

## interview \_\_\_\_\_

### Dan Luca, PhD

Director of the EurActiv European Network



The need for better communication in the field of European affairs has been discussed more and more often in the public space. In your opinion, how could European institutions improve the mechanisms of communication with citizens? What steps should be taken for a better understanding of the European construction by the population of the Member States?

Numerous studies on the European Union equally emphasise the central role played by unelected officials in the EU decision-making process, as well as the need to “Europeanize” public communication. The political parties at the level of the entire European

Union are only in an incipient phase, which is why any referendum or any other type of elections organised at European level will always be seen from a national perspective. Moreover, it is difficult to achieve the mobilisation of transnational European actors at European level. There are a few proposed solutions. Firstly, the EU must offer citizens a positive and comprehensible image concerning its activities; in other words, it must be transparent, comprehensive and accessible. Secondly, the EU needs to develop a communication strategy able to bring it closer to the citizens’ daily life. This implies the dissemination of information beyond the borders of the European capital city. Thirdly, the European Union must re-establish balance at national level, by decentralising communication and creating partnerships with national entities ...

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## event \_\_\_\_\_

### The Economic Forum, Krynica, 3-5 September

‘Towards a New Deal’. This was the motto of the 23<sup>rd</sup> Economic Forum edition which took place in Krynica between 3 and 5 September 2013. As in previous years, 6 plenary sessions and over 120 discussion panels, seminars and round tables have created the premises for open discussions with well argued points of view, as well as rigorously sustained opinions and economic plans, coming not only from governments and coalition parties, but also from experts, analysts and consultants from the economic and financial sphere ...

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## “EU needs to develop a communication strategy able to bring it closer to the citizens’ daily life”.

In this context, Romanians are known to generally display a great dose of trust in Community institutions. However, this trust is associated by certain analysts with a de facto ignorance of the European system. In your opinion, are Romanians correctly informed about the operating mechanism of the European Union? What would be your suggestions concerning a campaign for raising awareness among the Romanian citizens on European projects?

According to the recent barometer, 62% of Romanians declare themselves optimistic about the future of the European Union, a percentage ranking sixth among European states. But the serious issue is that 71% of Romanians do not believe their voice is listened to in the EU. Nevertheless, they must understand they have access to certain “tools” they can use to take action - for example, European citizens are politically represented by euro-deputies. The EU has a complex decision-making system which is difficult to understand and there is a lack of interest for this construction from the part of national education systems. Somebody has recently suggested to me that it might not be a bad idea to think about introducing in the curriculum a subject on the European culture and civilisation. But it should have a very practical content; it should not be tedious and full of statistical data. Coherent courses should be taught on the significance of European citizenship, the rights and obligations of European citizens, the opportunities we, as Romanians, have in the European area. And the Europeanization and internationalisation exercise must be continued at the level of higher education. Foreign teachers must become a common practice in absolutely all universities and Master programs should be taught in international languages as much as possible, so that the Romanian youth can get used to the globalisation.

**A new round of elections to the European Parliament will be held in 2014. Taking into account the experience of the previous elections (in 2009), what could be done to increase voter turnout and the involvement of Romanian citizens in the European debate?**

The topic of turnout in “European elections” is a kind of barometer of “EU’s popularity in the country in question”, with wide implications on a very complex topic - the legitimacy of European institutions. We need powerful European leaders (politically, but especially morally) in order to build up credibility and coherence. The visibility of “human faces” is important. Due to the complexity of the European mechanism, ordinary people do not manage to really identify themselves with the great European ideologies and slogans. I

remember the opening of candidacy for European Parliament elections in 2009, when most activists barely managed to adjust themselves to a 2-3 month action, prior to 7 June 2009. MEPs represent the citizens’ voice. Their role must not be limited to serving in certain parliamentary commissions and to showing up on TV over the weekends explaining to the citizens the activity of the European Parliament. The Member of the European Parliament is the bond between the Government and the Parliament of Romania, facilitating a better understanding of Community initiatives. They communicate permanently with the business sector and organised civil society in order to really take citizens’ pulse. We have got a balanced team of Romanian MEPs, but we also need new inspiration from time to time, people who are connected to the reality of Brussels, as well as to the one in Romania. This “double hat”, as well as the necessary complementarity between political will and technical expertise, maximises the influence in Brussels, since we have so many people able to talk both Romanian and “the Brussels jargon”.

