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Campagne présidentielle : halte à l'escalade européenne !

Bruno VEVER, Secrétaire Général

Les candidats à l'élection présidentielle se sont longtemps donnés le mot pour claquemurer l'Europe au vestiaire de la campagne, comme s'il s'agissait d'un épouvantail à faire fuir les électeurs, laissant le Front National en user comme tel pour récupérer les siens !

Les échéances nationales semblaient avoir oublié les soubresauts européens, reléguant aux brumes hivernales un sauvetage chaotique de la zone euro, douloureux pour les investisseurs, les contribuables, les Etats, et la solidarité des 27 ébréchée par un refus britannique puis tchèque de souscrire aux rigueurs d'un nouveau traité.

Le retour à l'accalmie financière, facilité par mille milliards d'euros débloqués par la Banque centrale européenne, parut aller de pair avec une occultation politique de l'Europe dans la campagne. La « France forte » du président candidat s'afficha au grand large d'un horizon sans repères ni attaches. Aucune dimension européenne n'accompagna les invocations réitérées à notre identité nationale.

Faute de pouvoir être « démondialisé », cet hexagone « décontinentalisé » parut un temps faire l'affaire de tous les candidats. De l'extrême gauche à l'extrême droite en passant par toutes les cases de l'échiquier politique, références nationales et gaulliennes occupèrent tout le terrain d'une France repeinte en village d'Astérix, avec un nouveau marqueur identitaire : produire français !

Dans ce champ clos hexagonal, les affrontements, loin de s'apaiser, se redéployèrent autour d'un arc-en-ciel avivé du bleu le plus intense au rouge le plus vif, en passant par un vert moins doué pour valoriser l'intangibilité des frontières et un centre orangé ambitionnant de mixer les nuances dans un hypothétique rassemblement national.

C'était hier. Un temps chassés par la fenêtre, les enjeux européens sont aujourd'hui revenus en force non seulement occuper le centre de la campagne, mais plus encore impliquer et même compromettre toute l'Europe dans nos affrontements électoraux !

Le premier acte de l'irruption européenne dans la campagne aura vu un couple Sarkozy-Merkel vendre ensemble aux téléspectateurs les austères vertus de leur nouveau traité, malgré un positionnement opposé du candidat Hollande promettant de renégocier ce traité, non encore ratifié, pour lui ajouter une dimension manquante visant à relancer la croissance, l'activité et l'emploi.



La gauche s'empressa de dénoncer une interférence étrangère dans la campagne, et la droite une entorse à la continuité républicaine d'un traité signé. L'hebdomadaire « Der Spiegel » en rajouta une couche en faisant état d'un boycott européen de François Hollande initié par Angela Merkel. Par-delà les dénégations embarrassées des chancelleries et la sérénité affichée par l'intéressé, il devint clair que nos tensions électorales avaient débordé les frontières !

Le second acte de l'irruption européenne dans la campagne aura vu Nicolas Sarkozy, malmené dans les sondages, rebattre toutes les cartes à Villepinte et s'en prendre, par delà ses concurrents électoraux, à tous nos partenaires européens ! Avec trois réquisitoires : une gestion trop technocratique du traité de Schengen sur la libre circulation des personnes, l'absence de préférence aux entreprises européennes y compris PME – à l'instar d'un « Buy American Act » - dans l'ouverture des marchés publics, les non-réciprocités de traitement commercial aux frontières extérieures de l'Europe. Et autant d'ultimatums : sans changement de cap de l'Europe dans les douze mois, la France dénoncera ses engagements européens !

Après pareil « coming out » du président candidat – nonobstant le fait que toutes ces questions soient déjà en cours de réexamen avec nos partenaires -, le champ de bataille politique tant national qu'européen paraît bien chamboulé. A quel prix ?

Sur le plan national, tous les concurrents du président candidat, eurosceptiques comme pro-européens, ont aujourd'hui quelque motif à se sentir confortés à un titre ou à un autre, soit dans leur mise en cause du nouveau traité à 25, soit dans celle des traités précédents, soit plus simplement dans celle des contradictions européennes du président sortant.

Sur le plan européen, tous nos partenaires ont par contre motif à se sentir déstabilisés, à commencer par les 24 cosignataires du nouveau traité, toutes les institutions européennes et l'axe franco-allemand lui-même, tant prisé pourtant jusqu'à Villepinte ! Et peu d'eurosceptiques, notamment pas les Britanniques, ne conforteront davantage un protectionnisme européen.

Où risquent donc de nous conduire ces prises en otage de la construction européenne à l'occasion d'un enjeu électoral national, et cette remobilisation d'une « France du non » malgré ou contre une « France du oui » ? Pareilles sorties de route ne risquent-elles pas d'exacerber davantage encore les divisions nationales, d'isoler durablement la France en Europe, d'attiser des comportements eurosceptiques chez nos partenaires et de mener une Europe déjà fragilisée droit dans le mur ?

Par-delà partis et partis pris, ces dangereux dérapages justifieraient bien un SOS : touche pas à mon Europe !



Langues européennes en quête de sens européen

François-Xavier BELLEST

Le Conseil de l'Europe mène ses activités de promotion du plurilinguisme, de la diversité linguistique et de l'apprentissage des langues dans le domaine de l'éducation dans le cadre de la Convention culturelle européenne (1954) ratifiée par 49 états, donc bien au-delà des 27 pays !

L'Europe constitue une diversité par les langues parlées. Elle constitue également un amalgame de sens et de cultures. C'est exceptionnel et merveilleux, me direz-vous ! Oui ! Et vous avez raison ! Mais il y a un revers à cette diversité : la perception de l'Europe selon nos cultures, et bien sûr le sens que l'Europe envoie vers ses citoyens.

Les citoyens européens pensent, réfléchissent et s'expriment dans leurs langues d'origine. Jusque là, tout est normal. Seulement nos cultures ne sont pas les mêmes ! La perception que nous avons des autres (ceux-là mêmes qui ne s'expriment pas dans notre langue d'origine) complique la compréhension de ce qu'est l'Europe et de ce que l'Europe représente. Et en conséquence, difficile à l'Europe de « parler » globalement vers tous ses citoyens. Les pays membres prennent donc le relais...

Compliquons un peu plus ! Beaucoup de citoyens européens ne s'expriment pas seulement dans leur langue d'origine. Beaucoup s'expriment avec une langue de scolarisation ou de travail. Etrangères à leur langue, elles sont régionales, voire proches du dialecte, soulignent les linguistes. D'autres s'expriment dans une langue, dite commune ou communicante, voire « ralliante » : l'anglais. Mais quel anglais ! L'élocution est loin d'être celle de Shakespeare ! D'autant qu'à la langue vient se greffer le sens. Le sens d'un mot anglais n'est pas forcément le même que le même mot dans une autre langue... Imaginez donc, notre european english : un anglais, mélange de nos cultures et de nos approches citoyennes... Certains disent que nous parlons le globish... C'est assez vrai, ce global-english, dans une Europe qui peine à être comprise des citoyens européens.

Par le passé, l'*esperanto* devait rallier les langues européennes. Il faut reconnaître que cette langue a été un échec. Comment rallier des européens, avec leurs différences culturelles et leurs différences linguistiques ? Conséquence évidente, nous restons sur nos acquis : sur nos langues.

L'Europe fait de même. A l'image de ce que perçoivent les citoyens européens, l'Europe est une « grande dame » qui peine à s'exprimer dans sa langue, qui peine à parler le globish, qui peine à envoyer des messages clairs...

