# Universitatea Babeș-Bolyai Facultatea de Studii Europene Școala Doctorală Paradigma Europeană

Systemic crisis in the European Union.

An historical prospective analysis

**Abstract of the PhD thesis** 

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**Key words:** Economic growth, Globalization, Crisis, Europenization, Legitimacy, European identity

#### **Abstract**

The European Union is one of the most ambitious projects from modern and contemporary history, through which succeded the establishment of a peace and stability climate in a turbulent postwar context. Europeans became aware of the nationalism danger and unuseful of violence and they draw up an an unimaginable system, the European system.

Radical changes on the stage of Western Europe, which later included other parts of the old continent, took place after the Second World War. The Second World War marked undoubtedly a turning point in Western European states system. Just a few years after the war the states were cooperating and in some aspects were integrating, in a manner that would have been unthinkable before. Fundamental to this transformation were several factors that emerged during the war in terms of opinions and in terms of needs perception. The results were eloquent: came into existence a series of treaties and a series of institutions that have changed the political, economical ans social climate, first in Western Europe, then, later in Central and Eastern Europe. The European Union has changed the networking, has redefined the balance of power in the world, shapping in this way a new economic power that will bring Europe the ideal of the founding fathers: a peaceful, united and prosperous Europe. The European Union is one of the largest economic powers, is one of the largest markets in the world which is expressed consistently through the actions and through its precursors that sustain a united, prosperous and developed Europe.

Nowadays the crisis enforces us to change the paradigms. An economy centered on values, primarily aimed at reducing social inequalities and welfare of all. Eurozone crisis soon became a crisis of the European Union revealing ancient disagreements, hard feelings and cultural differences, socio-economic and regional disparities. Eurozone crisis has shown that many European countries are facing fundamental problems and trends that are unsustainable in the long term. In addition, it made us to understand better the interdependence of EU economies and to reopen the "EU finality" case, its purpose and reason of being.

PhD thesis entitled "Systemic crisis in the European Union. An historical prospective analysis" aims to study and deepen the theoretical perspectives on the issue of crisis by articulating a conceptual and methodological framework for investigating the issues mentioned, by analyzing the European sphere in the particular context of the euro crisis and framing the

subject "euro crisis" in European space theme, respectively by highlighting the identity space and the Europeanization process. Also, the research includes the review of the public perception on euro zone crisis, of the "euro crisis" versus "crisis of legitimacy" of the EU topic. The project has a research design that includes both qualitative and quantitative methods, aiming to capture many aspects of how the crisis was approached by European makers.

This paper, following a constructivist approach, assumes that, European economic crisis is above all, a crisis of identity and values <sup>1</sup>. The crisis has forced the returning to the initial, Europe being submitted to examination of the validity of its institutions actions and legitimacy involved in decision-making. The obligation of political parties to contribute to a European identity that expresses the will of Union citizens is shattered by political indecision from European level and by the absence of a coordinated response to the crisis. These, along with issues such as constant constant distancing to the citizen, institutional confusion, democratic deficit, sovereign debt crisis, social difficulties, creating a highly centralized superstate tendency are just some of the issues that are currently guiding political and sociological studies of the euro crisis. The central idea of the paper is the current crisis, which is in reality a systemic crisis of the European Union. The systemic crisis of the European Union is the expression of a legitimacy crisis that under integrative pressure threatens the foundation of the European project. For Europe, the economic crisis does nothing but bringing to light real "European legitimacy crisis", which undermines the cornerstone of the European project – the confidence and well-being of the people's Europe through economic and social cohesion.

Faced with a eurosceptic speech, Europe is faced with the situation of reconsideration of priorities, of changing the paradigms and of making the leap from a monetary union to a cultural, political, social union. To analyze the extent to which this is possible, is necessary an insight into some keys, which are gravitating around Europe's identity, namely: europenisation, viability of European integration theories, European integration policy and the democratic deficit. There is a temptation of relating to the European Union as a political and sociological "brand", pretense for standpoints, theses and antitheses. Especially in the current turbulent context and of globalization, when European turmoil is a hot topic, visible both on the media and on the elite

<sup>&</sup>lt;sup>1</sup>Despre valori vezi: Nicolae Păun, "Europe's Crisis – A Crisis of Values?", in M. O'Neill, N. Păun (eds.) *Europe's Constitutional Crisis: International perspectives*, Ed. Efes, Cluj – Napoca, 2007, p. 91

agenda, temptation to blame the EU institutions, procedures and policies becomes unmanageable. Trying to get over this temptation we will analyze the political and sociological thinking of Europe's pictures. The perspective is three-dimensional: we will see an "integrating" Europe, a "disintegrating" Europe and a Europe "as it is", drawing clear boundaries between an impartial and a eurosceptic speech.