**In a Europe continuously focusing on the concept of solidarity, what would be the best solutions to create a critical mass of Romanians conveying a unitary message at Community level?**

Connecting over 20 million inhabitants to the European Union is a very complex task, difficult to achieve. Neither a certain person, nor a certain political party, nor even State institutions must be blamed for failing to perfectly achieve this goal. Although it is paradoxical, “the macro procedure” for national-European relations is mostly a technical algorithm requiring multiple kinds of expertise in certain specific sectors (legislation, social and business sectors, etc.). Political will is important, but it must be backed by a strong technical component. Undeniably, Romania faces problems related to allocated human resources and financing this system of “fine-tuning Romania to the European Union”. In order to connect our country to the EU, we need around 5 000 Romanians in Brussels and 25 000 persons in Romania to really get involved in the Community mechanism. Currently, only about 2 500 people are estimated to be in Brussels and a maximum of 10 000 in Bucharest (especially in the public sector).

**2019 will bring the EU’s rotating presidency to Romania. Although it seems to be a remote date, preparations for assuming and sustaining this role must begin. What would be, in your opinion, the goals Romania would bring to the forefront of the European agenda?**  
In order to adjust to the European working methods, we should

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Fields of interest: European Romania, European Brussels, European politics, European communication.

already begin preparations so that we can accomplish our tasks by 2019. We have 6 years left to show our partners and to prove to ourselves that we are good when it comes to ideas, projects and management of the helm of the Community club. Since 2007, we have managed to promote certain topics on the EU agenda which are dear to our hearts - such as the Black Sea and the Danube - we shifted from a less important portfolio of European commissioner (multilingualism) to a major one (agriculture). There are still many things to be done. We have to be ambitious and compare ourselves to countries that joined the EU in 2004, such as Poland. It is important that we continue our journey to the Euro zone, certainly by taking into account the steps and the rhythm imposed by our economy. At the same time, it is important to have a geopolitical mindset, thinking from the standpoint of an ambitious partner and not one on the periphery of the Union. Romania needs a new blend of stimuli for internal capital, a greater openness to foreign investments and, at the forefront of the EU interest, a higher absorption of European funds. In this context, regionalisation is a solution; it is not the only one, but it is worth a close look and a check invested in Romania's future.

Last but not least, we would be grateful if you briefly shared to our readers "how is Romania seen from Brussels today"?

As some experts have recently stated, Romania currently seems to be only physically in the European Union, since economically and socially we are far from the European reality. We notice Poland has strengthened its sixth position in the ranking of EU political powers and now everybody is talking about "top 6 EU countries" (together with Germany, France, Great Britain, Italy and Spain). Unfortunately, Romania's problem is that it does not make itself heard enough in the European debates. We will manage to integrate as an EU country only if we are present. Romania must give up its stance of "humility" and "empty chair" in certain sectoral policies. It is very important to identify the great topics debated in Brussels. It is necessary to calibrate our country and to advance in the project of EU integration. But, in order to do this, we need specialists - sectoral experts - within ministries and the local administration, who can make-up a complete team playing both in Brussels and in Cluj or Bucharest.

Interview by Oana Mocanu and Mihai Sebe

event

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'Towards a New Deal'. This was the motto of the 23<sup>rd</sup> Economic Forum edition which took place in Krynica between 3 and 5 September 2013. As in previous years, 6 plenary sessions and over 120 discussion panels, seminars and round tables have created the premises for open discussions with well argued points of view, as well as rigorously sustained opinions and economic plans, coming not only from governments and coalition parties, but also from experts, analysts and consultants from the economic and financial sphere. Apart from the debates on the economic crisis' effects and the foreseen solutions for recovering the losses, the event schedule also featured topics such as international security, the challenges faced by the financial sector, energy, the EU enlargement, the Eastern Partnership, the Caspian Sea area, ethnic minorities in Central and Eastern Europe and the EU cohesion policy after 2013, among others.



The inaugural session of the Economic Forum was amongst the largest events of this year's edition. The 3 September plenary session has enjoyed the presence of no less than 3 prime ministers from Central and Eastern Europe: the Polish Prime Minister Mr. *Donald Tusk*, the head of the Slovakian Government, Mr. *Robert Fico* and the Latvian Prime Minister, Mr. *Valdis Dombrovskis*. Vice prime ministers, ministers, state secretaries, politicians, corporate executives and entrepreneurs, as well as media representatives from across Europe, Asia, the Middle East and USA also joined in.

Within the Economic Forum, for the second consecutive year, the European Institute of Romania (EIR) organized a panel session in cooperation with the Institute for Eastern Studies (Instytut Studiów Wschodnich - ISW) in Warsaw. This year the debate was focused on the topic 'Food Safety: Challenge of the 21<sup>st</sup> Century' and took place on 3 September 2013.

