



Sovereignty in the Era of Globalism: EU Energy Regulation in the Shadow of Sovereignty?

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Abstract. In our globalized world, the phenomenon of Babylonian confusion can be observed in relation to the concept of sovereignty, and the boundaries of national, European, and international law are becoming increasingly blurred. In the following, I will seek an answer to the question how the notion of sovereignty is being redefined, and the scope of its interpretation expanded in our globalized and Europeanized surroundings. In this context, I will present firstly some major international and Hungarian approaches to the definition of sovereignty in modern times. Secondly, I will examine how the sovereignty of the Member States has developed in the European Union, highlighting to what extent we can talk about a sovereign energy policy of the Member States in the light of shared competences adopted in the field of energy policy. Thirdly, I will scrutinize how EU energy policy can change in the near future and what kind of a role Member States can play in this process. As there is still no universally accepted definition of sovereignty, the role of science is essential in the conceptualization of the term. The Treaty of Lisbon has brought a supranational turn also in the field of energy, but Member States still have a relatively wide leeway to create their own regulatory framework that takes into account their national and regional characteristics. Environmental considerations in recent years have led to the initiation of a single energy market and the creation of the European energy union that is expected to become more intense in the near future. Therefore, it is crucial for Member States, both at a national and a regional level, to be actively involved in the establishment and formulation of community law in order to be able to represent their interests effectively.

Keywords: sovereignty, globalism, energy policy, European energy union, shared competence

1. Introduction

The concept of sovereignty has been a key concern for political and legal scientists since the age of absolutism, but its essential content is constantly changing. In addition to the various perceptions of different dogmatic schools, the political conditions of the given period also greatly influence the ideas of sovereignty. In today's globalized world, the phenomenon of Babylonian confusion can be observed regarding the concept of sovereignty. With regard to the sometimes contradictory ideas, perhaps the only thing in common is the recognition that the previously classical notion of sovereignty can no longer be maintained in today's modern context, and its content is also changing. Theories of sovereignty can be fitted together in a manner similar to mosaic pieces, and the image thus assembled always reflects the individual and unique point of view of the creator in the form of an image of sovereignty.

This paper aims to reflect on the modern concept of sovereignty and attempts to briefly summarize a few key Hungarian and international theories by flashing the mosaic pieces of the concept of sovereignty related to our globalized world. Due to space limitations, the paper does not attempt to process the classical doctrines of sovereignty and their changes until the middle of the 20th century. The framework of the paper is provided by the supranational, globalized world enmeshed by international organizations, in connection with which I am looking for possible answers as to the nature of the concept of sovereignty. I am examining all this in the context of the relations between the European Union's energy policy and the room for manoeuvre given to Member States. Basically, I am looking for an answer to the questions as to how the sovereignty of the Member States vis-à-vis the European Union may change as a result of broadening or reinterpreting the conceptual framework of sovereignty and EU energy policy, to what extent we can talk about a sovereign energy policy of the Member States in view of the shared competences adopted in the field of energy policy, what direction the energy policy of the European Union may take in the near future, and what role the individual Member States will play in this process.

2. Sovereignty in the Age of Globalization

Despite numerous theories created regarding the conceptual phenomenon of sovereignty in the course of the centuries, there is still no universally accepted, uniform definition to it. Nagy sees it as a definition quagmire,¹ and Takács considers even the etymological background of the word to be cavalcade-like²

1 Nagy 1996. 228.

2 Takács 2011. 144.

and refers to the concept of sovereignty with the metaphor of chimera,³ claiming that ‘mentioning sovereignty in respect of the states [...] signifies something extraordinary’, just like the appearance of a lion, goat, or serpent-headed monster was seen to prognosticate a storm, shipwreck, or volcanic eruption by the ancient Greeks.