Conséquences : notre Europe tire la langue, crache du sens qui se perd très vite dans les discours... Déjà que les citoyens européens sont à la peine avec l'Euro... alors voir l'Europe tirer la langue, vous pensez bien que c'est peu plaisant !

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Fonds d'Ajustement Européen à la mondialisation : bilan et perspectives

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&

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À l'heure où tous les candidats à l'élection présidentielle parlent de protection de l'industrie, de ré-industrialisation, de valorisation des métiers de l'industrie, il n'est pas inutile de rappeler qu'il existe depuis 2006 un dispositif européen efficace mais mal connu d'aide à la reconversion des salariés licenciés de l'industrie.

Qu'est ce que le FEM ?

Le fonds d'ajustement à la mondialisation (FEM) a été mis en place en 2006. Doté d'un budget de 500 millions d'euros par an, ce fonds était destiné à accorder des aides aux salariés de secteurs et de régions industriels bousculés par la mondialisation afin de leur permettre de se former pour accéder à un nouvel emploi.

Conçu à l'origine pour faire de la réparation sociale à la suite de modifications survenues dans le commerce mondial (la disparition des quotas textile-habillement en 2005 par exemple) à l'instar de ce que prévoyait déjà le Trade Adjustment Act aux États-Unis dès les années 60, le FEM a été étendu en 2009 aux travailleurs ayant perdu leur emploi du fait de la crise économique et financière mondiale.

Ce fonds de solidarité européen destiné à gérer des situations d'urgence a-t-il été efficace ?

Selon une évaluation récente conduite par la Commission européenne, le FEM a été actionné 78 fois par 19 États membres (dont la France, l'Allemagne, l'Italie, l'Espagne, le Portugal ou l'Irlande) afin d'aider au reclassement 78 000 salariés de secteurs industriels tels que l'automobile (les équipementiers de PSA et Renault), l'électronique, les télécommunications, et le textile. Près de 358 millions d'euros ont ainsi été accordés à des travailleurs licenciés, parfois âgés, et de faible niveau de qualification afin de les aider à trouver un nouvel emploi, ou à créer leur entreprise. Le principal motif, c'est la crise (87% des interventions), la mondialisation n'ayant joué que marginalement.

Le taux de réemploi moyen est estimé à 41,8% avec des écarts importants selon les régions puisque dans certaines, bâties sur des mono-industries, il a été de 5% et dans d'autres, bénéficiant d'un dynamisme plurisectoriel, il a pu atteindre 78%.



On constate donc que les fonds ont été sous-consommés en raison de plusieurs défauts du dispositif : des procédures de saisine trop complexes par les États et les régions, des délais d'instruction beaucoup trop longs (18 mois en moyenne pour une aide d'urgence !), et une notoriété faible. Combien d'élus, de responsables politiques ou syndicaux français ont-ils fait la promotion de ce Fonds européen d'ajustement à la mondialisation ?

Quelles sont les pistes d'amélioration pour le rendre plus efficace ?

Plusieurs propositions sont sur la table à l'initiative de la Commission européenne, du Parlement européen et du Comité économique et social européen (CESE) qui représente la société civile organisée européenne. Certaines divisent, d'autres sont plus consensuelles.

Le seuil d'intervention est fixé à 500 suppressions d'emplois, le CESE souhaite le porter à 250, nous y sommes favorables car les PME sont au premier rang des victimes de la crise.

La Commission européenne suggère d'accélérer l'instruction des dossiers en recourant à des dossiers électroniques, nous sommes pour bien sûr.

Convient-il d'y inclure les professions indépendantes et les auto-entrepreneurs ? Nous pensons que oui sous réserve de limiter cette intervention à des artisans et des entreprises mono-personnelles.

Est-il légitime d'en faire bénéficier les salariés de l'agriculture déstabilisés par des concessions commerciales dans les négociations en cours (Mercosur, par exemple) ? La PAC représente déjà plus de 40% du budget communautaire. La France soutient cette extension du champ d'application sur la base de la proposition de la Commission européenne qui avance un budget pour le FEM de 3 milliards d'euros pour la période 2014-2020 dont un maximum de 2,5 milliards d'euros pour l'agriculture. Nous estimons, au contraire, que le FEM doit être réservé à l'industrie. Il s'agit, en effet, de l'un des rares outils spécifiques à l'industrie que nous considérons comme une pierre angulaire de la politique industrielle au même titre que le Programme Cadre de Recherche et de Développement.

Enfin, le FEM doit-il être autorisé à intervenir auprès des salariés victimes de la crise au delà du 31/12/11, fin de la dérogation temporaire ? À cette question, 4 États membres ont dit non : le Royaume-Uni, le Danemark, la Suède et... l'Allemagne. Nous invitons toutes les forces vives concernées par l'aide à la reconversion des salariés de l'industrie à se mobiliser afin de surmonter l'opposition de cette minorité de blocage au Conseil.

Oui, l'Europe est capable de montrer sa solidarité et d'aider concrètement des salariés victimes de licenciements économiques à rebondir. Oui, le FEM mérite d'être connu, promu et amélioré !

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Règle d'or : quel usage pour quelle Europe ?

Bruno VEVER, Secrétaire Général

Avec le nouveau traité et sa « règle d'or », on voit revenir par la grande porte, redoré de pied en cap, un pacte de stabilité pourtant jeté par-dessus bord et foulé aux pieds vingt ans durant par ceux-là mêmes qui l'avaient signé à Maastricht en 1992. Tous ont été responsables de cet abandon coupable : l'Allemagne aux prises avec les coûts de la réunification, la France culturellement portée aux dépenses publiques, et tous les autres incités par ces mauvais exemples à la facilité et l'indulgence mutuelle. Par contraste avec une Banque centrale européenne active et cohérente, bien que juridiquement bridée, l'Eurogroupe des ministres des finances aura davantage ressemblé à un parloir, sinon un dortoir, qu'à un gouvernement économique !

Aujourd'hui, le surendettement public et la crise de l'euro contraignent nos dirigeants à siffler la fin d'une trop longue récréation, ou d'un trop profond sommeil, qui aura conduit la zone euro dans l'impasse et la Grèce au fond du gouffre. L'accord européen du 9 décembre 2011 érige en règle d'or le retour des Etats à l'équilibre budgétaire, sanctions renforcées à l'appui. Un nouveau traité conçu à cette seule fin est chargé de lui donner la solennité nécessaire, même s'il faudra se passer des Britanniques et des Tchèques. Mais solennité vaudra-t-elle autorité, là où un précédent traité a déjà échoué ? Seul l'avenir dira si cette règle d'or de 2012 ne se révélera pas aussi plombée que le pacte de 1992 ! Car les motifs d'inquiétude ne manquent pas.

Le premier motif d'inquiétude est l'absence de tout dispositif commun, dans le nouveau traité ou quelque part ailleurs, permettant de contrebalancer les effets économiques et sociaux dépressifs d'une remise en ordre trop brutale des finances publiques. La règle d'or brille d'abord par l'absence de toute approche européenne pour relancer la croissance, l'investissement et l'emploi, au moment même où les agences de notation s'inquiètent plus encore d'une récession en Europe que d'un surendettement qui ne pourra guère être résorbé si la dépression s'installe.

L'autre motif d'inquiétude, qui va de pair, est qu'aucun mode d'emploi n'accompagne la règle d'or. Son application sans concertation ni discernement risque de s'avérer une faille majeure, là où une non-application avait été celle du précédent pacte de stabilité.

Une première question concerne ici le réglage du curseur entre alourdissement des prélèvements publics, qui ont déjà atteint en Europe des niveaux records, et coupes claires dans les dépenses publiques, qui ne seront pas sans dommages économiques et sociaux. Faisons confiance aux débats politiques entre droite et gauche, à commencer par ceux en cours de la campagne présidentielle, pour en décliner toutes les controverses !



