

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 October.

EU's Future institutional Structure and Policies

The well-known Sorbonne-speech by the newly elected French President Macron in September sparked discussions across EU about possible reforms of the EMU. In a political analysis by Judy Dempsey Can the big idea of EU integration become reality?, (Carnegie Europe), produced before the negotiations about a Jamaica coalition in Germany had been cancelled and new negotiations with the SPD begun, she lists the many challenges to the reforms for the Eurozone. The political differences between France and Germany, the resistance to a two-speed Europe from particularly the non-members of the Eurozone Poland, Hungary and the Czech Republic, but also from other countries. The French proposals also counter the proposals in the State of the Union Speech by the President of the European Commission that favoured one unified union.

Agata Gostyńska-Jakubowska in her policy brief <u>A new deal for the eurozone: Remedy or</u> <u>placebo?</u> (CER) takes part in this reforms of EMU debate by examining the Eurozone's democratic legitimacy, the EU government's views to improve it, the legal options for Eurozone reform and the role of Germany in it. If Macron believes that a more flexible EU in which the Eurozone integrates more deeply would boost the Eurozone's legitimacy, the author finally concludes that a new 'minister' with a grand title but no power would do more harm than good to the Eurozone's democratic legitimacy. According to the author, before they embark on its reform, Member States should understand their populations' perspectives on the EU. The EU's member-states and the Commission should co-host a series of joint democratic conventions that would test the appetite of citizens for reform.

In their studies **Progressive reforms for rebalancing the Eurozone** (FEPS) Manuel de La Rocha Vàzquez, David Rinaldi and Victor Echevarría present some crucial elements for a reform inspired by progressive values. Indeed, for them it is clear that neither the Commission's, nor Merkel's or Macron's stances necessarily reflect a social and democratic view of the Eurozone because they aim exclusively looking at stabilising financial and sovereign markets or preventing the break-up of the single currency. Thus, the authors advocate for a fully-fledged Banking Union, a convergence code, a real social dimension and fiscal capacity which includes both a stabilisation and an investment function.



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

Philippe Pochet describes <u>The European Pillar of Social Rights in historical perspective</u> **(NETUF)**. Overall, as it currently stands, the European Pillar of Social Rights (EPSR) is certainly no panacea for the most serious issues plaguing the people and the social Europe. Instead it is a moderately ambitious soft law initiative. The author urges the EU to rebalance social and economic concerns by mounting an ambitious social programme.

Ahead of the special summit held in Gothenburg on 17 November, where details of the EPSR was announced, Claire Dheret in <u>European social rights need more than a proclamation:</u> <u>Recommendations for an ambitious social summit</u> (EPC) gave her recommendations. According to her, if the Pillar's legal nature is insufficient to drive progress towards social upward convergence benefiting all citizens, one can at least hope that it will boost political momentum.

Democracy, Citizens, Human Rights and Independence of Media

Gylfi Zoega in Increase trust to stem the rise of populist movements (Vox EU) studies the causes of populist political movement and what can be done to prevent its ascent. He discusses how there is a close correlation between the support for populist parties in Europe and the lack of trust in national parliaments and in the European Parliament. After explaining why the trust is important in politic, the author argues that the EU must reverse this lack of trust and convince voters that it is acting in their interests. Then the author gives several ways for the EU to do it.

Although there is widespread agreement that Europe's populist surge represents one of the continent's most serious challenges, greater care is needed in the way that the debate about populism is framed. Richard Youngs tries to reframe this debate in <u>How we can reframe the</u> <u>debate about Europe's populist threat</u> (EUROPP BLOG). The author argues that it is important to recognise the diversity among parties that have been labelled 'populist', rather than simply paint populism as a uniformly negative phenomenon. The risk is that singling out populism as a qualitatively distinct threat unhelpfully muddies European political debate.