The main speakers were Mr. *Magnus Kindbom*, State Secretary, Ministry for Rural Affairs, Sweden and Mr. *Zsolt Feldman*, Deputy State Secretary, Ministry of Rural Development, Hungary. The debate also benefited from the opinions of 2 commentators, Mr. *Viorel Chivriță*, economic analyst and Vice-President of the Democratic Action Party, Republic of Moldova and Mr. *Viacheslav Cholodkov*, Director of the Department of International Economic Organisations - Centre for Economic Research of the Russian Institute for Strategic Studies, Russia. The event was moderated by Mrs. *Gabriela Drăgan*, General Director of the European Institute of Romania.

The debate commenced with the moderator's presentation concerning the definition of the concepts of food safety and food security. The prevalent idea was that the two are complementary and one cannot exist without the other.





Several aspects were emphasized during the interventions:

**Magnus Kindbom**, State Secretary, Ministry for Rural Affairs, Sweden:

- Every approach of this subject must contain references to the Common Agricultural Policy and Single Market.
- The EU is an important exporter of agricultural and food products and has a say in international negotiations as well;
- This is the reason why European farms must be as profitable as possible and the rural areas must develop further in order to support global food security;
- The free market plays an important role in the food security by establishing a fair price for agricultural food products.

**Zsolt Feldman**, Deputy State Secretary, Ministry of Rural Development, Hungary:

- Challenges: the increasing world population and, implicitly, the increase in the demand for agricultural food products; the increase in the global demand for industrial use crops; climate changes; agricultural food products' prices; speculative capital and geographical and ecological constraints;
- The Hungarian line ministry focused its activities mainly on increasing agricultural production, supporting family farming and stimulating rural households;
- National strategies have been elaborated in order to protect agro-ecological endowments, to more efficiently manage natural resources and to guarantee the supply of the population with high-quality food;
- Food waste and system losses represent a strategic issue; food production has become a global market incorporated in a global system; this is the reason why there is an obvious economic link between food security and food waste, that is losses in the food system; the discarded or destroyed food considerably reduces the available supplies, which leads to an increase in prices even in the developing countries and, therefore, access to basic food will be increasingly difficult;

**Viorel Chivrigă**, economic analyst and vice president of the Democratic Action Party:

- Food security is of crucial importance, even when some states have outstanding economic results;
- There are some sensitive aspects which place this problem on every short, middle and long term governmental agenda, such as:

1. Food security is often threatened by unfavourable conjunctures on agricultural and agricultural food product markets, natural disasters, expensive or bad inputs, obsolete technologies and so on;
2. Moreover, even in the case of oversaturated food product markets, a large segment of the population still does not have access to it, given the low incomes and purchasing power;
3. In the middle and long run, EU member states must ensure food safety within EU borders and beyond;
4. The necessary tools and means can be found in the Europe 2020 strategy; implementing those actions could eliminate all existing barriers;
5. The EU is a very important actor for the states outside of it, as it ensures international security on the continent; EU's experience, expertise and support are of real help for these countries;



**Viacheslav Cholodkov**, Director of the Department of International Economic Organisations - Centre for Economic Research of the Russian Institute for Strategic Studies, Russia:

- There are 2 essential aspects to be mentioned: food safety in Russia and the relationship between Russia and the EU;
- Poverty and insecurity often go hand in hand; according to the doctrine, food security is a crucial component of national security; food security is indissolubly connected to agricultural food production;
- Consumption and food production have continuously increased since 2000; even so, the self-sufficiency target is yet to be attained;
- The EU must understand and be aware of its trade partners' specificities (last year, as Russia became a member of the World Trade Organisation, food imports have increased by 15 % each month);

The debate carried on with the comments of the participants, which pointed out the importance of this subject and the measures to be taken.

The European Institute of Romania would like to thank our partners at the Institute for Eastern Studies of Warsaw for their team spirit, trust and support, which led to the successful development of this event.

**Note:** Other speakers representing Romania at the Economic Forum were: Mr. Liviu Voinea, delegated Budget Minister (*What Tax Reforms are Desirable for Economic Growth?*), Mr. Iulian Fota, presidential counsellor (*Europe within the International Security System: Time for Changes*), Mr. Daniel Dăianu, vice-president of the Financial Supervisory Authority (*Consolidated Markets or Local Stock Exchanges? Capital Market Development in Central Eastern Europe*), Mr. Dan Petre, General Director of the Romanian Diplomatic Institute (*Cultural Diplomacy: at the Roots of Europe, at the Forefront of the World*).