Une autre question tout aussi cruciale n'est par contre guère évoquée, qu'il s'agisse des dirigeants politiques, des associations et des médias eux-mêmes. Ce « trou noir » du débat sur la dette apparaît d'autant plus surprenant qu'il recèle la seule clé qui permettrait de sortir du vrai/faux dilemme « plus d'impôts ou moins de dépenses » : encadrer la remise en ordre de nos finances publiques dans une réorganisation d'ampleur européenne, avec des mises en commun assurant autant d'économies d'échelle que de valeurs ajoutées. Les émeutes d'Athènes, qui pourraient fort bien se propager demain, au gré des circonstances et des marchés, à d'autres capitales de la zone euro, devraient pourtant faire réfléchir sur l'impasse qu'il y aurait à enfermer le débat des déficits publics dans le champ clos de cures d'austérité strictement nationales, sans aucune prise en considération d'un rééquilibrage à l'échelle européenne.

Cette troisième voie existe, qui optimiserait les vertus de la règle d'or tout en permettant de lisser ses aspérités les plus dommageables et d'emboîter les budgets des Etats dans une cohérence européenne aujourd'hui introuvable. La remise en ordre des finances publiques repose ainsi clairement, qu'on l'admette ou qu'on le redoute, la question de la facture devenue insupportable de la « non-Europe », avec l'éparpillement ruineux entre 27 Etats membres – dont pas moins de 17 à l'échelle de l'euro – de nombreuses dépenses publiques qui, engagées ensemble, le seraient à bien meilleur compte et bien plus efficacement pour tous les contribuables, qu'ils soient grecs ou allemands. Le Parlement européen et le Comité économique et social ont tiré la sonnette d'alarme et convenu d'actualiser leurs réflexions sur cette « non-Europe ». Ceci a fini par réveiller la Commission d'un long assoupissement pour l'amener, vingt-quatre ans après son rapport Cecchini de 1988, à engager une actualisation du coût de la non-Europe désormais en cours. Qu'attendre d'un pareil exercice : un rapport de plus pour nos bibliothèques où une salutaire prise de conscience pour nos dirigeants ?

Une chance reste ouverte : les sommets semestriels des pays de l'euro désormais inscrits au traité offrent l'occasion inédite d'arbitrer, sous pression de la crise, des choix budgétaires courageux et innovants qui permettraient de telles économies d'échelle. On pourrait dès lors réussir l'incontournable réduction de l'endettement public sans aggraver le poids des impôts, et donc sans affecter la compétitivité, le niveau de vie et le développement des Européens, tout en leur garantissant une sécurité et une protection accrues.

Certes, ceci impliquerait une ouverture d'esprit, une vision et une audace qui n'ont guère encombré les sommets européens ces dernières années. Car sans elles, comment pourrait-on s'entendre sur des sujets tels que l'intégration – et non l'addition – d'un service diplomatique européen solidaire pour peser efficacement dans le monde, l'unification des douanes aux frontières externes pour garantir l'identité du grand marché intérieur, la création de services communs de répression des trafics et des fraudes pour mieux protéger nos intérêts, la mise en place de structures européennes de police, de protection civile et de défense pour assurer notre sécurité collective ?

La chance sourirait à nouveau à l'Europe si ses dirigeants devenaient audacieux. Face à la mondialisation, seule une Europe forte permettra à ses pays de l'être aussi. Abordés sous cet angle, les problèmes critiques de notre dette, de notre croissance, de notre compétitivité et de nos emplois pourraient enfin déboucher sur autant de solutions communes. Transformer le plomb de nos problèmes nationaux en un trésor patrimonial pour tous : telle est la seule approche qui donnera sens et éclat à toutes les « règles d'or ».



Europe 2020 and the future of the European Union

Joost VAN IERSEL

President of the EESC Steering Committee Europe 2020

Key point

On proposal of the Commission the European Council adopted in its meeting of March 2010 the Europe 2020 Strategy. This strategy succeeds the Lisbon Strategy which was adopted by the Council in Lisbon in 2000. The aims of Europe2020 are largely similar to the aims of its predecessor. In its meeting of March 2010 the Council decided on the program and procedures of Europe 2020. The Commission was given a clear mandate. New rules for governance were adopted. An additional commitment is also expected from organized civil society. Undoubtedly, Europe 2020 is better defined and equipped than the Lisbon Strategy.

The question remains if it can weather the storms which come over Europe and if both procedures and political will are firm enough to make the envisaged progress. In pooling national and EU competences Europe 2020 is intended to be intertwined with all existing policies of the Union, and it identifies by itself a broad range of important issues. This is far from a technical affair. *Europe 2020 is conceived as a method and programme to connect Member States – hereafter MS - closer with the EU, thus deepening integration. In a political perspective it can be regarded as an overture to an economic government which is currently under discussion.* In this article I give an appreciation of the state of affairs and some ongoing processes as I see them. In addition to the envisaged policies I will discuss in particular the governance of Europe 2020.

A changing world, a huge impact

The geopolitical picture in the world is changing. The transition from the 20th to the 21st century marks dramatic shifts in the geopolitical panorama. Europe has to take leave of its familiar world view. It has to define its position in a new context and to that end it must adjust and redefine the rationale of European integration. The current political crisis and economic turmoil reveal how MS are struggling with this transition to a new era. I would, looking at developments over the last fifteen years, conclude the following.

After 1945 the world order continued to be economically and, to a large extent, politically dominated by the Western world under leadership of the US. European integration took place in that framework, protected by the American military and the nuclear shield of the US: we all – including Japan – enjoyed the benefits of the transatlantic bridge. European integration was primarily regarded as an internal European economic-political process to create peace forever between ‘perennial’ enemies. In spite of NATO the Europeans remained divided externally, each country maintaining its own foreign policy, including its own economic relations with third countries, endorsed by national economic interests. This context and process continued for decades, intensifying European economic intertwining anyway.

A milestone was the Treaty of Maastricht (1991) that provided for the EMU which started in 1999. The euro as a currency dates from 2002. The economic pillar of the EMU remained out of scope. European integration has



developed very uneven: there are big achievements such as large parts of the Internal market and a common currency, on the other hand important parts of economic life remained under national control. At the moment Europe looks to pay a high price for these uneven realities. Moreover, Europe is not prepared for a common position in the world, facing far-reaching challenges of new powers like China, India, Brazil and Russia. The US faces equally huge financial and economic problems. As a dominant world power the US are, more or less independently from Europe, (re-)defining their own position vis-à-vis the emerging economic giants and in the world at large. American public opinion looks increasingly to Asia.

Accordingly, the big challenges for the EU are twofold. Firstly, under very difficult circumstances, MS and the EU as a whole must keep intact and deepen their mutual relations and proceedings through improved institutional provisions, in particular in the euro-zone. Secondly, they have to define their common interests and position in a world with strong competitors with different cultures and values. Globalisation today means that Europe has to prepare to be a competitor and partner in a globalisation process where each major player has its own strong ambitions. This is a difficult and in some cases a very troublesome and painful process.

Economic resilience in difficult times

In spite of low growth at the moment the economic point of departure is on average not bad - which explains the value of the euro over the years -, but the Union is heterogeneous due to different points of departure as well as divergent economic management and governmental structures. One usually distinguishes roughly four economic 'zones' in the Union which each have their own characteristics: the Anglo-Saxon countries, the northern zone around Germany, and Scandinavia, the Mediterranean economies and the eastern part of the Union.