Factors such as technological, low transportation costs and liberalization of policies within the European Union and in other third countries have led to increased trade and movement of funds between countries. This aspect has important consequences for the functioning of the EU economy. Globalization, although a source of great benefits and opportunities, implies that Europe has to face strong competition, both from low-cost economies like those of China and India, as well as the innovative economies such as the United States. EU is connected to the global economic flows, which emphasized and created vulnerabilities, bringing many countries on the verge of collapse. But although opinions vary, to paraphrase Herman Van Rompuy<sup>2</sup>, former President of the European Council "we prevented, but we didn't fell" and to paraphrase Jose Manuel Barroso<sup>3</sup>, former President of European Commision "we must be vigilant. With a flower does not make a summer. Let's be realistic, not to overstate the positive results ...", we must say that we have reached a point where time disadvantage the European construction. The European Union is facing new challenges meant to reconfigure her existence and to redefine the place and his role in the new global context.

Our approach is among the dominant approaches characterizeing the crisis research from eurozone in terms of legitimacy of European project, being in the first parte a *topdown approch*, being focused on a theoretical approch; in this sense, particular attention is paid to the history of European integration, to the theories of integration, also expressing a socio- economic clarification of the global crisis. Our paper deals with historical images of Europe, Key documents of European unification (Treaties, the European Constitution) conferring in our view images of guidelines increasingly stronger towards the EU.

<sup>&</sup>lt;sup>2</sup> Discurs în cadrul forumului Economic de la Bruxelles 2010, *Lecțiile Crizei*, Bruxelles 25 mai 2010, (http://www.consilium.europa.eu/uedocs/cms\_data/docs/pressdata/RO/ec/119557.pdf, accesat în 11.12.2013)

<sup>&</sup>lt;sup>3</sup> Discurs în cadrul forumului Economic de la Bruxelles 2010, *Lecțiile Crizei*, Bruxelles 25 mai 2010, (http://www.consilium.europa.eu/uedocs/cms\_data/docs/pressdata/RO/ec/119557.pdf, accesat în 11.12.2013)

In the same time, our work will use the *bottom-up approach*, considering that should not be underestimate the power and the influence of the citizens, in the social, cultural or legal sides, in the identification not only with the European citizenship but also in the identification with EU. From this perspective bottom-up, *Eurobarometer*, in constant evolution during the last years of qualitative research focused on interviews and analytical techniques applied to democratic performance issues, Europeanization and European identity, proved to be very useful tools in the gain of a clearer view of the legitimacy crisis of the European project, based on the amount of cultural experiences, social, legal past, but also the subjective perception of the EU.

A brief analysis of the literature reveals the existence of several schools of thought among researchers concerned with the construction of Europe or among those addressing global history of the formation of a united Europe or Community. A first considered current "Europeanist" favors Europe's ideas and design the evolution of the european continent according to the according to the European civilization, heritage and common assets<sup>4</sup>.

Among the most famous authors in this approch we mention the federalist Denis de Rougemont with his famous opera "Vingt-huit siecle d'Europe", historians such as Jean Baptiste Duroselle. For the two authors, the process of European construction descends from the antiquity, considering that the European identity is multisecular and is based on a "Europeity" constructed outside of the idea "to make Europe" as the generatio of Jean Monnet<sup>5</sup> wanted.