According to Jasna Šelih with Ian Bond and Carl Dolan, the EU needs to defend its values more effectively because countries where the rule of law is weak are unlikely to be able to use EU funds effectively. In the absence of the rule of law, corruption can flourish; that damages the public finances as well as investor confidence, thus the rule of law is the best long-term guarantee of economic convergence between EU member-states. In the article <u>Can EU funds</u> promote the rule of law in Europe? (CER), the authors first listed the trying of the EU to force new member-states to pay more attention to EU values and the rule of law and then argue that the rule of law has to be included as a condition for EU funding.



Policies on Migrants and Refugees, Schengen and Development Aid

Preserving or Strengthening Schengen? (EPC) that is the question asked by Marie de Somer. According to her, while there is a renewed optimism about the European project, the Schengen area does not see the same result. A new Commission proposal on modifying the Schengen Borders Code (SBC) appears to be more about preserving Schengen in the face of an antagonistic political climate rather than strengthening its essence. The author reviews the tensions in "Schengenland" between member states and the commission since the refugee crisis. She concludes that the Commission's proposal comes across as the latest attempt at preserving Schengen.

How the EU and third countries can manage migration (CER). According to Luigi Scazzieri and John Springford, the approach of the EU's to migrants crossing the Mediterranean is shifting from internal reforms to enter deals with countries in Africa and Asia. But the authors list in this article a series of potential pitfalls and upsides that this approach could have.

Priorities and Values in EU Foreign and Security Policy

Claudia Major and Christian Mölling in <u>End the Silence Over Germany's Defense Industry</u> (Carnegie Europe) talked about the taboo that is the defense industry in Germany. Germany wants a stronger European defense but it avoids addressing a crucial element of it: the industry. What is needed is a German armament strategy that delivers on two levels.

The Western Balkans have been experiencing difficult times since the day their path to a full EU integration seemed to have come to a halt. Francesco Angelone explains in <u>Western</u> <u>Balkans, still one foot in and one foot out</u> (Mediterranean affairs) that the Western Balkans seemed to constitute a problem once again since the refugee crisis because doubts related to security issues persist. According to the author, there is a risk that the current state of affairs could turn into a new phase of instability if the Western Balkans are deprived of a credible hope to access the EU.

In the report <u>Strategic Autonomy and the European Defense Fund</u> (Cligendael), Vincenzo Camporini, Keith Hartley, Dick Zandee and Jean-Pierre Maulny develop their opinion of the European Defence Fund (EDF) taking account of different angles. The EDF is currently being discussed by the European Council and the European Parliament will soon publish its report on the proposal of regulation on the European Defense Industrial Development Programme, the capability window of the EDF. One of the major issues is to define the potential role of the European Defense Fund in order to develop a European strategic autonomy.



Brexit Negotiations and National Political Issues

There is a growing presence of wealthy investors and tourists from Gulf States in Bosnia and Herzegovina (BiH) since the 2010s. In <u>Bosnia and Herzegovina, the influence of the Gulf</u> <u>states on economics and politics</u> (Mediterranean affairs), Giustina Selvelli explains why it has become quite a topic of discussion in the Balkan country. The huge Gulf Arab investments have caused perplexity among different parts of the population, in specific in relation to the transparency of the financial transactions and the "Arabization" of the public space.

The Visegrad countries – the Czech Republic, Hungary, Poland and Slovakia – are doing well economically. However, as Simon Tilford points out <u>All is not well in the Visegrad</u> <u>economies</u> (CER). Indeed, the political situation across the Visegrad is anything but rosy. Voters in all four countries have succumbed to politicians that the authors label populists. The reasons for this populism are complex, but economics probably provides a bigger part of the explanation than the positive headline numbers suggest.

If Theresa May's government falls and Jeremy Corbyn becomes the UK's next prime minister, he could face a binary choice between hard Brexit or no Brexit at all. Peter Kellner explains in **How Corbyn Could Keep Britain in the EU** (Carnegie Europe) that Labour's formal position is intellectually incoherent, however, the clues from this year suggest that he would end up keeping the UK in the EU. The Labour Party manifesto for the June general election went far further than the Conservatives' in spelling out the benefits of membership that it would like to keep.