The EU remains the largest economic trading partner in the world. In important industrial sectors like the automotive sector, chemicals, mechanical and electrical engineering, transport systems, agro-food, pharmacy, and the medical sector Europe is number one. Europe performs well in key enabling technologies, but insufficiently in effective commercialization. Contrary to the US economy the industrial base is still a dominating economic force in Europe notwithstanding sensible disparities between countries. Large and middle-sized exporting European companies still do a good to very good job. Globalisation and open markets have born very positive fruits to Europe. Partial relocations of companies favour their overall output, and certainly also the parts that are kept and further developed in Europe.

European integration has decisively contributed to this rather healthy situation. The arduous and continuing work on the Internal market adds to the resilience of the European economy. Business and governments agree alike on the big advantages of European integration. It has laid the indispensable basis for the intertwining of the national economies in a European market that has a critical scale for developing advanced productions. The service sector is on average still lagging behind. This concerns also ICT where the US are dominant. Europe has no Apple, Google or Microsoft. These are goals for the future like progress in bio-science and nanotechnology.

There are substantial differences in economic development, technology and employment between MS. Moreover, the pattern of the national economies continues to reflect existing characteristics and traditions. I mention a few examples. Germany, for instance, is an industrial performer par excellence, which is for a large part based on a strong and broadly ramified pattern of the family-owned *Mittelstand*. France has an impressive number of well performing multinational companies and, besides, the pattern is primarily characterized by an innumerable number of medium-sized and small companies most of which have no international links, like also in Italy that at the same time is the home base for specialized sectors as fashion, design, and special luxury goods, excelling on the world market. The UK



has lost a good deal of its industrial base, but excels in finance and services. The Netherlands is besides the base for multinational companies an impressive logistic center. Scandinavia continues to have a strong industrial base. The eastern MS move steadily forward on the path of modernisation, with Poland in a leading position. The disparities in economic and social characteristics as well as in production- and earning capacities lead to divergent outputs between the economies, and to obvious problems in countries that do not sufficiently keep pace with global trends.

The European Union is passing through a very difficult period. The EMU with 17 Member States is under pressure as never before. Tensions in the euro-zone make the headlines. The unstable economic climate and, notably, the volatility of the financial markets spill over to the banks and the real economy. The main problem is political. European governments are too slow in addressing fiscal consolidation, sovereign debts in the euro-zone, and sharper conditions for the banking sector.

For the EU at large the lack of confidence flows from its institutional fragility and, apart from complexities and technicalities, primarily from hesitant reactions of MS and wide-spread doubts as to the political will of MS, in particular of some big MS, to build a reliable and sustainable architecture of economic governance of the euro-zone. This pending huge problem is making headlines for months and, because of its fundamental nature, it will, if no sustainable solutions will be found, undoubtedly raise protectionist temptation and forms of renationalisation. The institutional fragility of the EU is its Achilles' heel, easily overlooked in periods of economic prosperity, but the major stumbling block in the current crisis.

The first decade of the 21st century had its drawbacks. With ups and downs the overall economic picture developed very unstable. It started with 09/11 in 2001 – the attack at the Twin Towers in New York - which resulted in actions that confronted the West with other parts in the world. It was followed by the Internet-bubble that, however the main driver was a single economic sector, affected the economy as a whole, also resulting in a rise of unemployment. After a few years of economic revival the main catastrophe broke out with the financial crisis in 2008, i.e. the subprime crisis culminating in the fall of Lehman Brothers, which resulted in an unprecedented economic downturn with rising unemployment, both of which still continue. By 2010 many were waiting for a new economic revival, which did not materialize as yet. These developments have to be seen against the backdrop of the impressive rise of new world players as China, India, and Brazil leading to shifts in the spheres of influence and the development of markets worldwide.

The Lisbon Strategy

In 2000, in Lisbon, the Council discussed new European perspectives. In the process of transition from national currencies to the euro and the preparation for an extensive EU enlargement, the Council launched the Lisbon Strategy to make Europe fit for the 21st century. The fall of the Wall in 1989 had created new perspectives. The two-polar world with a division between the communist and the capitalist world seemed to be replaced by a world in which capitalist forces would prevail anyway. New emerging actors presented themselves stormily. The Lisbon Strategy was conceptualised by the Council as an overarching objective to respond to the dynamics of the time. The Commission had little to do with the concept. The Council pompously expressed the aim to make Europe by 2010 the most competitive and the most dynamic knowledge-based economy in the world, rather a declaration of faith than a concrete program. In 2001 the Council added in Göteborg the objective of sustainable development as a part of the Lisbon Strategy. Later, in Barcelona, a third goal was added, social inclusiveness, which boils down to creating jobs.



Problems started right from the beginning. The EU had an overloaded agenda. Negotiations took place with ten candidate MS who were very eager to join the Union. In parallel the physical transition of twelve national currencies to the euro took place in 2002. Fulfillment of the EMU criteria required ongoing monitoring and corresponding discussions in the Council. Moreover, negotiations took place on the new treaty, that would embody a Constitution for the EU. Due to the political management under leadership of the former French President Valéry Giscard d'Estaing the outcome of these negotiations was not bad at all. It turned, however, into a disaster following two negative outcomes of a referendum in France and the Netherlands. In other words, the context for new steps forward in deepening European integration proved far from ideal.

On substance the Lisbon Strategy did not provide a coherent program nor clear procedures or a time frame. The Commission which, from the beginning, was by-passed by the Council, was not very co-operative either. Neither was the European parliament (EP). Instead of well-defined guidelines for the future the Lisbon Strategy became more of a headache. It had a bad to no image in the MS. After some laborious years the question arose whether to stop or to continue. A High Level group, presided by Wim Kok, a former Dutch prime Minister, made an in-depth analysis. A lack of rules of play and the lack of governance were regarded as the main obstacle for progress. The Kok-report focused its recommendations primarily on governance which should entail close involvement of the Commission in defining targets, together with the Council, and in monitoring performances in the MS. Of course, this turned out to be a thorny field.

A very important, and often largely overlooked, aspect of the Lisbon Strategy was that the goals were only partly covered by the Treaty. Innovation policy, industrial policy, the interaction between flexibility on the labour market and social security, and others, are primarily or totally subject to national legislation, rules and traditions. Even extended competences of the Commission can have only a limited effect as long as the MS are not giving up each of these competences – by unanimity! -. The answer was found in a broad application of the 'Open method of coordination'. Every country kept its sovereign competences as far as they are not taken over by the Treaty, but the MS commit themselves to transparency, delivering data and in discussing each one's achievements. Unfortunately, this method failed and resulted in an open-ended debate without engagement. The position of the Commission was not easy either as soon as discussions touched on subject matters beyond the Treaty.

In spite of these obvious obstacles the Kok-report proved a turning point for the better. The procedures in the Council improved, the discussions got more transparent. Year after year the Commission carried out analyses of financial, economic and social achievements on important issues in the MS. In some cases the booming 'Open method of coordination' boomed contributed to more intensive discussions between national administrations. Scoreboards and best practices were broadly disseminated. There was some progress.

An interesting example is the Danish concept of flexicurity – flexibility and security on the labour market in one policy concept – that, at a given moment, was seriously discussed in other countries. Another example that bore fruit was the Innovation Platform in Finland that inspired some countries to imitation. So was also the successful cooperation between successful research institutes in Germany and industry. A nice example that shows that not only governments benefitted from the new approach, is cooperation between universities in Europe. Education is not covered by the Treaty. It speaks, however, for itself that in a competitive knowledge-based society, universities are for a competitive knowledge-based society. So the Lisbon Strategy gave rise to forms of cooperation among European universities such as the European League of Research-universities and similar forms of cooperation. Whatever discussions and interesting examples, however, the framework of the Lisbon Strategy remained fragile. No obligations, no sanctions, and very few changes in national policies where they would be urgently needed.