Instead of describing the content of sovereignty, Szalai considers it desirable to define the term itself. He argues that Bodin and Hobbs prompted a wave of misconceptions by wanting to grasp sovereignty through its content. According to Szalai, this is a mistaken approach because the content of sovereignty is constantly changing; so, if we want to grasp sovereignty through its content, we can easily destabilize the use of the word itself.⁴

It is advisable to approach the issue of sovereignty in an *interdisciplinary* way because, among other reasons, each branch of the social sciences deals with the issue of its interpretation from its own point of view. Bayer also shares the thoughts of Jackson, one of the most recognized experts on the subject,⁵ when he writes that ‘sovereign statehood is a multifaceted and far-reaching idea that calls for interdisciplinary research’.⁶ In his *reflexive theory of state*, Cs. Kiss explains the need to bring the sciences that examine state research from different aspects under one umbrella, thus creating a common domain of interpretation for sciences operating with the phenomenon of the state, such as law, administration, military science, law enforcement, political science, sociology, economics, philosophy, and theology.⁷ Each of these well-distinguished, independent disciplines examines the state, and consequently sovereignty, by taking the specific approach characteristics to it, and the reflexive state theory approach⁸ helps to unite and harmonize different views and perspectives on sovereignty.

The interdisciplinary nature of sovereignty in the 21st century is well indicated by the fact that the concept initially analysed and used by the political and legal sciences is increasingly demanding a place for itself in economics as well.⁹ With regard to the concept, Bod argues that the development of economic processes and the economic openness characteristic of the countries make the application of the

3 Takács 2015. 10.

4 Szalai 2015. 125–126.

5 Jackson 2007.

6 Translation by the author. Bayer 2015. 15.

7 Cs. Kiss 2017. 4–47.

8 Proficiency in energy law and energy regulation similarly presupposes the knowledge of various disciplines. The operation of the energy industry cannot be understood without a minimum level of knowledge of economics, technology, geography, and politics. An approach similar to the reflexive state theory may also contribute to the progressive and dynamic development of energy law, and such a complex approach could also be used to establish energy law as a discipline independent from environmental and climate law.

9 Bod 2016.

concept of sovereignty to economic life utterly uninterpretable.¹⁰ Trivial though it may sound, it is undeniable that today's economic processes are characterized by a system of interdependence, and *interconnectivity* appears at the level of both microeconomic units and states. This kind of *interdependence* in and of itself questions the economic independence of states, and ultimately their external sovereignty as well. The room for manoeuvre in the field of economy and politics determines the extent to which a given state can assert its economic and political interests over others. The government's freedom of choice, and ultimately its internal sovereignty, is greatly influenced by its financial circumstances as well as other economic and technological factors. Furthermore, logical correlations cannot be ignored either since 'economic processes follow certain internal regularities and decision makers can only disregard their existence to their own detriment'.¹¹

The trilemma of sovereignty was formulated by Rodrik, and, according to his theory, democracy, national sovereignty, and economic globalization cannot be strived for simultaneously. If we insist on democracy and want to expand it, we must choose between the nation-state and close economic integration. If we choose the nation-state and self-determination, we must choose between deepening the democracy and expanding globalization. Our problems stem from our reluctance to face these inevitable choices.¹² As for economic sovereignty, it can also be established that 'in times of crisis, the nation-state (or the political forces acting on its behalf) activates itself, and may even resume certain powers temporarily'.¹³ At times like this, a rearrangement of international norms can be observed, but this does not mean the return to the status quo ante which existed before globalization.

In addition to the interconnectedness of economic processes, the various large multinational corporations, global regulatory agencies, and international NGOs also act against sovereignty. Bayer highlights the phenomenon of *deterritorialization*, taking place as a result of the fact that in today's accelerated world 'citizens may develop a multidirectional attachment, loosening their exclusive loyalty to their own state and shaking even their identity they have thought to be firm. Their loyalty is now shared among other institutions, non-territory-based sovereignty regimes with a highly relative territorial affiliation'.¹⁴

In the modern world, the sovereignty of nation-states is being constrained by an increasing number of transnational institutions, the most striking example of which is the European Union for us, but we could also mention other *intermundums*, such as various free-trade zones, offshore islands, diversified economic zones, currency unions, and, last but not least, financial networks.