For more information about the Economic Forum, please visit: <http://www.forum-ekonomiczne.pl>

**Florentina Costache**  
Krynica-Zdroj, 5 September 2013

## Romanian-Polish Strategic Partnership

**1993 - 2013**

**Romania / Poland**



20 years since the signing of the Treaty on friendly relations and cooperation between Romania and the Republic of Poland

On 11 September 2013, the European Institute of Romania together with the Polish Institute of International Affairs organized the *Romanian-Polish Strategic Partnership: Sharing Mutual Visions* conference. The event, organized with the support of the Romanian Ministry of Foreign Affairs, the Polish Embassy in Romania as well as the Titulescu European Foundation marked the 20th anniversary of the signing of the friendship treaty between Romania and Poland. The conference gathered together Romanian and Polish officials, experts in politics and economics as well as academics, researchers and representatives of NGO's from both countries.

The objective of the conference was to bring closer the research communities from the two countries, so they can reach an increased level of practical and efficient collaboration, able to consolidate the integrated regional cooperation framework.

The guests expressed their hope that the analytical and research activity of the specialized Polish and Romanian centres would support the governments of the two countries to capitalise on their cooperation potential. In regard to the Romanian-Polish relations, it has been appreciated that both countries are on the road of returning to their historical roles in the region. Both share common values and interests, which

bring them closer inside the European Union, on the one hand, and in NATO, on the other hand.

The event focussed upon the security component of the Romanian - Polish Strategic Partnership and also upon the economic dimension of the partnership and instruments to tackle common interests in the region. The main fields of interest were reviewed, from an economic perspective, for the two states and for their neighbours in the Eastern Partnership: the Common Agricultural Policy, the Cohesion Policy, the Energy Policy and other aspects targeting the best practice exchange inside the Neighbourhood Policy.

The positive experience of Poland in absorbing EU funds can serve as an example for Romania. As possible directions for the partnership, the following were highlighted: cooperating on creating an energy single market, which Poland tries to develop at the level of the Visegrád group, increasing economic competitiveness, as well as the new EU neighbourhood strategy.

The intense dialogue which followed allowed the audience to formulate a series of remarks and contribute, with the support of the speakers, to clearing up other topics such as: the implications of the Eurasian Union project, Romania's initiatives in the Black Sea region and the necessity to consolidate cooperation in trilateral formats: Romania - Poland - Republic of Moldova or Poland - Romania - Ukraine, capable of supporting economic, social and public administration reforms in these countries.

The debate marked only a first step towards a deepened *Romanian-Polish Civic Forum*, meant to consolidate the bilateral relation between the two states.

**Oana Mocanu**



## The New Paradigm of Emerging North Africa Integration

by Arslan Chikhaoui

### The overall landscape

The Mediterranean is mostly characterized by acute and latent conflicts both within the region and between countries. The crucial difficulties of the region include low development and the differences in wealth between North and South as well as a high density of population in the South. The consequential problems are a high level of unemployment, a foreign trade imbalance and a high level of indebtedness, domestic tensions and political instability as well as a generally high potential for violence.

The Mediterranean has been and continues to be the major route for trafficking, East-West and North-South. There is a drastic imbalance between the two shores of the Mediterranean in terms of demographic figures, both in terms of population and age. The southern Mediterranean countries are in midst of their demographic transition. The North African population is expected to reach 260 million by the year of 2025. Whereas the total population of all EU members is expected to be roughly 300 million not long after the end of the century. Besides, 45% of the population in the southern Mediterranean is under the age of 15, whereas this age-group is only 25% in the north.

This demographic imbalance, coupled with the stagnant economies, and rapidly increasing unemployment in the southern Mediterranean states creates migratory pressures towards the northern Mediterranean. It seems that unless the advantageous economic, social and cultural conditions of the North, are duplicated in the South, migration will continue to be of major concern in the Mediterranean. There are approximately 6 million immigrants especially from the North African states, who are currently living in European countries, the majority in France, Germany, Italy and Spain.

At an economic scale, the region reflects the deepening gap between the industrialized world and the developing countries. In terms of its economic efficiency, the entire region lags behind the European average. Among the countries bordering the Mediterranean, those in North Africa encounter particularly severe problems. Agricultural production is not sufficient to feed the population; industrialization is often domestically oriented and unsuccessful by market standards. A special situation is created by the oil revenues of the states in the Middle East and North Africa (MENA) region. The oil states are largely lacking an industrial mentality as well as awareness of the working value of one's own assets.

Regarding the political situation, social tensions and unstable systems of governance determine the domestic policy situation nearly everywhere in the region. The processes of political decision making are frequently dominated by monopoly or quasi-monopoly parties. The military are of great importance in the Southern countries of the Mediterranean region as an order factor and as a power resource.

The political development following decolonization reflects the history of failed attempts to copy or transfer western patterns of government and administration to the young states. In spite of its collective character and the possibility of being used by authoritarian leaderships, the socialist model also failed to attain any lasting success. Both models of state rulership have not succeeded in generating a sufficient measure of domestic and social policy consensus.