Europe 2020

When the new Commission entered on stage in 2010, it looked for a mid-term focus of the new team. The Council and the Commission concluded that the Lisbon Strategy had far from born the desired fruits. Again, there was some pressure to finish it because of a lack of tangible results and a poor image. Finally, the Commission decided to propose to the Council to go on with it, but under condition that the management would improve considerably. The result of the deliberations was that the substance of the strategy would remain more or less equal, that the title should indicate an operational goal, and that the governance of the strategy should change, including a reinforced role of the Commission, and more transparence and commitment on the side the MS. This proposal was discussed in the Council of March 2010. In June 2010 the Council and the Commission agreed on substance and on procedures.

In Europe 2020 Council and Commission better defined goals and adjusted and sharpened procedures:

- the goals are more or less similar to those of the Lisbon Strategy but they were more targeted, actualised and defined in a more operational and less pompous way
- the responsibility of the Commission in the process is better defined
- the focus within the Commission is sharpened, all DGs have to base their actions and proposals on Europe 2020
- President Barroso and the Secretariat General (SecGen) are more in control - better governance - of the process
- the Council and the Member States take more ownership
- the monitoring role of the Commission is better defined, systematic and better organised
- Europe 2020 embraces macro-economic as well as micro-economic issues, the first group closely related to National Reform Programs (NRPs), the second group consisting of decisive economic and social areas, called Flagship initiatives
- these are in their turn closely connected with the Internal market, trade issues and access to raw materials
- regional and local authorities as well as organized civil society are seen as partners.

A very important aspect of Europe 2020 is that, by its institutional set-up and content, it envisages to overcome the counter-productive distinction between Community-matters and matters that remain preserved for the Member States. Part of the uneven development of European integration is due to a wrong application of 'subsidiarity'. Europe 2020 aims conceptually and by concrete application at compensating 'subsidiarity' in case of those policies and measures, where effective pooling of competences between MS and the European Institutions is indispensable for growth and competitiveness, investments, employment, education, technological progress and innovation, modernising of the economy and the well-being of European citizens at large. Briefly, such pooling is necessary to create conditions for a full use of existing potentialities. Therefore, a holistic approach which includes coherence and interconnection of macro- and micro-economic policies, as there are the seven flagships on crucial economic and social issues, and the link with the Internal market, international trade and access to raw materials reflects a new way of thinking. It introduces a new method according to which the indispensable pooling of national and EU competences can and should be materialised. It is high time!

On the face of it the difference between the Lisbon Strategy and Europe 2020 seems limited. Europe 2020 could indeed hardly have been proposed in its actual form without its predecessor. But as a follow-up it explains paradoxically also the fundamental differences between the two. On substance they look very similar. Europe 2020 intends also to promote European competitiveness, sustainable development and social inclusion. Its programming,



however, is closer connected with current developments, and the tone is different and more mature. The Europeans are forced to realize that becoming the most competitive economy in the world is definitely beyond their power. They must do their utmost to keep pace with others, in terms of technology, innovation in business and society, quality of production and services, investments, and employment. Moreover, sustainability has an increasingly acute significance: the greening of the economy, the need to go for low-energy and low-carbon, and the impact of climate change, press for adjustments in European production processes that goes also hand in hand with new opportunities as current developments in industry show day by day. Finally, the aim of social inclusion is all the more needed, however difficult to attain, given a continuous high rate of unemployment in many Member States. So far on substance.

Governance and National Reforms Programmes (NRPs)

Still more important and quite noteworthy are the proposed changes in governance of Europe 2020 as opposed to the Lisbon Strategy. The overriding idea is to make the framework firmer and to foster the efficiency of the procedures. Europe 2020 is conceived as a program for the whole Commission and the Council. It is a holistic set-up of principles and goals which all DGs have to incorporate into their work programs. The SecGen is in charge of the coordination in a stricter way. Following up this scheme coherence and coordination of policy-making within the Commission will be fostered. In a bureaucracy it is always very difficult to create common denominators to which all participants subscribe wholeheartedly and in a congruent way. From outside it is not easy to evaluate how it will continue to function in practice, but in all recent Communications as well as in legislative proposals Europe 2020 is mentioned and put forward as a main driving force. This framework is sustained by a coherent set of policy-objectives and proposals that is supposed to encompass the whole spectrum of EU-policies.

This should give an extra impetus for Europe 2020 in the Commission and the Council. Macro- and micro economics are put together in the same picture which is fundamental and new. Until recently macro- and micro-economic issues were treated as two different avenues without clear inter linkages. The most important macro-economic provision consists of well-defined procedures concerning what is called the European Semester. The European Semester is an annual cycle of interactive actions and discussions between the Commission, the individual MS and the Council. As a Europe-wide system of NRPs, including specific targets per country and effective monitoring by the Commission, failed completely under the Lisbon Strategy, Europe 2020 envisages to provide improved procedures that should 'force' the Member States to deliver.

In Europe 2020 the role of the Commission is fostered. Following decisions of the Council of June 2010 MS are invited – this cycle will be repeated every year - to inform both the Commission and the Council about the progress in their NRPs. The outcomes of the NRPs are and will be annually discussed in the Council on the basis of progress reports of the Commission on developments in each MS concerning the parameters of Europe 2020, competitiveness, sustainable development and labour market adjustments. These are examined within the MS and in contacts between the Commission and each MS, resulting in country-specific recommendations to the MS, and presented in the Council.

The country-specific recommendations launch the national Semester of the Europe 2020 strategy. In this framework the MS are asked to discuss the Commission's recommendations with all stakeholders in order to introduce them in the NRPs and in the national budget. The overall report is discussed in the Council, including a detailed score-board, peer review and the country-specific recommendations, thus creating the opportunity for MS to criticize each other's achievements in order to promote incentives for change and convergence of views. Transparency will be enhanced due to an accentuated monitoring role of the Commission, which is essential, while the discussions in the Council



become more focused and the tone among the MS becomes more critical. It looks like that the MS and the Council are taking more ownership than before. The MS are also expected also get more open to criticism of the partner countries.

The proposal of President Sarkozy and Bundeskanzler Merkel in a press conference on July 21st after the long awaited European Council on the financial stability of the Eurozone, looks like very much an upgraded Semester. The two leaders emphasised the need of closer cooperation between the MS on key issues of economic government. They proposed two meetings of the Council annually on these key issues, while the current Semester foresees only one meeting. The two meetings should be well-prepared and transparent, in close cooperation with the Commission. The objective should be, as in the current Semester, well-guided improvement of the macro-economic basis and public finances in the MS, in particular of the euro-zone, by a convergence of policies. This Franco-German proposal, still too limited to tackle today's problems, boils down essentially to sharpening the agreed European framework of Semester and NRPs.

Flagship initiatives

Next to the central issue of the NRPs the seven so-called Flagship initiatives, the second part of Europe2020, are intending to enhance the coherence and interconnections in the EU. These are crucial areas which can be partly covered by the European Institutions – Commission, Council, EP -, but for the moment they are also for a large part covered by national policies. These areas are addressed in the following flagships which are to be seen as new engines to boost growth and jobs:

- Smart growth:
 - digital Agenda for Europe
 - innovation Union
 - youth on the move
- Sustainable growth:
 - resource efficiency
 - an industrial policy for the globalization era
- Inclusive growth
 - an agenda for skills and jobs
 - European platform against poverty.