10 Bod 2015. 30.

11 Translation by the author. Bod 2015. 36.

12 Rodrik 2014. 18.

13 Translation by the author. Bod 2015. 42.

14 Translation by the author. Bayer 2015. 20.

In my view, however, it is not right to view these institutions solely as entities undermining sovereignty. It should not be forgotten that their establishment was generated by the sovereign states themselves, primarily in order to ensure through them the economic development expected by their citizens. However, in order for this to be realized in its fullest possible form in the future, it is indeed necessary to have nation-states whose active actions are essential in shaping the global economic world order and in reconstructing the conceptual system of sovereignty. Rabkin directly believes that the sovereignty of the states themselves constitutes the basis for global international cooperation as they have both democratic legitimacy and the power of enforcement. According to his theory, international cooperation is legitimate, but it presupposes a precise and limited transfer of power to an international body and that the states ultimately retain control.¹⁵

According to Molnár, the block-like sovereignty in the classic sense is basically challenged by three novel developments nowadays: *globalization*, *detrterritorialization*, and the *internationalization*, or *denationalization* of the law. Although the author examines each process primarily through the mirror of international law, his conclusions also hold true in the system of relations of the European Union. In the context of globalization, he states that: 'In today's interdependent world, the boundaries of national legal systems cannot be clearly determined as internal legal systems are no longer independent from the influences affecting them, whether of a(n international) legal or other origin.'¹⁶ In his view, detrterritorialization relativizes territorial sovereignty, and the European Union is an excellent example of this as it 'ultimately does not really take into account the demand of the states for sovereignty'.¹⁷ Moreover, the denationalization of law can be seen in the fact that international law seeks to govern more and more issues that used to be classified as the internal affairs of the states, thus rendering legislation more and more uniform. In the light of the phenomena of detrterritorialization and denationalization, I will examine below how the European Union has gained strength against sovereign Member States and how this has affected the outlines of energy policy.

3. Road to the European Energy Union

Although energy has always played a central role in the Member States of the European Union, it was only after decades that initiatives were taken to develop a coherent energy policy. The diverse role and importance of energy and the sources of energy are well illustrated by the fact that the European Coal and Steel

15 Rabkin 2004. 187.

16 Translation by the author. Molnár 2015. 147–149.

17 Translation by the author. Molnár 2015. 151.

Community was set up in 1952 as one of the first supranational organizations to oversee the popular raw materials of the era. The European Atomic Energy Community, which is considered to be the other basic treaty of the European Community, established a kind of regulatory framework around nuclear energy, deemed to have a significant impact on national security and the environment. International organizations set up to act as the guardians of peace have paved the way for EU energy policy through the harmonization of legal norms and the common regulation of energy law.

The room for manoeuvre of the Member States was already reduced by the liberalization of the energy markets, and the EU energy policy actually embarked on a path to independent political unity already at the time, as evidenced by the conclusion of a number of international energy treaties and the creation of strategic partnerships.¹⁸ Compared to other industries, the energy sector began to open its doors to free competition in the EU only gradually, and somewhat belatedly, which was ultimately motivated by the security of supply and the reduction of costs. The liberalization of the energy markets began in the mid-1990s, and several attempts were made to unify the support system for renewable energy.¹⁹ The European Commission did not formulate the objectives of the Community's energy policy until 1997, which included, in addition to integrating the Member States' energy markets and ensuring free competition, the creation of sustainable development and the promotion of research and development.

In order to achieve these goals and as a result of global trends affecting Europe, the legal harmonization of the EU energy market, the aspirations related to climate change, the promotion of renewable energy sources, and the implementation of carbon neutrality have gained enormous momentum over the last two decades. All this has greatly contributed to the fact that by 2010 the number of energy policy instruments created by the European Union exceeded 350.²⁰ However, it is a matter of policy to assess to what extent and at what cost the goals can be achieved while ensuring the security of energy and supplying cheap and affordable energy for all. We must not forget about the increasingly eroded weight of the European Union in global processes and the fact that the United States, China and other Asian and some South American countries have far exceeded the EU in terms of emissions.

