to better performance than vague, albeit easy goals. For this statement to be valid, however, it is necessary for the goals to be accepted by those who will meet them and to be provided with constant feedback to eliminate possible weaknesses in achieving them. In 1990, Locke and Latham published the book „Theory of goal setting and task performance“, in which they further developed the original ideas.

Based on this theory, George Doran developed the basic principles of SMART goals. According to Doran, meaningful goals are the framework of the desired

results. When it comes to writing effective goals, corporate employees, managers and supervisors just need to think about the acronym SMART. Ideally, every corporate goal, department, and section should be SMART (Doran, 1981). This brings us to the SMART method for setting goals: SMART goals are usually understood to be specific, measurable, achievable, realistic and timely. But it should be emphasized that there are different interpretations of what the letters in SMART actually mean. For example, Robert Rubin (Rubin, 2002). puts behind the acronym SMART – Strategic, Measurable, Attainable, Results oriented, Time bound. Rubin's conclusion is that one of the important merits of the SMART method is that it focuses on goals and stimulates discussion about those goals. He also concludes that not all SMART goals are equal and of equal weight. The SMARTER concept builds on the original idea for SMART goals, „E“ and „R“, again using different features depending on the goals set.

The theory of management by objectives (Management By Objectives) developed by Peter Drucker is largely based on the theory of goal setting. An important principle in this theory is that setting challenging but achievable goals encourages motivation to achieve them. Peter Drucker developed five steps for the practical application of his theory (Drucker, 2007). The first and main step is to determine the strategic goals of the organization, which derives from its mission and vision. Without setting clear strategic goals, it would not be possible to move to the next steps. The second step is the acceptance of the goals by those who will fulfil them. In fact, using the SMART method, according to Dracar, the goals must be acceptable, that is, there must be agreement on them. They must be clearly identifiable at all levels and everyone must know what their responsibilities are. Communication has an important place in this second step. The third step is to stimulate participation in defining the specific goals of each member of the organization. This approach increases participation and commitment to achieving the goals. The fourth step is related to the creation of a system for monitoring progress, which will identify emerging deviations in achieving the goals. The fifth step is aimed at evaluating and upgrading achievements.

We will try to adapt the theories and the SMART method discussed above to the management of European Union and in particular of the differentiated integration. First of all, there should be clear and specific goals in achieving differentiated integration in a certain area. They must be motivating for achieving results. It is very important to communicate and win public opinion for their implementation. Here is what the SMART method applied to the goals of differentiated integration might look like:

SMART goals of differentiated integration:

- **Strategic** – Related to the overall policy objective of integration, suggests a careful analysis, to identify policies that would be more effective on European than on national level;
- **Manageable** – Selection of a model that provides appropriate management of the process of achieving goals;



- **Acceptable** – Gaining the support of citizens to achieve the goals;
- **Reasonable** – Proper dosing and application of differentiated integration, when it will really contribute to the progress of the integration process, carefully evaluating the potential negative effects, benefits and costs;
- **Transparent** – Ensure clarity, transparency and legitimacy in decision making

The application of management theories through goal setting and the SMART approach can help the „smart“ application of differentiated integration, ensuring its positive impact on the integration process. This would allow the introduction of new terminology, an updated concept and a new narrative. If it is really implemented in the appropriate way, in accordance with predetermined goals and requirements, if it contributes to the positive development of the integration project, if it overcomes obstacles and solves problems, if it achieves positive results, why not call it **smart integration**?

#### 4. Instead of a conclusion – four steps to smart integration

Firstly, the common political goal of the European Union should be clearly defined - if the goal of building an „ever closer Union“ is confirmed, as enshrined in Art. 1 para 2 of the Treaty on European Union, then „opting out“ of this goal and of the policies that lead to its implementation should not be allowed. In this respect, Brexit is a very telling example. The systematic non-participation in the main policies of the European Union has in practice led to the complete alienation of the United Kingdom from the integration project and its abandonment. Moreover, according to Art. 4 (3) of the EU Treaty „by virtue of loyal cooperation, the Union and the Member States shall, in full mutual respect, assist each other in carrying out the tasks arising from the Treaties.“

Secondly, on the basis of the general political objective of the European Union, it is necessary to define the specific policies and legislation which should apply to all Member States and for which it is not acceptable to opt out. The Member States which are not sufficiently prepared may apply only temporary differentiation with a joint support in overcoming the difficulties. This „foundation“ of policies and their corresponding legislation should not be allowed for non-participation by countries that can but do not want to participate. For example, Sweden does not have a non-participation clause in the euro area, as does Denmark, but refrains from joining the euro area. This requirement to participate in the EU's main policies leading to an ever- closer Union will, in fact, determine the future of the European Union.