The flagships are directly linked to the Semester and the NRPs. The last mentioned are also linked to adjustments in areas that are covered by the flagships. So the enquiries and examinations with the Member States in the Semester must to a certain extent go parallel to EU negotiations on the flagships and their follow-up. In both cases, the Semester and the flagships, the intention is paramount: how to realize a growth strategy and to keep up-to-date the European economy alongside worldwide developments by streamlining and focusing EU- and national policies.

The Commission's Communications on the seven flagships are discussed in the Council. These are an introduction to further concrete proposals. They broaden and deepen the scope of the Union in that national competences and policies should dovetail with Community-competences and policies. Let us take a look at Industrial policy and the Innovation Union. Strict EU competences in this field are very limited. With some exaggeration one can say that there are 27 industrial policies in the Union, corresponding also with national technology and innovations programs. Compare this with the US or China! Whatever different conditions between the 50 states of the US, national priorities



prevail across the country. Look also at the overwhelming influence of the Pentagon in technological and industrial policy. In China, state capitalism makes that crucial sectors are state-led.

There are strong arguments for increasing convergence between national policies and cooperation between research centers – university-research and others - and institutes, like Max Planck (Germany) and pôles d'excellence (France). MS and the Union at large will profit from it. It is also clear that discussions at EU-level on Europe-wide framework conditions for sectors will inspire national policy-makers and will encourage better coordination and focused exchanges between national and Community officials. In a number of sectors the Commission has already established sectorial and also transversal Platforms where representatives of industry, research institutes, universities, national ministries and social partners are discussing desirable measures and policies. Europe 2020 can boost the output of these Platforms as very helpful and targeted frameworks.

A second important aspect is the coherence among the flagships. Of course, there is a close interaction between, say, industrial policy, innovation, digital agenda and skills. Europe 2020 puts these fields as much as possible in the same perspective. That will give more visibility to each of the components. As Europe 2020 is a strategy across the Commission, this coherence as well as the 'output' of each flagship should be fostered. Another example: skills. Given the fast technological developments, the need for improving skills and competences hand in hand with adaptability is paramount. This is a necessity for people and for companies, and a domain which is regularly discussed at European level. But in spite of these discussions policies remain largely national. The results would be greatly improved across the continent, if – under the umbrella of Europe 2020 – an effective pooling of national methods, practices and qualifications took place. This flagship, again, is closely linked with Youth on the move, the Digital agenda and Industrial policy. How could the objectives of these flagships be realized after all, if there is no priority given to skills and common qualifications of people across Europe?

A special case in point is education at all levels. Education is the basis for all well-being and progress. It is regarded as a national (or regional) competence par excellence. It is even hardly – very briefly in Articles 165 and 166 TFEU - mentioned in the Lisbon Treaty! But how to create jobs across Europe without improving education in the EU at all levels? Education systems must improve and best practices and peer reviews are needed. The EU can be of great help. Furthermore: how can research and high-level education across Europe be guaranteed and improved, if higher education and universities would stay outside the scope of the EU and would insufficiently work together on our way to a knowledge-based society?

Here again, we see a wide variety of university-systems, well advanced ones alongside underperforming ones, of which a number operate under direct national political patronage. Compare this with the US with the hierarchy of top- and lower-classified higher education institutions. The Europeans want world-class education and world-class science. Successful universities combine education with fundamental research. Under the flagships Innovation Union, Skills and Youth on the Move the EU can define a number of common principles and objectives, respecting national competences, but driven by a commonly agreed strategy for the future. Well-defined political orientations will intensify also the ongoing European cooperation among universities. The flagships are in this way linked to each other. Combined they must form a policy program for successful approaches.

It is a substantial step forward that Europe 2020 provides the framework and the method of pooling of national and Community competences and interests. Framework and method both continue to respect national diversity but, if applied systematically, both will also improve outputs. The Commission's initiatives concerning education at various levels – notably vocational and higher education - are very welcome and needed. Europe 2020 offers plenty opportunities to make them a success.



Internal market, internal and external dimensions

The section of the Flagship initiatives in Europe 2020 is equally closely connected and intertwined with the third section 'EU levers for growth' that consists of three chapters: the Internal market, trade and external policies, and EU financial support. The Internal market is a very special case in point. It is the core of the EU, in particular since the Single Act of 1986 and Europe '92. Concrete decision-making on follow-up proposals, flowing from the flagships, will highlight what is expected from the Commission, the Council, the EP, and the MS, and this will deepen the Single market. I would like to highlight three aspects of the Internal market that have directly to do with Europe 2020. The first aspect can be summarised by the well-known saying that the Internal market is never finished. In spite of its huge achievements the Internal market is a sensitive area due to incorrect implementation of Community rules. There are manifold complaints across Europe. Insufficient oversight causes fragmentation instead of the desired level playing field. Under Europe 2020 the Commission's surveillance capability should be reinforced. Moreover, economic and technological dynamics underline a constant need of bringing up-to-date European legislation – new and existing –. They ask also for specific measures and methods of European harmonization or standardization to fine-tune conditions for doing business in Europe. This is a fascinating never-ending story, look for instance to the establishment of new financial regulations and the current framework conditions to respond to climate change. The Internal market covers an ever broader spectrum of issues in familiar and new economic areas. Europe 2020 should be a robust framework for these developments.

The second aspect is that as a consequence of the intertwined European economies an increasing number of new issues in our societies are considered to be related to 'economy' and 'market'. To a very large extent national economies can no longer be distinguished from one another which usually creates increasing benefits for the European citizen. An interesting example in this field is public health. In the past this sector was totally excluded from European integration. Nowadays, also parts of public health are affected by EU-regulation and it looks like that this development will go on. Europe 2020 is a favourable framework of such developments. This leads to the third aspect I would like to highlight. There are fields that are closely connected to the Internal market which, until recently, were excluded from any formal European involvement and remained preserved for national policy. As said, R&D policies – as far they are not subject to EU (financial) programmes which cover a minor percentage – are primarily national. So is industrial policy. But both have all sorts of consequences for the functioning and improvement of the Single market. Pooling of competences, convergence and project-bound cooperation between Member States in these – and other areas - will be very supportive to the Internal market.

Other important areas are labour market policies and tax policies that are still primarily or totally national-driven. More detailed score-boards and the dissemination of best practices parallel to the examination of closer coordination and convergence should be promoted. Nobody can keep his eyes closed to varying levels of employment among the MS. Discussions at EU-level and among groups of MS are very desirable. In varying degrees national policies have an impact on the way the Internal market functions. If these are not carried out with a clear eye on the (successful) effects of policies of neighboring or partner countries and with a lack of political will to learn from one another, it may hinder the Internal market or even be damaging. In other words, a wrong use of 'subsidiarity' is turning counterproductive. The current level of integration and successful intertwining of the European economies require a careful examination in what way and to what extent areas that remain preserved for national decision-making, can be developed in a commonly agreed framework for better results so that the European economy as a whole will become more robust and resilient. In the same vein must also be seen the proposal of Commissioner Barnier for a new Single market Act, embracing 10 important future-oriented themes, as a lever of growth and a driver for revival of the single market itself.



The second part of the third section of Europe 2020 is international trade and external policies. In this respect there is a world to win. As to competences in international trade the EU has a formal approach. The EU, and in particular the Commission, is in charge of the WTO, free trade- and association agreements, and the ACP. But a large part of trade relations, seen as a part of national foreign policy, is remaining a national domain. As European integration was initially conceived as an internal process, the external interests have systematically been underestimated, if not neglected. MS have never been willing to give up their prerogatives. This means that, to a large extent, there is no external European dimension of the Internal market, an uneasy situation. How to deal with other continents when tending to protect their own market? It is not an exception. How to deal with diverging views and traditions, for instance with state capitalism? How to deal with actions of sovereign funds of third countries in the EU? Also in these cases a wrong or an exaggerated interpretation of 'subsidiarity' can be damaging or counterproductive.

