

THINK TANKS' THOUGHTS

Europe's People's Forum has selected various think tanks' articles focused on themes that we find most current and interesting for the activists, politicians and connoisseurs engaged in the policies of the European Union. The articles were published in the first half of June.

EU's Future institutional Structure and Policies

In an on-going discussion about austerity versus stimuli measures after the economic crisis in 2008, the Director of CEPS Daniel Gros argues in his article The Eurozone's Hidden Strengths that the Eurozone's current recovery shows that in an economic crisis possible fiscal stimuli in the short run should not continue and finds his own conclusions from 2011 to be vindicated –that "implementing credible austerity plans constitutes the lesser evil, even if this aggravates the cyclical downturn in the short run."

In their article <u>The Commission's dogma</u> (CLINGENDAEL), Yuri van Loon and Ingeborg Leitens analyses the European Commission's reflection paper on the deepening of the Economic and Monetary Union and finds that the paper will increase EU intervention through public incentives and disciplining of national governments instead of keeping governments accountable to implement agreed reforms. It is in the authors' view a conflict that is difficult to bridge between traditional Keynesianism in the Commission and what the authors see as Ordoliberalism reflected in Netherland's and Germany's economic policy.

In Europe's reform opportunity (EPC), authored by Janis A. Emmanouilidis, Herman Van Rompuy

and Fabian Zuleeg acknowledges the potential conflicts in a much needed reform of the EMU and lists a number of reforms needed to be implemented through a Franco-German reform package. It will require a comprehensive political deal but according to the authors the European leaders must not miss their upcoming chance to start putting integration back on track to avoid that the Eurozone's current weaknesses will generate uncontrollable costs that all EU countries will have to pay."

EU-policies on Social Dimension, Labour Market Protections and Trade Agreements

After the publication of an OECD report on the Universal Basic Income (UBI), many have tried to understand if UBI actually represents the best solution to tackle poverty. In her article The Universal Basic Income discussion, Silvia Merler (Bruegel) analyses the report and all the alternative proposals.



Democracy, Citizens, Human Rights and Independence of Media

In his article <u>Populism: The Risks and Impact on European States</u>, Stefan Lehne (Carnegie Europe), offers a comprehensive analysis of populisms. According to Lehne, "populism should not be regarded as a pathology, but rather as an inherent element of democracy". The author analyses the common features of populist movements, such as the "crude division between "us" (the pure people) and "them" (the corrupt elites and/or the foreigners) and the consequent opposition to compromise and participate constructively in the political process. According to Lehne, populism should be mitigated by tackling social inequality, addressing "hot issues" such as migration and security and regaining citizens' trust with more transparent participative and democratic ways to make politics.

Policies on Migrants and Refugees, Schengen and Development Aid

Legal migration is considered by many researchers an extremely important opportunity for the EU and its economic and cultural development.

CEPS has published in his website the 2017 MEDAM Assessment Report on Asylum and Migration Policies in Europe. Produced by the Mercator Dialogue on Asylum and Migration (MEDAM), offers a comprehensive analysis of policies on asylum, immigration, and immigrant integration throughout the EU. According to MEDAM's researchers, it is important to work to curb irregular migration while expanding legal immigration, with the latter being an immense opportunity for the European society as a whole. MEDAM researchers' aim is "to propose guidelines for comprehensive, implementable solutions to these interlocking challenges" and will, based on these guidelines, "engage with policy makers and civil society through a variety of formats to develop proposals for specific reforms and policy interventions".

Mattia Toaldo, in his publication "Don't close borders, manage them: how to improve EU policy on migration through Libya" (ECFR) underlines the failure of the EU strategy towards Libya and the refugee issues. He challenges EU leaders and proposes to 1) opening legal channels for migration and returning irregular immigrants; 2) establish quicker procedures for granting asylum to refugees; 3) strengthen Libya's rule of law and reinforcing its economy and its local communities; 4) broadening the scope of the EU Border Assistance Mission to Libya (EUBAM).