This view is criticized and reassessed by construction contemporary economic historians advancing the concept of "European consciousness" based on identity built and lived of a "European civil society", which develops its own system of values<sup>6</sup>. The concept used is the "European". Among the authors of this current we quote Rene Girault, Hartmut Kaeble or Edgar Morin. They are interested in the common European construction in the twentieth century and put emphasis on the approach of "common Europe" as a site, which is in a permanent and conscious construction. From this point of view, the current is realistic, constructivist, which puts the approach on the endeavor and on willingness on the construction of a European order. Their attention is focused on joint projects, the establishment of the European Communities and

<sup>&</sup>lt;sup>4</sup> Gilbert Noel, *Penser et construire l'Europe (1919-1992)*, Ed. Atlande, Paris 2008, p.21

<sup>&</sup>lt;sup>5</sup> *Ibidem*, p.22

<sup>&</sup>lt;sup>6</sup> *Ibidem*, p.21

their purpose: peace, economic progress and building a civilization, conscience and common European identities<sup>7</sup>.

European historiography has seen other approaches such as those of Robert Frank, who positioned the history of European integration in the field of international relations, not only in the intra-European relations but also in Western Europe relations with the world. This stream includes historians such as George Henri Soutou, Pierre du Bois, Charles Zorgbibe, Andre Reszler and political scientists such as Victor -Yves Geba, Andre Liebich. They are placed in the debate on the European balance beyond the borders of the European Union getting closer to the intergovernmentalist current of the European construction. For these authors is very important the European identity in the context of transatlantic relations and the relations between the EEC and the Soviet Union or today's Russia<sup>8</sup>.

A current of lower importance is represented by Alan Milward classic and Andrew Moravscik. They emphasize the role of Member States in defense of national interests within the EU by intergovernmental negotiations (see the liberal intergovernmentalism approach). They find organizations and institutions are only tools used by states in their profit to preserve sovereignty<sup>9</sup>.

To this approch was added one regarding the history of bilateral relations, especially those Franco-German and Franco-English. Since the 80s we can speak of a network of European historians, the majority consulted by the European institutions and grouped around the "Journal of European integration History sau Revue d'histoire de l'integration europeanne" 10. In the editorial board of the journal we meet historians such as Wilfried Loth, known as the author of the idea of "third way" Marie –Therese Bitsch, Gerard Bossuat, best known for his work on "Les fondateurs de l'Europe", Michel Dumoulin, Alan S. Milward, Gilbert Trausch, Antonio Varsori. We recall in this context the italian historians Federico Chabod 11, with a paper on the European idea, where we find a presentation of the european historiography regarding the European idea,

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<sup>&</sup>lt;sup>7</sup> *Ibidem*, p.21

<sup>&</sup>lt;sup>8</sup> *Ibidem*, p.23

<sup>&</sup>lt;sup>9</sup> A se vedea Adrian L. Ivan, *Perspective teoretice ale construcției europene*, Ed. Eikon, Cluj-Napoca, 2003, pp. 27-35

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&</sup>lt;sup>10</sup> Dominique Barjot, *Penser et construire l'Europe (1919-1992*), editions Sedes, Paris, 2007, p. 3

<sup>&</sup>lt;sup>11</sup> Federico Chabod, *Storia dell'idea d'Europa*, a cura di Ernesto Sestan e Armando Saitta, Roma, editori Laterza, 2005, pp.13-22

Giuseppe Mammarella and Paolo Cacace<sup>12</sup> with an impressive work on the idea and the history of European construction or Gian Piero Orsello with his work on "*L'Unione Europea*" Can not be forgotten either that historians that have dealt with the Altierro Spinelli's biography as Edmondo Paolini<sup>14</sup> and Piero S. Graglia<sup>15</sup>.

We share more widespread thesis that elements such as sharing a common culture, social values (progress and welfare), political (democracy and freedom) or legal (respect for human rights) systems are uniteing the Europeans, being key elements in the construction of European identity and in the overcoming the legitimacy crisis of the European Union.

The paper is structured in five chapters, which combines theoretical approach, focused on exploring the main concepts and theories underpinning research questions, with a practical perspective penciled by three research methods: *comparative-historical research* - used to analyze the evolution of European integration and systemic crisis, *the analysis of existing statistics* - used to argue the eurozone crisis, and *content analysis* – used to capture the way in which the legitimacy crisis of the EU is visible.