Anyway, it was the Treaty of Lisbon which brought about a decisive change in the process of tightening of the EU's energy policy by listing it among the shared competences, similarly to environmental protection. The third energy package of the European Union, adopted in 2009, further broadened the scope of harmonized legislation in the field of energy regulation, which can also be seen as a precursor to an integrated and functioning energy market. It was only after that, in 2014, that

18 Pálfiné Sipőcz 2011. 148.

19 Hoerber 2014.

20 Benson–Russel 2015. 195.

a commitment to the European energy union, the most ambitious European energy project since the European Coal and Steel Community, was made.²¹ Some authors describe the 2000s as an era of a 'hesitant supranational turn',²² as the germs of harmonized energy regulation clearly began to take root alongside energy policy enforcement and regulation by the dominant Member States, and energy policy was no longer seen exclusively as a Member State issue, but EU institutions also gained some role, subject to certain limits.

The European energy union is considered by many to be the most important policy idea meant to reform European energy policy and regional cooperation in line with long-term climate protection objectives. Juncker, President of the European Commission, summed up the goal of the European energy union as follows in his welcome speech: 'For too long, energy has been exempt from the fundamental freedoms of our Union. [...] This is about Europe acting together, for the long term. I want the energy that underpins our economy to be resilient, reliable, secure and growingly renewable and sustainable.'²³

The energy union gives hope to the resolution of the greatest paradox of EU energy policy, i.e. the settlement of the tension between national sovereignty over the energy sector and community perspectives based on a system of solidarity and cooperation. The energy union also offers a potential platform for integrating sustainability measures with energy policy, ensuring the consistent and effective decarbonization of European economies. Aligning the market and environmental aspects of European energy policy with import dependence can also be regarded as the culmination of development in the field. However, the concept has seemed to be mostly like an 'empty box' so far which the various stakeholders always want to fill with contents befitting their short-term interests.

In the study of the European energy union, the theory of the *optimal currency area*²⁴ is worth highlighting among Mundell's economic theorems. In his view, monetary union tends to be established by and between countries geographically close to each other and historically closely cooperating in the field of economy. This statement is true to the energy union as well. In addition, economic rationality demands such cooperation to take place when the desired benefits are expected to outweigh the associated costs. Similarly to monetary autonomy, sovereign energy policy is often not limited by another power but by economic logic and rationality itself. When the Member States of the European Union cast their ballot in favour

21 MTA-DE Public Service Research Group.

22 Wettestad-Eikeland-Nilsson 2012. 65–84.

23 European Commission Press Release 2015.

24 The essence of an optimal currency area is that the participating countries use a common currency whose exchange rates have been permanently fixed to each other, but at the same time the common currency can change flexibly vis-à-vis the outside world. The optimal functioning of the currency area reduces the need for nominal exchange rate adjustments and strengthens the external and internal balance of the currency area.

of the European energy union,²⁵ they were, in a sense, sacrificing their sovereignty for a higher level of benefit hoped for.

4. Sovereign Energy Policy in the European Union?

The view of Italian jurist Francesco that a nation-state-based administration is nothing more than a historical relic seems to be correct in relation to the European Union.²⁶ As a result, EU Member States and their policies as well as the European Union itself are constantly undergoing changes, which are also heavily influenced by the global economic impacts described above. There is essentially a multi-level governance between the European Union and the Member States, in which the constitutional foundations of sovereignty remain unchanged, but, in addition to the development of the EU into an independent polity, local and regional actors also have a significant role to play.

Even within the European Union, today's views on the legitimacy of nation-states are strongly divided. Some believe that the concept of nation-state is becoming more and more outdated as traditional state frameworks disintegrate and systems of economic interdependence emerge. In their view, the diminishing legitimacy and authority of the nation-state makes the Member States vulnerable on their own; therefore, closer and intensive European integration should not be seen as a threat but rather as an opportunity to provide a platform to keep unregulated globalization within certain limits. In this form, European integration is not about losing national sovereignty but rather about the joint exercising of sovereignty by the Member States. On the other side, there are the efforts to put sovereign nation-states and sovereign Member State policy at the forefront.²⁷ A good example of this is the Brexit process or the judgment of the German Constitutional Court in May 2020, which, for economic reasons, directly questioned the principle of the primacy of EU law, ruling against the judgment of the Court of Justice of the European Union on the bond programme.