Priorities and Values in EU Foreign and Security Policy

In her article "Other than climate change, can anything else unite Europe and China against Trump? (Bruegel), Alicia García-Herrero analyses the EU-China Summit which took places on 1-2 June in Brussels. While many stressed the EU and China seemed to share a "united vision of global priorities", the authors



believes the two actors still have several disagreements and did not manage to close any deal. This is the case of the bilateral investment agreement (BIT), which is still far from being concluded, or the EU's incoming anti- dumping measures, which would mostly target cheap imports from countries such as China. While Judy Dempsey, in her article "In the Age of Trump, China Will Not Save Europe" (Carnegie Europe), focuses on the immense differences that still exist between China and the EU, François Godement, in his article The EU-China Summit: searching for common ground (ECFR), agree with the difficulties in strengthening the relations, especially in the two topics abovementioned. However, he suggests a key issue on which China and the EU should collaborate more: a better coordination for development aid in the Middle East and, more generally, in Africa.

Godement is not the only one to analyse the relevance of the Middle East and the risk the Trump's administration is posing to the region. In her article <u>Europe must combat Trumpization of Middle East</u> (ECFR), Ellie Gernanmayeh underlines the necessity for EU leaders to conduct a more active diplomacy in the region. Geranmayeh strongly criticised Trump's statements against Iran, which have only the consequence to put into risk the diplomatic efforts the Western countries have done. Trump's unconditioned support to Saudi Arabia and his response to the GCC crisis over Qatar contribute to the polarisation in the region, "further complicate efforts in Syria" and risk to "endanger US assets in Iraq and Afghanistan where Iran has considerable influence". Geranmayeh calls for a stronger diplomatic efforts to counterbalance Trump's positions toward the Middle East and avoid "a more vicious cycle of violence".

Egypt's internal situation and international alienation constitutes another important challenge to EU diplomacy in the Arab world. Yasser El-Shimy and Anthony Dworkin, in their detailed publication Egypt on the edge: how Europe can avoid another crisis in Egypt (ECFR), offer a comprehensive analysis of the Egyptian situation and propose a strategy the EU should implement when it comes to cooperation with Egypt.

The CSDP represents another current 'hot topics'. Andrea Frontini, in his article The 'Macron effect' on European defence: En Marche, at last? (EPC), stresses how the election of Emmanuel Macron in France represents "open a window of opportunity for progress in the EU's Common Security and Defence Policy". Will "the gap between the level of political ambition for European defence and its many shortcomings in structures, tools and capabilities" be reduced?

Brexit Negotiations and National Political Issues

Theresa May organised the general election in order to strengthen her hand in the forthcoming Brexit negotiations. However, her gamble completely failed: not only the Tories were not able to win a strong parliamentary majority, they even lost several seats.



Mark Leonard, in his article Winners and losers in the UK election (ECFR), tries to illustrate the causes of May's loss, and underlines who are the winners and losers of this general election.

Of course, many are asking themselves what will happen to the 'hard Brexit' strategy, especially since recent polls show that the majority of the British people are now against it. As Michael Emerson illustrates in his article What's next after Theresa May's spectacular own goal? (CEPS), there are now four possible scenarios: 1) Stay in the single market, but not the custom union; 2) Stay in the customs union as well as the single market; 3) Go seriously for a deep and comprehensive strategic partnership; 4) Abandon Brexit, revoking Article 50. No matter which one the UK will choose, Emerson believes there is "the need for a clearly defined and operational strategy, capable of being negotiated in under two years". Will Theresa May agree?

The general election in the UK did not represent the only surprising electoral result in Europe: Macron's huge win during the legislative elections in France (the second-largest parliamentary majority in the history of the 5th Republic) has shown, to quote Heather A. Conley and Donatienne Ruy and their article Demolished: The French Political Landscape of Old is No More (CSIS), that "sixty years of French political architecture, hierarchy and participation have been completely destroyed by a relatively unknown 39 year-old from Amiens". Macron's biggest internal challenge will be now to convince his opposition with his reforms.

It doesn't have 80 million inhabitants or represent the first country to leave the EU, but Malta still deserves its piece of consideration. What happened? Pascale Joannin explains the Maltese elections in his article Outgoing Prime Minister Joseph Muscat's Labour Party wins the snap election in Malta (Robert Schuman Foundation)