

THINK TANKS' THOUGHTS

Europe's People's Forum has in its May selection of 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 selection is produced by Bent Nørby Bonde and Veronica Orrù.

EU's Future institutional Structure and Policies

The election of the French president Macron raises new questions about a multi-speed Europe. During the election campaign, Macron had suggested the Eurozone should have a common budget, agreed by a separate parliament and presented by a Eurozone Finance Minister.

Guntram B. Wolff raises in his article the interesting question: [What could a euro-area finance minister mean?](#) (**Bruegel**). He points to five issues that must be considered since the fiscal dimension of the Euro area will raise major questions about legitimacy, the role of the European Parliament, the role of national parliaments, and the link between national fiscal resources, federal fiscal resources and the European Central Bank.

In his article [Macron, Merkel and the Future of the Euro](#) (**Centre for European Reforms**), **Charles Grant** analyses the political hindrances and power struggles to be tackled if the ambitions raised by Macron should have a chance. He proposes that even a Weimar Triangle should be considered bringing Poland, Germany and France together if the resistance from Eastern countries towards a Europe in different speeds should be overcome. The two articles set the framework for the future of the Euro-area and suggest how members of this area could overcome resistance from other Member States.

In their article [A flexible EU: A new Beginning or the Beginning of the End?](#), **Agata Gostynska-Jakubowska** and **Christian Odendahl** (**Centre for European Reform**) write that "[A]fter emerging splits between North and South in the euro crisis, and East and West over refugees, plus the Brexit referendum, the time has come for the EU to recognise that crises are the new normal, and that flexible integration may at times be inevitable." The article takes in its analysis a broad look at EU Member States' different interests.

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

In her article [**Achieving social triple A: What role for EU cohesion policy?**](#) (**European Policy Centre**), **Claire Dhéret** states that fostering social cohesion has always been an EU objective since the very beginning of the European project. This paper highlights the need for EU's cohesion policy to take account of the global trends that are shaping our territories and leading to new forms of inequality. If the aim is to strive for inclusive growth and address citizens' concerns, giving priority to more qualitative and human capital investment will be a key success factor for cohesion policy post 2020. This shift of paradigm will also need to go beyond the spectrum of EU cohesion policy and become a principle guide to be driven at the highest political level and applied both vertically, i.e. across all governance levels, and horizontally, not least in the areas of trade, digitalisation and education policies.

Democracy, Citizens, Human Rights and Independence of Media

Europe's People's Forum certainly prioritises articles about European democracy. In this selection, we chose one article dealing with a Member State – Hungary – and discussing the limits of protection of national interests versus independent media and democracy, and another article which focuses on the same while questioning Turkey as pre-accession country.

In [**Orbán Knows EU Can't Lose Hungary**](#) (**Carnegie Endowment for International Peace**) **Balazs Jarabik** analyses the relationship between the EU and the Hungarian government and discusses national interests versus the consequences of possible European support to the Hungarian opposition as leading to a reduction of credibility.

Another country balancing on the edge of democracy is Turkey. In his article [**A Faint Opportunity to Mend EU-Turkey Ties**](#), **Marc Pierini** (**Carnegie Europe**) discusses the very strained relationship between Turkey and EU, particularly after the statements made by the Turkish political leaders against their European counterparts during the election ahead of the referendum on a new constitution. His conclusion is that from a wider foreign policy perspective, restarting a dialogue with Europe might prove to be one of the few diplomatic avenues currently open to Turkey, at a time when relations with both Russia and the United States are in a crisis.

Policies on Migrants and Refugees, Schengen and Development Aid

Tainted by the agenda on immigrants and refugees **Jakub Wiśniewski**, in his study [*The future of Schengen*](#) (**Globsec**), discusses *what would happen if the Schengen zone ceased to exist? What should be done so that this scenario never becomes reality?* The author finds these questions crucial because the room for reasoned debate on migration policy is shrinking, while ethnic nationalism seems to grow every day. The real challenge to the Schengen zone is political and connected to the European project as the whole. Do Member States want to pool sovereignty and do they trust each other enough to delegate some competences to the supranational bodies like the European Commission?

This issue is also analysed in [*Dublin and Schengen - Restoring confidence and strengthening solidarity between Member States of the European Union*](#), written by **Corinne Balleix** (**Robert Schumann Foundation**). The author finds that in the short term the strengthening of external border controls seems vital and requires full commitment on the part of the Member States of first entry in order to recover the trust that has been damaged in terms of their European partners. At the same time the Member States who are less concerned by the migratory crisis must also accept to make an effort in terms of greater solidarity with their partners on the Union's external borders. A revised approach to European migratory solidarity will in all events require us to seek a more global vision of the EU's cost-benefits in the values that it carries forward and the will to defend its historic contribution to the peace and prosperity of the European continent over the last 67 years.