The authors cite much of Monnet's thoughts on the united Europe, which he saw as the key to restoring and preserving peace, saying that: 'There will be no peace in Europe if the states are reconstituted on the basis of national sovereignty. [...] The countries of Europe are too small to guarantee their peoples the necessary prosperity and social development. The European states must constitute themselves into a federation.'²⁸

25 European Commission News 2019.

26 Máthé 2013.

27 Kende-Szűcs 2009. 43.

28 Fondation Jean Monnet pour l'Europe, Lausanne. Archives Jean Monnet, fund AME. 33/1/4.

It is clear that economic relations and the demand for the well-being of society have remarkably affected the sovereignty of the Member States as early as the beginning of the European Union, an organic transformation that has been unstoppable ever since. There is no doubt that the size of markets is indeed an issue which is relevant to the design and success of individual policies. This is no different in the case of the energy policy examined below, either.

The exploration of the European Union cannot ignore its constant, dynamic change, which has gradually deepened European integration and broadened the scope of the internal market. The shaping of EU policies, such as the Community's energy policy, has also been heavily influenced by bargaining processes between Member States and the EU institutions as well as by lobby groups and interest groups in the background since the very beginning. It is in this context that some authors emphasize the importance of constitutional dialogue as 'decisions are not made exclusively and explicitly by state bodies alone, on their own and without any influence'.²⁹

Article 4 of the Treaty on the Functioning of the European Union (TFEU) lists energy as a shared competence, just like environmental protection. Matters falling under shared competences can be regulated by the Member States and the European Union alike; however, national parliaments can only exercise the right of regulation if the EU has not exercised it or has previously waived its regulation. It is in this form that the principle of precedence – also known as the doctrine of pre-emption – applies. Shared competences essentially include everything that the founding treaties do not classify as exclusive or supporting competencies. The TFEU regulates the provisions on energy under a separate title, where the objectives of the European Union's energy policy are formulated as set out in the Treaty.³⁰ As a general rule, legislation on energy shall be adopted by the European Parliament and the Council as part of the ordinary legislative procedure. This is complemented by Article 192(2)c of the TFEU, according to which the Council 'shall adopt measures significantly affecting the choice of one of the Member States between different energy sources and the general structure of their energy supply' unanimously, in accordance with a special legislative procedure and after due consultation. However, Article 194 of the TFEU also provides that the special legislative procedure shall not affect (i) a Member State's right to determine the conditions for exploiting its energy resources or (ii) its choice between different energy sources and the general structure of its energy supply.³¹

The foregoing clearly reveals the tendency of how the energy sector was covered first by national regulations and then by the direction of EU regulation with the development of technology. The TFEU designated the system of

29 Translation by the author. Drinóczi 2015. 70.

30 Kende–Szűcs–Jeney 2018.

31 Kende–Szűcs 2001.

competences between the Member States and the EU but left a relatively wide room for manoeuvre within that to be filled by primary and secondary EU norms or, in their absence, by national legislation. The principle of pre-emption raises interesting questions regarding regulatory powers for an industry that is changing almost day by day due to the constant advance of technology. In recent years, the regulation of innovative, forward-looking energy issues has emerged within the traditional directions of the energy sector (electricity, gas, district heating, nuclear and renewable energy). Within that, the implementation of smart homes, the development of modern forms of energy storage, and the spread of e-mobility are among the most dynamically developing areas of energy law, and these trends go hand in hand with a growing amount of energy awareness among consumers. The question is whether Member States will be able to keep up with the regulations or will be overtaken by the European Union, which could in the latter case again cut itself a bigger slice from the cake of the field of energy law.