The first chapter, "European Economy Appearance", is an insight into the main events that took place that marked the European integration process and evolution: from a Europe of the 6 in 1951 into a Europe of 28 in 2014. The approach is longitudinal, being used the comparative-historical methodology. In this chapter are analyzed official documents that formed the basis of European integration.

In its own vision of authors who had the opportunity to be observers of how European integration process is carried out, we can say that the maturation of European economies is a true indicator of switching from the paradigm paradigm of identifing the problems to the paradigm of finding solutions. As the European Union competences and powers expanded, has increased also the interest of citizens for EU issues and for integration process.

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<sup>&</sup>lt;sup>12</sup> Giuseppe Mammarella, Paolo Cacace, *Storia et politica dell'Unione Europea (1926-2005)*, terza edizione, Roma, Editori Laterza, 2008

<sup>&</sup>lt;sup>13</sup> Gian Piero Orsello, *L'Unione europea*, Edizione agiornata al primo settembre 2003 con il testo del Trattato pe la Constituzione dell'Unione approvato dalla Convenzione Europea, Newton & Compton editori, Roma, 2003

<sup>&</sup>lt;sup>14</sup> Edmondo Paolini, Altiero Spinelli. Appunti per una biografia, Ed. Il Mulino, Bologna, 1988

<sup>&</sup>lt;sup>15</sup> Piero S. Graglia, *Altiero Spinelli*, Ed. Il Mulino, Bologna, 2008

The second chapter, "European Integration Theories" is meant to clarify the theories that are underlining the debate on the European integration process. Are analyzed several aspects of integration theories. The European Union appears as a hybrid entity: an integration process more complex and controversial now, than at the beginning, or than in the final form which must reach. Integrationist paradigm is related to the different theories that exist towards European integration: federalism, functionalism, neo-functionalism, intergovernmentalism, multilateral cooperation and the partially mixture of some of them. The integration science includes many descriptive studies and eclectic vision of this phenomenon. The difficulty to strictly fit the European project in one of these theories is given by the uncompleting character of the integration process.

In the third chapter, "Economic growth - from concept, evolution, and theorization to globalization" is made a survey of the major theories on economic growth. Economic growth accompanied by a high degree of convergence is one of the main challenges of the modern world architecture.

In the fourth chapter, "American crisis and the global economic contagion" is made a socio-economic analysis of the global economic crisis. The causes of the crisis is a subject that arouses the imagination and power analysis of the various actors - from heads of state to corporate leaders, teachers and researchers members of the clergy. The question raised by the crisis analysts was related to its degree of predictability. There is ample evidence that the current level of understanding of the term "crisis" is a simplistic and incomplete 16, characterized as a major event, *unpredictable*, which may lead to negative effects 17, threatening the priority objectives of the organization and providing only a limited range response, is *unexpected* and *unanticipated* 18.

Given the econometric models used by the great minds of the world's major economic organizations such as the World Bank, International Monetary Fund, European Investment Bank, we wonder how it was possible to unpredict the economic approaching avalanche? Joseph E.

<sup>&</sup>lt;sup>16</sup> John J. Burnett, "A Strategic Approch to Managing Crises", in *Public Relations Review*, vol. 24, no. 4, 1998, pp. 476-484

<sup>&</sup>lt;sup>17</sup> Laurance Barton, *Crisis in organisation: Managing and Communicating in the Heat of Chaos*, Ed. South Western Publ., Cincinatti, 1993, p.2

<sup>&</sup>lt;sup>18</sup> Charles F. Hermann, "Some Consequences of Crisis which Limit the Viability of Organizations", in *Administrative Science Quarterly*, vol. 8, 1963, pp.61-82

Stiglitz, Nobel Prize winner for Economics, said "The only surprise is that the economic crisis of 2008 was a surprise to so many<sup>19</sup>". Paul Krugman, Nobel laureate for economics, said that we are about to be witness of the failure of one of the greatest experiments in history: the euro currency. The effects of the collapse of the single currency will be huge on socially, politically and economically sides.