The challenge for the forthcoming years in the MENA region is to shift from rulership to leadership.

The specific causes for crises and wars in the region include, beyond conflicts of dominance, ethnic conflicts and territorial conflicts, the uneven distribution of natural resources revenues. The border conflicts in the Near East have an economic dimension; the exploitation of submarine resources, the unimpeded access to the high seas and the airspace rights are important elements of the states' economic policy. The Southern and Eastern Mediterranean region is characterized by conflicts over the access to water. Its availability is continuously increasing in importance. The distribution of water resources in the region may become a source of international conflicts. Control over water as well as energy may thus develop into the central non-military power instrument. The Mediterranean is in a situation of an increasing number of low intensity internal conflicts or domestic unrest. Access to vital resources such as water and the securing of material requirements, the rights for social and political identity as well as the participation in the political decision-making processes describe individual rights and interests whose implementation tends to be doubtful in the future.

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He is active in various working groups, task forces and projects addressing security in the Mediterranean and MENA region aiming to establish a weapons-of-mass-destruction-free zone.

He also serves as visiting lecturer and expert at various international institutes among the French Institute for International Relations, the Japanese Institute for Middle East Studies, UCLA Centre for Middle East Development, Wilton Park, Algerian Staff College, Algerian Military Institute for Prospective Studies, and Civil Defense Academy.

He is senior consultant to Algerian Government bodies and media analyst on international affairs.

## North Africa competitiveness

Undermined by the political disputes, including the one related to the question of Western Sahara, the Arab Maghreb Union (AMU) is unable to assert itself as a sub-regional set. The joint achievements appear modest not only because of these political differences, but also because of cross-border challenges facing the Maghreb countries, such as the desertification, security threats at borders and other issues, related to agriculture and Maghreb youth.

The economies of the Maghreb countries continue to move forward in a disorganized manner. Despite the 37 Maghreb conventions and agreements in the economic and trade fields entered to date, the joint achievements remain modest. The current situation of inter-Maghreb trade reveals a weakness in inter-Maghreb flows, which contrasts with the trade rate of the Maghreb countries with the European Union. The latter remains the main customer and supplier for the Maghreb countries.

Trade with the EU is about 66% and it does not exceed 3% between the AMU countries, which is a very low rate compared to other regional groupings (70% between the EU countries, 21.6% between ASEAN countries, 14% among countries in Latin America, 8% between the countries of West Africa).

The shortfall in terms of GDP growth is in average of 2 points per year. In terms of FDI, the shortfall is estimated at USD 4 billion for the entire Maghreb sub-region, whereas it should instead be attracted to an area with a market of 100 million consumers by 2020.

The closing of borders between Algeria and Morocco since 1994 (imposed by the attitude of Morocco towards Algeria) is highly favorable to informal trade and penalizes, at the same time, the companies that are forced to operate transshipment via Europe for trade between the two countries.

The total GDP of the AMU countries, in 2012, did not exceed USD 380 billion, which is derisory when compared to a small country like Korea, with a GDP of USD 1100 Billion, or the European area, whose GDP exceed USD 18285 billion for the same period.

GDP per capita was, in 2012, around USD 4041 for Algeria, USD 3359 for Tunisia, and USD 2720 for Morocco. According to UNDP, Libya is the only country in Africa that has been listed in the index of human development among developed countries (index 0.83), indicating a parity of purchasing power and a high GDP per capita of USD 14200. Mauritania is the poorest country with USD 1012 per capita, and is listed at the bottom of the rankings for UNDP Human Development Index.

The five Maghreb countries experienced, between 2001 and 2011, a sustained growth, with real GDP increase rates of around 4 to 5% per year, which remains however low compared to other geographical areas.

While, globally, borders open and trade develops, the Maghreb sub-region seems to be an exception. The World Bank estimated that a full economic integration of the Maghreb sub-region would enable a significant increase of each country's GDP, which would be 24%, 27% and 34%, for Tunisia, Morocco and Algeria, respectively.

Overall, AMU chances of success are both political and economic. There are real potential and complementarities. According to my observations and those of other specialists, a Maghreb economic integration will make every country gain around USD 5 billion, which corresponds in terms of trade to the transactions entered by between 2000 and 3000 Maghreb SMEs every year. Increased exports of agricultural products could reach 45%, amounting to USD 170 million, and corresponding to 1% of the net agricultural GDP in the Maghreb. In the power sector, about 25% of its production could be saved if the Maghreb power plants were integrated. If the production exceeds, for the next 20 years, 26 gigawatts, the integration would enable the saving of 6.6 gigawatts.