In view of all this, the reaction of energy experts Járosi and Kovács to some specifically adopted packages of measures is particularly interesting. According to them, 'the euphoria of voluntary and joyful dissolution in European Solidarity will mean the death of national self-determination for many. The scepticism in the eastern part of the EU is completely natural and well-founded.'³²

All of this, of course, can be overcome by the states as long as the benefits of commitment promise to be higher. Going further, some authors believe that rules enacted within international systems also change the interests of nations. Koch rightly argues that nations benefit from various advantages as members of the international community and are therefore willing to change their views on certain issues.³³

Renowned political scientist Mair³⁴ is of the view that national institutions and national governments are increasingly losing their ability to shape their own national environment. His finding is thought-provoking, especially in the light of Article 4 of the TFEU on shared competences. It is undeniable that Hungary's room for manoeuvre in energy policy is closely linked to the European Union, which sets the most important priorities and goals to be achieved in all policy areas. These objectives need to be pursued by the Member States individually and collectively alike, which will in turn reduce the political, regulatory, and economic disparities between them as potential policy determinants. It is not surprising therefore that comparative policy research is becoming increasingly focused on the implications and achievements of the various energy policy instruments used by the Member States, i.e. whether they are suitable to achieve the EU's objectives. Compared to this, it is often a secondary question of how the

32 Translation by the author. Járosi–Kovács 2017. 81–95.

33 Szalai 2015. 134–135.

34 Mair 2003. 303–326.

policy measures pursued by the individual Member States differ from each other. So long as they prove suitable for achieving the objectives within the framework provided by EU legislation, their differences will in a sense fall beyond the sphere of interest.

5. Expected Directions of EU Energy Policy

Some say that the increase in the powers of the European Union in energy policy can also be explained by the fact that the European Commission recognized the social impacts of energy dependency and tried to link it with solving the problem of energy security through the enhanced integration of the internal market and the diversification of supply. High energy prices and increased energy dependence in the new Member States had in the past further increased the share as well as the uncertainty of energy (typically gas) imports from Russia, a problem that was clearly revealed by the supply disruptions in 2006 and 2009. With the European Commission at the forefront, the EU was committed to taking a united action on behalf of Member States that are fundamentally in need of energy imports, thereby reducing their energy dependence and economic vulnerability, primarily to Russia, which was previously prone to use the so-called 'Energy Card', thus manipulating the economic sovereignty of other countries and the European Union.

The three objectives of the European Union's energy policy, i.e. security of supply, sustainability, and competitiveness constituting the so-called 'policy triangle', remained unchanged after the commitment to the energy union, but the shift in emphasis regarding these goals continues to be an open issue.³⁵ The logic of the theorem of 'the impossible Trinity' formulated by Nobel Prize-winning Canadian economist Mundell can be properly applied to energy policy objectives as well.³⁶ In my view, the direction of EU energy policy will be determined by efforts to create an equilibrium within the energy policy triangle.

As early as 1989, McGowan³⁷ examined how a market-driven approach to energy policy could create security of supply when confronted with a policy of sovereignty and economic nationalism. The issue remains relevant as the re-emergence of sovereignty and security issues today may reduce the EU's limited bargaining power. McGowan basically outlined three possible models in the system of relations of the EU and the Member States regarding energy policy.³⁸

35 Szuleczki–Fischer–Gullberg–Sartor 2016. 548–567.

36 Mundell. According to the classic thesis of the 'impossible trinity', a state cannot simultaneously enforce autonomy in the field of monetary policy, free international capital movements, and a fixed exchange rate. You can only choose two at a time, and the third cannot be realized against them.

37 McGowan 2008. 94.

38 McGowan 1989. 552.

According to one of the outcomes, Member States would continue prioritizing *their own energy policies* and resolving any conflicts that may arise without the involvement of the Commission. Another option is for them to create the *European energy market* by reinforcing the Commission's role and develop an EU energy policy that is able to respond to emerging market failures. Under the third option, they would *relegate energy policy agendas to the background* in order to address a more urgent field. McGowen considered this one to be the most likely with regard to the environmental pressure. The Commission's role in shaping environmental policy has grown steadily since the 1970s thanks to the 'silence' of the Member States on the matter. The regulation of the energy sector was essentially included within the action plans of the European Union based on its intersections with environmental protection.