Anatomy crisis is analyzed by specialists who highlighting some of its weak points. The crisis has revealed the weak points of the social and economic model developed in the West. The minimal stat, the blind trust in the ability of self-regulation of the market, the reduction of public space in favor of the private sector affected the mechanisms that were ensuring a genuine economic democracy. After the Great Depression of the 30s it followed three decades of increased compression, which gave to the American democracy its social basis. In that period, Roosevelt's New Deal Plan removed from poverty millions of americans. In this period was formed the american middle class and the economic consequences of this development were huge. Then, in the 70s-80s social model has undergone a change that resulted in increasing inequalities. It came to the point that in 2006, before the acute economic crisis, America was as inegalitarian as in 1928, before the Great Depression.

The first weak point lies in the problems created by the financial incentives offered by major corporations. We refer here to the financial incentive schemes for managers who have led corporate leaders to embellish the financial performance of companies, so that the market value of corporations to grow.

The second weak point is the banking sector in America. One problem has been the rehabilitation of Glass - Steagall Act, law that was promulgated in 1933, which erases the borders between investment banks and commercial banks. Revalidation of this act pushed commercial banks to adopt the speculative culture of investment banks. The fact that the Federal Reserve, led by Alan Greenspan, allowed banks to grow and to become interdependent, led to the slogan "to big to fail". The origins of the current recession should be searched in the years of the monetary expansion promoted by Federal Reserve - Central Bank of America. From 2001 until

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<sup>&</sup>lt;sup>19</sup> Joseph E. Stiglitz, *Frefall.America, Free Markets, and the Sinking of the World Economy*, Ed. Norton Publishing, New York, 2010

2008, the Federal Reserve has fueled the financial markets with money, money that has lapsed into cheap credit and in economic development with insufficient caution investment<sup>20</sup>.

We can conclude that the beginnings of the crisis are difficult to identify and we can not draw a clear temporary limit. But globalization has proven to be an extremely complex phenomenon in its evolution, sometimes as unpredictable as that difficult to coordinate and in the same time almost impossible to be thinked in all its dimensions. The economic and financial contagion has spread in a very short time, making victims all over the world and producing the turnover of the global financial mechanisms.

The fifth chapter, "European or Euro crisis legitimacy crisis?" is dedicated to the economic crisis in the eurozone. Although the financial crisis began in America, European banks had suffered on shortly substantial losses. In the attempt to identify the sources of problems facing the today's European Union, analysts have made several explanatory cores: one centered on the single European currency, other centered on regional disparities and a third core designed to shoot a warning on the EU legitimacy issues. The three explanatory cores have emerged over time, as events surrounding the crisis revealed that the EU crisis is not just an economic and financial crisis, but also a mental and ideological crisis.

The first core explanatory is claimed by the authors that explores the causal relationship between the adoption of the euro and economic crisis. Analyzes and opinions are nuanced and sometimes divergent. Despite major trend of euro adoption explanatory approach seen as problematic due to the lack of appropriate regulations and specific institutions are also authors confirming the euro as an instrument of economic integration "euro stands as an instrument of full economic integration of Community space and also of the political acceleratoration. The importance of the euro is also relevant to other global regions; euro received an international position next to the dollar<sup>21</sup> ". Specialists are moving towards a scenario in which globalization stops the taking of unilateral measures and the different interests condemns us to a paralysis of the economic system. The old system of rules and safeguards collapses; no one glimpses a new

<sup>20</sup> V. A. Troancă, "Globalizarea –factor determinant în propagarea crizei economice", în *Analele Universității Constantin Brâncuși*, Târgu- Jiu, seria Litere și Științe Sociale, nr. 3, 2012, pp. 1-8

<sup>&</sup>lt;sup>21</sup> Dragoș Păun, *Strategii și politici privind adoptarea monedei unice europene în România*, Ed. Efes, Cluj Napoca, 2011, p. 228

system and is not trying to building, because all elements are associated with the crisis and with the risk of worsening the situation of the financial system and of the real economy status.

The second core is centered on poor socio-economic convergence within the EU and outside the eurozone, authors as C. Hadjimichalis and B. Eichengreen examines *regional disparities*, noting some essential aspects. The intensification of globalization brings into focus the regions role in the economic development, which are considered active elements and causal factors of economic development. These are considered the places where are concentrated the most advanced forms of economic development and innovation.