The creation of a Maghreb Free Trade Zone would boost the economies in the region, and would have a direct impact in two to five years. The intra-Maghreb trade as a whole could increase by 3 to 4.5%, i.e. 3 to 4 billion Euros, and FDI by 75% (that is about 5 billion Euros per year).

The Maghreb sub-region has many assets that could facilitate this integration. These include:

- A cultural homogeneity;
- A young population;
- An energy, industrial, and agricultural potential;
- A geo-strategic position, thanks to its proximity to Europe and its opening on Africa.



Representing a natural development reservoir for economies seeking dynamism, and even more in the present global economic situation, the Maghreb is arousing increasing interest from major economic poles such as the EU or the USA through the Eizenstat Initiative, as well as international organizations and banks (UN, African Development Bank, Islamic Development Bank). It is also an essential component of the long term future economic growth, especially for EU countries.

### Challenges of Emerging North Africa

- Advances in political cooperation and a larger role for regional institutions could impact the economic activity in the region through two main channels. Firstly, Emerging North Africa could do more to facilitate intra-regional trade which would allow countries to specialize in their areas of strengths and yield a positive growth. Secondly, by reducing internal trade barriers, the region would become a more integrated market and thus be more attractive to FDI which often seek a large customer base.
- The North Africa region faces the sizable challenge of having to create 16 million jobs for its growing labor force by 2020. High and sustained growth is a pre-condition for such large-scale job creation and for raising incomes. This, in turn, can be achieved by strengthening trade competitiveness so that the region can better benefit from globalization and the dynamics of today's high-growth regions. Improving education outcomes and ensuring that graduates acquire the skills needed by the private sector are key approaches to attract firms that can compete in the global marketplace. These firms also seek business-friendly environments, calling for further streamlining of regulations and additional investments in infrastructure – including through public private partnerships or by encouraging private sector investments – to increase the region's competitiveness. Thus, the emerging region can build on successes already achieved.

The following issues should be addressed to sustain an Emerging North Africa Integration:

- Economic stability: the consolidation of trade relations and the promotion of equalization of economic interests in the region.
- Military stability: the prevention of military predominance in favor of one side, within the MENA region, with reference to Israel, and between the Northern and Southern states bordering on the Mediterranean.
- Stabilization of the protagonists: support for those forces that contribute to cooperation and the equalization of interests in the region; further development of political cooperation in the sense of intensifying and institutionalizing the dialogue.
- Avoidance of war and its consequences.

First, the economic cooperation between the Southern participants of the Mediterranean partnership is still poor. The regional cooperation has to be supported as it is a way to fight the asymmetry of the partnership. This could be done by FDI to initiate a new process of regional cooperation. This will create a new pressure to get a more competitive economic structure and to boost the reform of the economic body.

Second, there is still the underlying contradiction of the partnership that the political and economic cooperation, being successful, would endanger the power and the influence of the political elites in many of the countries in the Mediterranean region. Nevertheless, as there is a change of generation there is a chance for real political transformation in the region.

Third, more emphasis should be put on intensifying dialogue with the civil society, not only between the classical type of NGOs but on the economic level with trade unions or other professional organizations.

Fourth, EU will need "flexibility". Fighting against illegal immigration and wanting to stop human trafficking does not mean demonizing foreigners. It is too easy to confuse any racism or intolerance of others. The stakes of the European policy on immigration are to ensure and protect the rights and freedom of all. It aims at building solidarity between the rich North and the disadvantaged South.

Fifth, as a source of instability in the region, the peace process is not only a matter of European interest but also a European responsibility for the whole region.

### Conclusion

In the long run, the rule of law and democracy are central elements of political and economic stability in the region. What is needed is to find more and better ways in which the countries of the region can come together in a concerted effort of economic region-building confidence.

The challenge for the international community in general and EU in particular is to boost efforts already under way to open up national economies to productive intra-regional trade, investment, transfer of knowledge, and innovation and technology sharing in order to deepen the collaborative process and to ensure that existing regional economic institutions are truly effective instruments for region-wide economic development and for creating new ones as necessary.

In short, a homogeneous, peaceful and integrated Emerging North Africa would represent a geopolitical and economic interest for the next decades. Thus, the new paradigm of an Emerging North Africa integration is: Market and Mobility.



# Unemployment Issues at the European Union Level



The European Union has encountered great difficulties because of the economic crisis. The growth of the public debt combined with a slowing down or a contraction of the national economies was, perhaps, one of the most debated subjects of the crisis. But, in the face of this reality, there is an even bigger problem, with long-term negative consequences - unemployment.