McGowen did not rule out the mixing of the various scenarios, either. In his view, the Member States could retain their autonomy in the highly controversial areas of energetics, leaving the other issues to be settled by a single energy market. As for the energy policy areas handed over to the European Union, the Commission would be in charge of resolving competing and conflicting needs, such as increased competition and security of supply, with due regard for the environment. If we recall the visions of the European Union formulated in the 1980s for the post-2000s period, we can see that the Commission actually seeks to balance policies in this way. However, according to McGowen, time would tell if the coordination and implementation of the various policy considerations would be successful.

Now, from the perspective of 30 years, it can be seen that, exactly due to *environmental considerations*, the energy policy of the EU has contributed to the emergence of a single energy market, while the key issues remained in the hands of the Member States as it is expressed in the form of shared competences. I believe that a mix of the three possible directions outlined by McGowen will basically govern energy policy in the 30 years to come as well. Given the current trends and the re-emergence of the idea of sovereignty among the Member States, I do not rule out the possibility, either, that the rapid processes of Europeanization that began in the energy sector in recent years may slow down or come to a halt for a while, even if they do not suffer a reversal. At the same time, in view of it being affected by technology, the operation of the energy sector is essentially intertwined with globalization and is well reflected in EU policies.³⁹ That is why I consider it important for nation-states not only to be passive observers but also to play an active role in setting the new frameworks of the EU legislation and legitimizing the new standards; otherwise they could easily fall victim to Europeanization.

39 Bartle 2006.

6. Conclusions

On certain issues, the energy policy of the European Union cannot be successful if it ignores the interests of the Member States and the limits of the capacities of the countries. The energy policy of the EU or the energy union cannot function effectively without the consensus of the Member States or the reinforcement of regional markets. There is no doubt that national regulators rely heavily on EU legislation, but even so there is a relatively wide room for manoeuvre to create a regulatory framework giving priority to domestic specificities and taking government priorities into account with due regard to the needs of the stakeholders of the industry and consumers alike. None of these aspects may be overlooked in the creation of a sovereign energy policy and in the regulation reflected in energy law. At the same time, international examples proving that the legal policy instruments and methods applied by the EU are viable or even suitable for being adapted outside Europe should be highlighted.

In my view, the biggest challenge in regulating the individual energy sectors is to create a well-regulated, sovereign energy policy based on energy security in the Member States which is in line with EU requirements and leaves ample scope for renewable energy sources. Energy policy is one of the most dynamically developing policy sectors, constantly changing and evolving as a result of environmental and economic change, with predetermined short-, medium-, and long-term objectives to be achieved. Hungarian energy policy and energy law have a specific development direction which differs from the EU average at a certain level, within the framework allowed by shared competences. A well-functioning, stable regulatory environment also has a positive effect on energy entrepreneurship, which in turn will positively influence the economy as a whole in the long run. In addition to the domestic implementation of EU acts, it is necessary to prioritize energy security in such a way that, in addition to conventional energy sources, renewable energy sources could also play a role. At the EU level, various forms of regional energy policy cooperation with a higher capacity to assert their interests may be of key importance, especially for the smaller countries in Central and Eastern Europe.

Nowadays, political forces opposing globalization and Europeanization are gaining strength. They aspire to reinforce the sovereignty of the given country and, though not necessarily abolish supranationalism, limit its role and place greater emphasis on bilateral organisms rather than on extensive multinational organizations. An excellent example of these processes is Brexit as well as the current policy of the USA, with special regard to the speech delivered by Donald Trump at the 74th General Assembly of the United Nations,⁴⁰ in which he declared before the nations of the world that: ‘The future does not belong to globalists. The

40 Trump 2019.

future belongs to the patriots. The future belongs to sovereign and independent nations who protect their citizens, respect their neighbours, and honour the differences that make each country special and unique.’

There is no doubt that the questions and problems raised by globalism are waiting to be answered, as is the concept of sovereignty yet to be redefined. ‘The effects of accelerated globalization basically threaten the states with emptying the notion of sovereignty.’⁴¹ And science must also be at the forefront along with politicians in conceptualizing and then answering the challenges of the future, even if, in Jellinek’s words: ‘Sovereignty was not brought to life by egghead scholars but by powerful forces whose struggles have been the subject of centuries.’⁴²

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41 Translation by the author. Bayer 2015. 19.

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