It is well known that particularly the Visegrad countries' lack of participation in solidarity schemes with third states on asylum and protection will play a role in the negotiations about the future budgets for regional and structural funds. For this reason, we recommend **Boldizsar Nagy's** article [*Sharing the Responsibility or Shifting the Focus? The Responses of the EU and the Visegrad Countries to the Post-2015 Arrival of Migrants and Refugees*](#) (**Foundation for European Progressive Studies**).

Priorities and Values in EU Foreign and Security Policy

In his article [*At last, the stars are aligned for European defence*](#), **Nick Witney** (**European Council on Foreign Relations**) affirms that the deterioration of Europe's security to the east and south and in the cities, the brake on defence co-operation with

UK and not least the demands from President Trump for 2 % of GDP spending on defence will make the European governments invest in delivering a European defence agenda.

Parallel European defence structures is exactly what **Sophia Besch** fears in her article [Europe's NATO Balancing Act](#), (**Centre for European Reforms**) where she stresses that Europeans have self-interested reasons to invest in their own military power. At the last NATO summit in Warsaw in 2016, the allies agreed on an 'Enhanced Forward Presence' in Central and Eastern Europe. The Europeans also need to convince an ultra-sceptical president that NATO and the EU are effective security providers in Europe; and they need to look as though they believe it. They should not wait for the United States to take the lead – NATO benefits from Europeans taking a more active role in shaping the alliance's policies.

In his article [A New Transatlantic Security Bargain](#), **Tomás Valásek** analyses (**Carnegie Europe**) the new relations between US and Europe after Trump has become president. Even if US should disengage from NATO the author suggests the Europeans must preserve access to NATO assets, because they have heavily co-financed and staffed the alliance's commands, co-written its defense plans, and paid for much of its commonly owned hardware.

Brexit Negotiations and National Political Issues

Another interesting theme is Brexit and its implications for the UK and the other EU Member States, as well as the negotiations process itself, which will create much attention in the coming years.

John Springford and **Simon Tilford** (**Centre for European Reform**) look at the perspective of no deal between EU and UK and analyse the consequences of no deal in the article [Why No Deal would be much worse than a Bad Deal](#). They believe that No Deal would cause a deep recession, which would hit tax revenues and weaken the government's ability to impart a fiscal stimulus to support the economy. The EU-27 are certainly aware of the risk, which explains why they are dismissive of British threats to walk away with no deal. They may have misjudged the British political climate, but they have not misunderstood the economics.

Andrew Duff, in his Discussion Paper [Brexit – Time for Plan B](#) (**European Policy Centre**), brings this discussion a step further. Facing a likely fall of the Article 50 talks a

new plan B should be considered. He finds that The EU has every political capacity and legal base it needs in order to negotiate any kind of commercial and political agreement with the UK as a third country. The options range from a mere commercial pact under Article 207 TFEU to a full-blown association agreement under Article 217 TFEU, and once the dust has settled, the door will always remain open for the UK to launch a fresh application to re-join the EU under Article 49 TEU. Such a Plan B would be much more costly than a secession treaty hammered out under the terms of Article 50, and a completely new start for Britain in Europe would be longer in the making over a period stretching way beyond Mrs May's next tryst with the voters in 2022. But the time to start thinking about Plan B is now.

Inspired by Francis Fukuyama's book *Political Order and Political Decay*, **John Springford** (**Centre for European Reform**) looks at the British parliamentary system and the power that is concentrated in the hands of the respective government. In his article **[A Prime Minister Unshackled](#)**, Springford finds a lack of sufficient checks and balances very critical in the Brexit negotiations because nothing will prevent the government from doing the mistakes or making the decisions it wants to do.

The last article we have selected for you about Brexit and the consequences of the negotiation is **[Brexit and the Challenge of Citizenship: British passports for EU citizens living in the UK?](#)**. The article is written by **Elspeth Guild** (**CEPS**) and in her discussion of citizens' rights she concludes that the idea of issuing British passports to EU citizens living in the UK may seem appealing by giving non-British EU citizens voting rights in the, but will likely meet substantial opposition.

Earlier in May, the French elections resulted in the election of President Macron, a politician strongly in favour of the EU, in favour of involvement of citizens to form the future EU and in favour of a closer collaboration with the euro-area. After years of political crises in Europe, **Judy Dempsey** asks a selection of experts: **[Is France Europe's Redeemer?](#)** (**Carnegie Europe**). This was the last article selected for this time and we encourage you to form your own opinion on this subject.