The strong economic growth from the period before the crisis determined a steady decrease in unemployment, reaching minimum levels in the European Union. Thus, in 2008, the unemployment level reached a minimum of 7.1%. After the crisis began, unemployment went up to 9% in 2009, and in 2012 it reached 10.5%<sup>1</sup>.

At present, according to Eurostat, the unemployment in July was 10.9%, registering a period of stagnation in the last 7 months. The eurozone is confronted by a higher level of unemployment, approximately 12.1%<sup>2</sup> in July. But because of the differences between the national economies, there are countries in which unemployment has reached levels twice as high as the average of the eurozone.

While the states in Southern Europe registered high levels of unemployment, Spain -26.3% in July, Portugal - 16.5%, Ciprus - 17.3%, Greece - 27.6%, the northern states have unemployment levels far below the EU or the eurozone average. Thus the unemployment level in Germany is 5.3%, in Denmark - 6.7% and in Belgium 8.9%<sup>3</sup>.

Unfortunately, promoting austerity policies according to the model of the northern states did not represent a solution in solving the unemployment problem. There are a series of proposals in this regard as efforts should be directed towards fighting unemployment in the 15-24 age group, probably the most affected by the crisis.

Thus, in relation to 2012, unemployment levels in the 15-24 age group in the southern countries reached alarming levels: Spain - 53.2%, Portugal - 37.%, Ciprus - 27.8%. Greece - 55.3%, while the northern countries, Germany - 8.1%, Denmark - 14.1%, Belgium - 19.8%<sup>4</sup> are in a better position.

Yet, this problem should be tackled both at the EU level, but more so at the national and regional level. The economic literature proposes several solutions for fighting unemployment. Thus, the deregulation of the labour market, removing the minimum salary threshold, at least in some sectors of the economy, might be viable solutions. Also encouraging labour force mobility between the states of the European Union by common programs might have positive effects on the level of unemployment.

A public program for job creation might, on the short term, reduce the current levels of unemployment and train young people in order to better integrate them on the labour market in the future. But this initiative is not taken into consideration in most southern states because of the budget deficit and public debt issues, the public sector being in a period of restructuring, not expansion.

The failure in finding a solution to this problem has already caused not only economical effects but powerful social effects as well. If the competences learned while attending secondary education or higher education are not utilized, over a period of several years the young people will lose those competences. Thus, it will be much harder to integrate them on the labour market in the future. The strong psychological effect of not having a job and thus, not having a perspective for the future also needs to be taken into consideration.

This reality is bringing into question the current socio-economic system, the European welfare model being in danger of collapsing completely because of the gradual reduction of revenues generated by the population, caused by the serious shortage of jobs.

In trying to address this problem, the European leaders have proposed a package of measures worth 6 billion euros<sup>5</sup> in the following two years. Even though this amount might seem sufficient, the value of the package represents, if the whole amount is used in one year, less than 0.4% of the Gross Domestic Product of the European Union. This sort of package cannot influence significantly a decrease in the youth unemployment level. In order to do this, there is a need for common political will at the European level and a need to rethink the measures to be taken to fight the economic crisis.

Cosmin Barbu, intern

<sup>1</sup> <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tsdec450&plugin=1>

<sup>2</sup> <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&language=en&pcode=teilm020&tableSelection=1&plugin=1>

<sup>3</sup> <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&language=en&pcode=teilm020&tableSelection=1&plugin=1>

<sup>4</sup> <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tsdec460&plugin=1>

<sup>5</sup> <http://www.european-council.europa.eu/home-page/highlights/eu-leaders-agree-measures-to-fight-youth-unemployment?lang=en>

## STATE OF THE UNION

### European Parliament Plenary Session, 9 – 12 September, Strasbourg



Sursa: [http://www.flickr.com/photos/european\\_parliament/](http://www.flickr.com/photos/european_parliament/)

The theme of the key debate on 11 September was the STATE OF THE UNION, a report submitted by José Manuel BARROSO, President of the European Commission.

After reviewing the economic situation, exports and the difficulties affecting Portugal, Greece and Cyprus, President Barroso cautioned that we are not out of the “economic heavy weather”, but we have good reason to be confident as hope and confidence are also part of the economic equation. The lesson drawn from the crisis is that we need joint efforts, the important legislative work of the EP, an adaptation of the EU institutional architecture and the urgent delivery of the banking union. President Barroso stated that the aid provided to vulnerable countries is vital for the EU, given that all Member States are economically interdependent - they are “in the same boat”.

There are many who like, on the one hand, to “nationalise success” and, on the other hand, to “Europeanise failure” in the Member States, as the President pointed out, even though the Member States, upon acquiring membership, entrusted the EU with certain competences: the EU is not a “foreign power”, but the will of Member States manifested through specific institutions.