Thirdly, the next step is to carefully identify the areas in which differentiation is permissible. Differentiated integration should be the „second best solution“ and be applied only when it will contribute to overcoming obstacles, will be beneficial to the whole integration project and will not lead to the progressive fragmentation of the European Union.

Fourthly, the transformation of differentiated integration into smart integration presupposes clearly defined goals and a careful study of the potential negative effects on countries that remain outside it. When pragmatism calls for its implementation, the ultimate goal of smart integration should be the inclusion of more and more countries and the full participation of all Member States. Achieving this ultimate goal depends both on its successful implementation and on ensuring „permeability“ on the part of those already involved. To this can be added the choice of an appropriate institutional model for its implementation, in order not to affect the general interest of the European Union, as well as ensuring transparency in decision-making. This type of integration should only be seen as a necessary step in order to make more effective decisions and speed up the integration project.

In recent decades, European integration has not only deepened and expanded significantly, but has also become increasingly differentiated. But whether we call it flexible, differentiated or smart integration, it must be applied cautiously, intelligently and purposefully - in order to see in the future European Union, the good face of the two-faced Janus.

#### **Bibliography:**

1. Advisory Council on International Affairs - the Netherlands, (2015), Differentiated Integration - Different routes to EU Cooperation, No. 98
2. Doran, G. T. (1981). „There's a S.M.A.R.T. Way to Write Management's Goals and Objectives“, Management Review, Vol. 70, Issue 11, pp. 35-36.
3. Drucker, P.(2007). Management challenges for the 21st century. Routledge.
4. Dyson,K and A.Sepos, (ed.) (2010), Which Europe? The Politics of Differentiated Integration,10.1057/ Palgrave Studies in European Union Politics
5. Holzinger,K. and Frank Schimmelfennig (2012), Differentiated Integration in the European Union: Many Concepts, Sparse Theory, Few Data, Journal of European Public Policy ; 19 2. - pp. 292-305
6. Koenig, N. (2015), A Differentiated View of Differentiated Integration, Policy Paper 140, Notre Europe, Jaques Delors Institute
7. Locke E.A. Toward a theory of task motivation and incentives. Organ. Behav. Hum. Perform. 3:157-89, 1968. (American Institutes for Research, Washington, DC
8. Locke, E. A. & Latham, G. P. (1990). A theory of goal setting and task performance. Upper Saddle River, NJ: Prentice-Hall.
9. Majone,G. (2012), Rethinking European integration after the debt crisis, London's Global University, The European Institute, Working Paper No. 3

10. Raspotnik, A., M.Jacob and L. Ventura, (2012), The Issue of Solidarity in the European Union, Discussion Paper, TEPSA conference
11. Rubin, R. Will the Real SMART Goals Please Stand Up? Saint Louis University, SLOP, <http://www.siop.org/tip/backissues/tipapr02/03rubin.aspx>
12. Schimmelfennig, F., D. Leuffen and B. Rittberger (2015), The European Union as a system of differentiated integration: interdependence, politicization and differentiation, *Journal of European Public Policy*, Vol. 22, No. 6, 764-782,
13. Stubb, A. (1996), A Categorization of Differentiated Integration, *Journal of Common Market Studies*, vol.34 N 2
14. Tallberg, J. (2002) Paths to Compliance: Enforcement, Management, and the European Union, in: *International Organization* 56/3, 609-643.
15. Wallace, H, „Differentiated Integration“, in Dinan, D. (ed.) (1998), *Encyclopedia of the European Union*. Boulder, CO.: Lynne Rienner Publishers