According to Hadjimichalis<sup>22</sup>, the main problem in forming the eurozone is ignoring the criteria related to the national convergence. Eichengreen<sup>23</sup> focuses on the need to reform institutions from the eurozone in order to prevent crises. Alina Bârgăoanu<sup>24</sup> discusses about the weakening of the conditions set by the Maastricht Treaty, done in order to "force" the integration of states from the periphery of the eurozone - Greece, Portugal, Ireland. Striking gaps in the EU "can not be seen only in emerging economies such as China, India, Russia and Brazil, where to store the ratio 1: 8 between the richest and poorest regions "<sup>25</sup>, USA and Japan are characterized through a more uniform distribution of welfare, the state had the only two times richer than the poorest. Euro offers considerable economic and political benefits for german capital and, to a lesser extent to french, belgian, luxembourg, netherlands, nordic and austrian capital<sup>26</sup>. In simple terms, exports of the center to the periphery increased, while the periphery was characterized by an oversize of the domestic demand. These trends have given rise to a major economic gap between the elites and the eurozone periphery states.

The third core analysis is centered on the *legitimacy* of the European project. Twenty years ago, with the first elections to the European Parliament, the democratic legitimacy of the Community, which until then had belonged only to the Council, was considerably strengthened.

<sup>&</sup>lt;sup>22</sup> Costis Hadjimichalis, "Uneven geographical development and socio-spatial justice and solidarity: European regions after the 2009 financial crisis", in *European Urban and Regional Studies*, vol. 18, no. 3, 2011, pp. 254 – 274

<sup>&</sup>lt;sup>23</sup> Barry Eichengreen, "The Euro's Never-Ending Crisis", in *Current History*, vol. 110, no. 734, march, 2011, p. 91 <sup>24</sup> Alina Bârgăoanu, "Examenul Schengen. În căutarea sferei publice europene", in Romanian Journal of European Affairs, vol. 12, no. 1, march, 2012, pp. 252-280

<sup>&</sup>lt;sup>25</sup> European Union, *Investing in Europe's Future. Fifth Report on Economic, Social, and Territorial Cohesion.* Communication from the Commission, Brussels, 2010

<sup>&</sup>lt;sup>26</sup> Costis Hadjimichalis, *op. cit.*, p. 263

In the last ten years to it passed to the building of a political union and was established the cooperation in the field of social policy, employment, asylum, immigration, police, justice, foreign policy and common security and defense policy. After fifty years, the Union is at a crossroads, at a time when it is necessary to redefine its existence. The Union that was willing to open her doors to more than ten countries, mainly Central and Eastern Europe, closing one of the darkest chapters in European history: Second World War and the artificial division which followed now must reconsider its approach compared to fifty years ago, when six countries first took the lead<sup>27</sup>. Moreover regional and economic disparities between Member States became very evident during the crisis.

To investigate the relationship between the crisis and the legitimacy crisis of the EU as a research methodology we used quantitative analysis. The statistics researched were the Standard Eurobarometer conducting during 2007 - 2013: EB 68 (spring 2007), EB 70 (Autumn 2008), EB 72 (Autumn 2009), EB 74 (Fall 2010), EB 76 (Autumn 2011), EB 78 (fall 2012), EB 80 (Autumn 2013)<sup>28</sup>.

Questions that will guide the *conceptual* analysis are:

*IC 1: How visible is crisis subject in the literature?* 

IC 2: How is classified in the literature the crisis subject vs legitimacy crisis of the EU?

IC 3: What are the most commonly used concepts in relation to crisis?

Questions that will guide the analysis in terms of *visibility of the crisis* are:

IC 1: How visible is the subject among international economic forums, International Monetary Fund, the World Bank and the European Union?