An illustrative example that has impressed many Europeans at the time was the way in which President Obama and President Hu of China by-passed the leaders of France, Germany and the UK in the final negotiations on climate change in December 2009 in Copenhagen. The future composition of main bodies in the UN and the IMF are providing other examples. In important cases the Europeans are simply not yet used to a common – i.e. above national level – presentation and defense of common interests vis-à-vis the rest of the world. Again Europe 2020, linking European and national competences, can be of great help in developing common positions in the Council. Strengthening along this way the external dimension of the Internal market would be very profitable. The same goes for access to raw materials. This issue is of equal vital importance to Europe. But for a large part it is still seen as a national affair, although relations of a MS to third countries deeply affect other MS, see for instance bilateral energy relations of MS with Russia. Do we really want this awkward situation to continue? Here again, an effective pooling of national and EU competences in a European framework to compensate disadvantages of subsidiarity is definitely needed.

The third part of this section, EU financial support, concerns the future of the European Funds, in other words the budget 2013-2020. The negotiations will be a tough battle in the Council on the volume and on the partition of expenditure over the various Funds. The framework of Europe 2020 should be seen as an opportunity and an indicator. It should create sufficient hold for the discussions between the Union and the MS. It should entail an effective contribution of the Funds – the Agricultural Fund, the Regional Fund, the Social Fund, and, above all, the Research Fund – to the growth strategy of Europe 2020. This process under the heading of promotion of innovation is already on its way. It can be developed more systematically so that the limited budgets will result in a multiplier effect, boosting growth and knowledge-based potentialities. Similarly, they must also be used to intensify cross-border cooperation, partnerships, and projects. Smart use of EU money can enhance considerable output. The envisaged dynamics between EU Funds and Europe 2020 should guarantee that the negotiations on the budget 2013-2020 do not degenerate into an unedifying bargaining about percentages or, worse, I-want-my-money-back. The upcoming negotiations on the budget are another test case where the EU is heading.

The EESC and organized civil society

In addition to the involvement of a broad spectrum of companies as well as business- and branche-organisations, agencies and think tanks concerning subjects that are covered by Europe 2020, the European Economic and Social Committee – EESC, bringing together social partners and civil society representatives - got also progressively involved in the Lisbon Strategy and later in Europe 2020. The number of consulted and committed actors in the process, and their ongoing influence on European affairs, can hardly be overestimated. In spite of the current emphasis on intergovernmental negotiations and the significance of national capitals, Brussels continues to function as the centre



of the Union for economic policymaking, with all related political implications involved. The EESC took part in the Lisbon Strategy both through its regular consultative work and as a platform for national organizations in the EU. From 2005 onward it became clear that European integration, in addition to the crucial involvement of business, requires also full commitment of organized civil society. The negative referendums on the European Constitution in France and the Netherlands, two founding countries with a positive attitude to European integration, meant a watershed for politicians and experts as a shocking illustration for the distance between public opinion and 'Europe'. The rise of populist political parties across Europe speaks for itself. The Commission has become more sensitive for public opinion and, thus, for a commitment of civil society. The Council, by contrast, remains very much attached to traditional governmental approaches. Renewal or redefinition of ways of fact-finding or looking for new partners, let alone of decision-making, will certainly not come from the Council or the national administrations.

In 2007 the EESC established the Lisbon Strategy Observatory in which also National Economic and Social Councils and similar organizations (CES) took part. The EESC discussed the Lisbon Strategy in its entirety. It presented itself also as a Platform for national CES, and as an intermediary or a channel between these and the European Commission. In its first capacity the EESC presented several Opinions to the EU Institutions in which the coherence of the Strategy formed a central element. In its second capacity the EESC invited national CES to share their views in Brussels and to take part in examinations on their participation in the Strategy in the national context. In both cases the EESC was and is dealing with the SecGen of President Barroso, who was himself in charge of the Lisbon Strategy as he is now in charge of Europe2020.

In Europe 2020 the role of the EESC has been redefined. Given the overall impact of the strategy the EESC Steering committee Europe 2020 was established in which the Group Presidents – employers, employees, third interests – and the Section Presidents are member. 'Governance' is reinforced as in the Commission and the Council. There are regular consultations with the Commission. In the Conclusions of the Council of last June the participation of organized civil society in Europe 2020 is specifically mentioned as is the participation of regional and local actors. Europe 2020 is meant to make European society fit for the 21st century. This affects not only national administrations, business and (big) companies. The need for commitment of society at large has often been overlooked in European integration. As the integration process affects an increasingly broader spectrum of society, involvement should be broadened as well: besides the industrial and service sectors the social partners - collective agreements! -, the education sector at all levels, environment, research centers, the health sector, NGO's of different kinds and others. Politically, it is desirable to address the citizens in order to enhance commitment to the common cause. In this context it is equally worth to point to the increasingly closer relations between the EP and the national Parliaments.

NRPs are discussed between state officials and the Commission. In some MS the Commission is invited for discussions with social partners – for instance in the Netherlands where the joint position of social partners is annexed to the final NRP -, but in most cases the national government does not create opportunities for such contacts. Fortunately, NRPs are rising on the national political agenda as they are increasingly discussed in Parliaments. The EESC is invited by the Commission to organise meetings with national CES to discuss NRPs. To that end the national Councils are asked to send reports on their involvement in the NRP and on the way they discuss desirable adjustments with their governments. These contributions to the national Semester can be used by the Commission in view of the country-specific recommendations. It is a learning process. In some cases the outcome is quite positive, but in many countries the CES are sidelined in this procedure.

This proves to what extent the Community fabric is still seen as a governmental affair without interference of organized civil society. Although the traditions in MS in this respect are very varied I believe that co-responsibility of societal circles will in the end pay off positively as will do an intensive relationship between national Parliaments and



the EP. Such 'participatory democracy' seems indispensable in times of change and increasing internationalisation which goes parallel with the blurring of national boundaries. Of course, MS will remain the major players, but in view of more effective policies and their implementation the Union needs broader commitments than those foreseen in a division of labour between governmental and administrative bodies. The CES should, where appropriate, behave and be accepted as committed stakeholders in this game.

Will it work?

The goals of Europe 2020 can be summarised as follows:

- a holistic approach, focusing on sound financial policies and conditions for growth
- an interaction and desirable mutual fertilization of the various parts of the programme: annual Semester, NRPs, Flagship initiatives, the Internal market and international trade
- a focus on crucial policies by Commission, Council, EP and MS; a stronger monitoring role of the Commission
- an effective pooling of national and EU competences with full recognition of the role of the Commission
- a closer commitment of the MS to the Union and more coordination among the MS themselves.

Europe 2020 is a new stage. It recognises diversity, at the same time offering additional opportunities to channel European and national objectives and procedures, and thus, to tackle unacceptable deficiencies in the integration process as illustrated above. The main question remains: will all this work out as it is conceived? In my view Europe 2020 is, given its structure and priorities, the right response under the current circumstances. It adds to the Lisbon Treaty that has once more defined the broad responsibilities of the European Institutions and has opened new avenues for further integration. But, as said, that is not enough. Apart from the need to monitor more intensely the implementation by the Member States of EU decisions, MS still keep a certain distance to the Union – amazingly after 60 years European integration - which is not in accordance with the common European interests, internally as well as externally.

