

APPLE STATE AID CASE LESSON

STUDENT'S VERSION

Warm Up

Think about the political system in Canada. Some aspects of running Canada are the responsibility of the federal government, whereas others are the responsibility of the provincial or territorial government. Think about which departments and services we have and complete the table below with your ideas. Two examples are included to get you started.

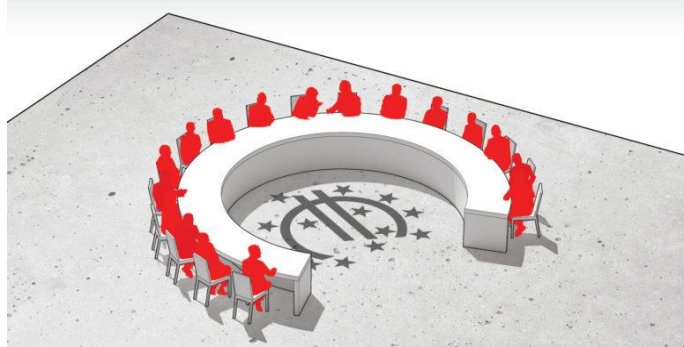
| Federal Government | Provincial/Territorial Government |
|--------------------|-----------------------------------|
| Foreign policy | Road maintenance |
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You will have 5 minutes to brainstorm on your own before sharing your ideas with a partner. We will then discuss your ideas as a class.

Research Activity

Modern European Integration: The European Union

The European Union (EU) is a unique political and economic partnership established in the wake of World War II. Since its inception in 1993, the European Union has been a cornerstone of European integration, providing a framework for economic and political cooperation among its 27 Member States.



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The EU's purpose is to promote economic and social progress, maintain peace and security, and to advance the values of democracy, human rights, and the rule of law. It achieves this through a range of legislative and executive instruments, such as the Common Agricultural Policy, the Common Fisheries Policy, and the European Monetary System.

The EU is a supranational organization, meaning that it has authority that supersedes the authority of its member states. Unlike a federated country, in which member states have certain autonomy and responsibility for governing their own affairs, the EU has the power to make laws that are binding on all of its member states. Additionally, the EU has its own institutions and executive structures, such as the European Council and the European Commission, which are not replicated in a federated country. The EU also has its own currency, the euro, and the ability to impose economic and legal sanctions on its member states if they do not comply with EU law.

However, the EU's relationship to its member states is similar to a federated country in that both organizations are composed of multiple individual states or provinces that are united under a common system of government. They both have a central government that exercises certain powers over its members, while each member state retains some degree of autonomy. Additionally, both organizations have a shared set of values and laws, and each member state contributes to the organization's collective resources.

The EU has achieved a great deal in its relatively short lifespan, from establishing a single market and a common currency, to introducing measures to promote economic and

social cohesion. It has also sought to promote peace and stability in Europe, and to strengthen ties between its Member States.

The EU has also worked to expand its membership to include countries from the former Soviet bloc. This has been achieved through the enlargement process, which has seen the EU grow from 15 Member States in 1993 to 28 today. This process of enlargement has been accompanied by a process of deepening integration, as the EU seeks to become more integrated and more unified.

The EU has also sought to deepen its ties with other countries and regions, both within and beyond Europe. It has established a number of free trade agreements with countries such as the United States, Canada, Mexico, and South Korea, and has also sought to promote closer links with the African, Caribbean, and Pacific regions.

Exercise

Conduct research on the internet to find pros and cons to various aspects of EU integration. Complete the chart below with your findings.

| | Pros | Cons |
|--------------------------------------------|------|------|
| Single Market | | |
| Common Currency | | |
| Harmonization of Standards and Regulations | | |
| Freedom of Movement | | |
| Common Foreign Policy | | |
| Common Environmental Standards | | |
| Cultural Integration | | |

Video Activity

Watch the video (<https://www.youtube.com/watch?v=r-HMliA8tJU&t=2s>) and take notes on the main points of the Apple State Aid case. Use the sections below to guide your notes.

What State Aid Is

The Main Conflict

Politicization of the EU

Questions

1) According to Dr. Escalante-Block, what is state aid?

2) How big was the fine that the European Commission charged to Apple?

- a. 13 million Euros
- b. 14 million Euros
- c. 13 billion Euros
- d. 14 billion Euros

3) Which country's government was involved in the case? _____

4) What was the main issue raised by the EU and the member state's government regarding Apple?

5) What three dimensions are used to measure politicization?

- i. _____
- ii. _____
- iii. _____

6) Which of the actors in the Apple State Aid case received the most negative claims against it?

7) How is the European Commission perceived by the general public and what problem(s) can this cause?

8) What two things make the politicization of the EU a good thing?

- i.

- ii.

9) What makes the politicization of the EU a bad thing?

10) The EU is becoming less politicized.

- a. True
- b. False

11) What is an international conflict trajectory within the context of the EU?

12) What proportion of people have a pessimistic view of the EU?

- a. One in five
- b. One in ten
- c. One in twenty
- d. One in fifty

13) Since 2018, what has caused the legitimacy of the European Commission to be questioned?

Essay

Write an essay discussing the pros and cons of transitioning economic trading blocs into governmental systems. In your essay, you should cover the following points:

- ☞ Analyze the potential implications for the global economy, individual countries, and citizens who may be affected by this change.
- ☞ Consider the potential for increased cooperation between nations and the potential for increased instability when forming new governmental systems.
- ☞ Look at how the new governmental systems could affect international relations, trade agreements, and the balance of power among countries.

Your essay should be 500-700 words in length.