EU legitimacy derives from the democratic values, from the aims it pursues and the instruments and competences it possess. However, the legitimacy of the European project derives from the existence of democratic, transparent and efficient institutions. In this context the

<sup>&</sup>lt;sup>27</sup> "Viitorul Uniunii Europene", în *Info Europa* (<a href="http://ec.europa.eu/romania/documents/eu romania/tema 7.pdf">http://ec.europa.eu/romania/documents/eu romania/tema 7.pdf</a>, accesat în 10.04.2014)

<sup>&</sup>lt;sup>28</sup> Uniunea Europeană, *Eurobarometrele Standard*, (<a href="http://ec.europa.eu/public opinion/index en.htm">http://ec.europa.eu/public opinion/index en.htm</a>, accesat în 20.03.2014)

questions raised and that are guiding the research uses concepts such as the EU's democratic performance; transparency of EU institutions; identification with the EU.

The research questions formulated to assess the extent to which the EU is currently facing a crisis of legitimacy can get an answer. The answer to the question of legitimacy is to create a European Political Constitution, where Europeans to transfer the competence of policy making, to European institutions, that will act as agents on their behalf with the scope of maximize their welfare. Constitutional Treaty tried to bring Europe closer to its citizens, but failed because it was halfway between empower the European Parliament but also to preserve and strengthen the power of the European Council. The confidence of European citizens in the EU institutions has declined steadily in the last 5 years<sup>29</sup>. Between 2007 and 2013, the confidence in the Commission fell from 52% to 36%, the confidence in Parliament from 56% to 40% and in the Council from 47% to 40%.

The last chapter is dedicated to the conclusions of the paper, a pragmatic approach unifying the analytical approaches specific to each chapter. Until now, EU integration policy was developed predominantly on reactive terms: every time when EU was faceing a veto, the European Commission reactivate the transparency and initiated the actions of reassessment of the role of citizens in decision making of the Union landscape. This legacy of a reactive mind, which needes a clear incentive to evolve, placed the European integration in a cone of disbelief: *How could benefit from credibility an economic policy, that does not combine only in troubled times*?

If until the eve of the crisis, integration was seen as a factor of European public sphere rescue, which does not want to place Europe in a disintegrator place on its agenda, at the present time we are faceing with the opposite trend. The research of the two status quo integration vs disintegration revealed a growing concern for the European crisis issue.

The effects of the crisis have demonstrated the need for a coordinated EU intervention, which could be a prelude to changes in the institutional architecture of the Union. Although solidarity between EU countries seemed weak in some cases, at least for now there is an understanding that governments to not take actions that would affect neighbors. After the efectes of the global financial crisis, it became evident that is needed a more stable EU presidency with a

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<sup>&</sup>lt;sup>29</sup> European Parliament Eurobarometer, Two years to go to the 2014 European elections, EB/EP 77.4, 2012

long-term governance. So far, the conclusion that persists is that European leaders were able to learn quite quickly lesson benefits of a joint economic cooperation. We hope that it results in a strengthening of European economic governance institutions.

Integrationist approach is essential in the final configuration of the EU response to the economic crisis. Identity crisis requires a response filed in a logical identity. We estimate that the current EU efforts to formulate exclusively institutional responses to revive the European space will be insufficient. Paradoxically, this is a good thing, because it means that the European Union has linked his name expectations crossing formal, institutional and procedural sphere. By the use of the integrationist approach largely depends on our ability to learn from past mistakes and failures and to draw perspectives of the European Union.

The transdisciplinary approach of the EU legitimacy crisis, we dare to hope that the work in question will contribute to a more nuanced understanding of democratic performance, transparency of EU institutions and of identification with EU, on the one hand, but also to a concret, systematic playlist of the contemporary processes of the economic and monetary union forming.

We believe that our work makes a significant contribution to the literature on the crisis by proposing a number of suggestions that are highlighting the practical relevance of our scientific approach:

- ❖ First, based on the assumption that different types of crises are affecting the European integration process in various ways, our approach pays attention to the distinction between the various dimensions of the European crisis;
- ❖ Second, the main thesis of the paper argues that the current crisis is the expression of a crisis of legitimacy, that grinding the Union many decades and, under integrative pressure, it threatens the ideological fundamental of the European project.
- ❖ Thirdly, we bring to your attention the recent Eurobarometer that provides evidence of an alarming reality; the Europeans do not trust any more the EU capacity to cope with economic challenges and institutions. In this sense an integrative and disintegrative perspective on the eurozone crisis seems to be a step towards remedying the central problem identity crisis rooted in a lack of integration.