Europe 2020 can, if carried out along the Conclusions of the various Councils, be a reliable guide to get MS and the Union closer to each other. Europe 2020 does not represent 'harmonization'. It does not take over national competences, if this is not foreseen in the Treaty. It envisages essentially a pooling of EU and national competences in a common framework to the benefit of the objectives, defined in the Treaty. To make it a success political will and continuity is indispensable. At the moment it is an open question whether both will be sufficiently guaranteed. The EESC takes the view that Europe 2020 should be accomplished as a method and a program to strongly support further development of the EU, in particular regarding NRPs, sound public finances, and a badly needed growth strategy.

The tide is turning, but urgent action is needed

At its start Europe 2020 had no high reputation. The Lisbon Strategy had failed. The image was low. In the economic turmoil it was sidelined furthermore. Nonetheless, under present circumstances it looks like that the tide is turning. The stakes are high. Europe is at crossroads as ever before. The Union would face an unparalleled political crisis if the deadlock around the euro would not be sorted out in time. The euro is one of the major achievements of European integration. Its birth was very much welcomed and it has served Europeans well over the last decade. The number of member countries has steadily increased and there are other candidate countries in the waiting room. The euro must



continue in a more stable environment, but this will require far-reaching and reliable political decisions. The architects of the EMU proposed a gradual and cautious building up of the membership. Central Banks, and economic and monetary experts were aware of the risks and have warned for what we see happen today. At the time the need for a Political Union parallel to the euro was underlined.

But on the way to the implementation of the Treaty of Maastricht these voices were overruled by political decisions, resulting in no Political Union and a too easy access of member countries. From the start of the EMU in 1999 there was broad awareness that the euro-zone was not an optimal currency area. The economies are too heterogeneous and developments are uneven. There is in a way a north-south split due to diverging economies, mentalities and administrative traditions. The current crisis is particularly revealing. Moreover, the Union is affected by an economic downturn, in which performances of countries differ substantially. Even among the group of hard-hit economies some perform better than others. The Greek, Portuguese, Spanish, Italian and Irish cases have each their own characteristics and their own reactions to them. The Greek case is the catalyst. Whatever the solutions to be found, the current situation proves crystal clear that the euro-zone cannot continue without far better structured economic governance or even an economic government.

This means that parallel to a very much needed short-term political solution for the euro-crisis which asks for an unambiguous and robust solidarity among the member countries of the euro-zone, progressive steps have to be taken on the way to an economic government. The key is definitely in the hands of the governments to respond to the crisis and to the damaging lack of confidence among banks and business as well as to growing popular criticism. It must be made clear to public opinion that in crucial areas more Europe is necessary. This requires, before all, political leadership and vision, and thus a positive mindset of governments to deepening European integration and a change of attitude to Brussels as political-administrative center of the Union. Too long opportunities have been missed to streamline policies and the correct implementation of policies. Too long governments were satisfied with loose procedures, and did not want to be held accountable.

But this is no longer a time for a free lunch: political responsibilities require action. In Germany, Finance Minister Wolfgang Schäuble was the first to touch upon the need for a transfer of national sovereignty. Meanwhile, also Bundeskanzler Angela Merkel, influencing mainstream thinking in political Germany, speaks of changes in the recently adopted Lisbon Treaty. In France political statements on this issue are sparse but, recently, the French Prime Minister, François Fillon, declared that increased macro-economic oversight is a political necessity, announcing French-German proposals for the economic government of the Eurozone. Surprisingly - given the rather negative attitude of Dutch politics over the last decade towards European integration -, the Dutch government formally proposes the nomination of an EU Commissioner, responsible for 'Economic oversight', who should hold far-reaching competences, comparable to those of the Commissioner for Competition. The Belgian Finance Minister, Reynders, takes a comparable view.

This opinion goes in the same direction as the view of ECB-President Jean-Claude Trichet who advocates a 'European Ministry of Finance'. In the EP, amongst others, Guy Verhofstadt, chairman of the Spinelli Group, is a crusader for a federalist concept. Recently, the EP has been successful in reaching an agreement with the Council on the 'Six Pack', setting much stricter budget-rules for MS and introducing competences to the Commission as an independent budget-authority. MS and think tanks across Europe develop concepts.

It is highly desirable and important that also the Commission takes fully part in the discussion, this all the more so, because in any new approach – be it with a federal or a more intergovernmental orientation (which may, once again, lead to only half-way solutions) – the authoritative role of the Commission must be strengthened. Currently, political ideas are coming up in a still unstructured debate. They reflect a growing awareness for the need of a far better



organised governance in the euro-zone indeed. Europe must really speed up in view of more stability, not only to financial markets, but also in the interest of the real economy, investments and job creation. It is largely in the hands of governments.

The process set in motion by the Lisbon Strategy and, more firmly, by Europe 2020 proves that disciplined 'governance' is the heart of the matter. Where governance fails, policies fail. Political decision-making in the EU is rarely up to the challenges and, as a rule, too slow. It remains always one or more steps behind what is needed. Once again, precious time is being wasted. Actual developments in the financial markets and around (the recapitalisation of) banks prove again that the European economy remains in very rough waters. The Council decisions of July 21st on the European Financial Stability Facility to sustain stability of the euro-zone will only come into effect by the end of October! The sovereign debt crisis and a banking crisis are spilling over to the real economy and may also affect the Internal market. Dexia is a special case in point, but it may add serious problems. A weakening of the euro-zone and the EU would have major political and economic implications, internally as well externally. Consequently, a political commitment is urgent which should consist of an announcement of a leap forward in European integration implying a roadmap for sound public finances as well as a growth strategy. To be effective, this roadmap of the Council and the Commission must be convincing and credible among all economic actors, and notably also to public opinion. Any postponement will backfire.

As I have argued above, I firmly believe that Europe 2020, in operation on the basis of the Council decisions in 2010, can be very helpful and instrumental in implementing the necessary leap forward. It must lead to a better governance of Community matters, respecting subsidiarity. Europe 2020 does not aim at a fully harmonized Community. It acknowledges the diversity among the Member States as it respects national structures and administrative procedures. Thus there is flexibility within the strategy without which it would not hold. But in the same framework of Europe 2020 the Council must decide a governance that holds MS effectively accountable and forces them to act according to the rules of the game and to the rules of the club. This implies, amongst others, fostering the authoritative role of the Union and the Commission in economic policies and in oversight of public finances. These should be the main goals of sharpened rules of procedure and improved governance.

Conclusion

The stakes are high indeed. Europe must create adjusted conditions in a fast changing world, a new rationale for European integration. Ways and means have to be invented to respond to the paradigm shifts. It is illusionary to believe that MS as individual entities, be they big or small, will in the future be able to create a stable environment for themselves. The blurring of national boundaries, globalisation, internationalisation of investments, technology and innovation, the promotion of European interests along the need to preserve open markets as well as the development and prosperity of European society and its citizens, require a well-functioning European Union that is convincing to its citizens.

An adjusted structure should no longer have to do with obsolete discussions on intergovernmental versus community method nor with a wrong application of 'subsidiarity', that, however a right principle to be respected, has never been intended as an alibi to stop effective policies. On the way to an urgently needed trustworthy governance of the euro-zone and the EU at large, focusing on sound financial policies and a growth strategy, Europe 2020 delivers an effective model for immediate action. Therefore, it should remain fully on the political agenda and be carried out as the Council itself and the MS have decided.



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AGENDA

- > Dans le cadre de la présidence mexicaine du G20 de juin prochain, Europe & Entreprise organisera une conférence avec José Poblano, ministre des Affaires économiques et la coopération auprès de l'Ambassade du Mexique en France.

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