In conclusion to his address, President Barroso presented both the priorities for the next 8 months (youth unemployment and growth through financing for businesses) and the hopes for the future: “a Europe that is more united, stronger and open”.

MEPs’ interventions throughout the sitting tackled issues of economic policy, EU’s position on a global level, the democracy deficit due to the fact that the EU “Government” is not democratically elected, respect for small states, solidarity among Member States, difficult living conditions in Cyprus, Portugal and Greece, unemployment in Germany, economic difficulties for the youth, as well as the situation in Syria.

There were many critical voices, but there was also support for the Commission’s point of view.

On the Council’s behalf, Linas Antanas LINKEVIČIUS agreed that progress on the banking union is important in order to overcome the crisis, as are the investments for growth, prosperity and employment, especially by encouraging SMEs.

In his final intervention, in response to objections from Eurosceptics, President Barroso urged for concrete action, which in many cases lies with the Member States, since there is a European task and responsibility, but there are also obligations for the Member States. The President stated his conviction that, despite ideological differences, all parties share the values and principles of the Lisbon Treaty and have confidence in the European construction. “Europe is not the cause of problems, Europe is part of the solution.”

Another theme for common debate was *The internal energy market/Microgeneration*, an analysis made by Jerzy BUZEK (EP President between 2009 and 2012) in the *Report on making the internal energy market work*. The share in Europe’s energy mix accounted for by renewable energy sources is growing in the short, medium and long term, whereas large-scale integration of renewable energy sources presupposes an adaptation of the grid and improved flexibility. The report estimates that the trend of rising energy prices is likely to continue given that these prices are currently linked - in the case of gas - to per-barrel oil price, and - in the case of electricity - to volatile fuel prices, and are further affected by several other factors. These include Europe’s dependency on oil and gas imports, the impact of the intervening measures, the insufficient actions to promote energy efficiency, and the lack of investments needed to maintain and modernise energy systems (including reverse flows and interconnectors). With a view to guaranteeing high levels of security of supply, the report advocates the decoupling of the gas pricing mechanism from the oil indexation, favouring more flexible alternatives, while respecting the freedom of commercial exchange.

The debates emphasised that the internal energy market must be user-friendly and transparent, oriented towards end energy-consumers (individuals, SMEs and industry). It was reiterated that the consumers must be duly protected and accurately informed, with easy access to information, so that they are able to exercise their rights fully. MEPs emphasised that consumers need to be encouraged to play a more active role in stimulating market competition, moving from passive service recipients to active informed consumers and “prosumers”.

The abuse of insider dealing and market manipulation (market abuse) was the theme of a report submitted by the Committee on Economic and Monetary Affairs, which was also a proposal for a regulation of the European Parliament and of the Council.

Another topic for debate was the report on promoting a European transport-technology strategy for Europe’s future sustainable mobility, submitted by the Committee on Transport and Tourism. MEPs also debated the EU cybersecurity strategy: an open, safe and secure cyberspace.

Budget was a recurring theme, with debates conducted in order to finalise a draft amending budget and concerning other aspects, such as an increase in forecasts concerning other revenue stemming from fines and penalties as well as an increase in payment appropriations. In the financial domain, the envisaged European Banking Authority and the prudential supervision of credit institutions pleaded for the immediate adoption of concrete measures.

With regard to the EU Solidarity Fund, the mobilisation of the Fund was voted in favour of Slovenia, Croatia and Austria for the flooding occurred in autumn 2012.

The foreign policy agenda included, among recurring themes, the situation in Syria and the situation in Egypt. In the current context, debates also addressed the EU's military structures: state of play and future prospects. The current plenary agenda was completed with the EU internal security strategy and the European strategy on health and safety at work.

For further information, see <http://www.europarl.europa.eu/ro/pressroom/press-release/plenary>

Mariana Bara

event

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## European Elections 2014 Institutional Information Campaign Launched



On 20 September 2013, the European Parliament Information Office in Romania held a press conference with the aim of launching at national level the institutional information campaign for the European elections of 22-25 May. Mr Marian-Jean Marinescu, member of the European Parliament and Vice-President of the Group of the European People's Party (Christian Democrat), Mrs Corina Crețu, member of the European Parliament and Vice-President of the Progressive Alliance of Socialists and Democrats Group (S&D) and Mrs Adina Vălean member of the European Parliament and Vice-President of the Alliance of Liberals and Democrats for Europe Group (ALDE) took part in the event. The conference was moderated by the Head of the European Parliament Information Office in Romania, Mrs Mădălina Mihalache.

The information campaign regarding next spring's European elections will comprise four stages. The first one will begin in September 2013 under the logo 'ACT. REACT. DECIDE.' This first step aims to clarify the European Parliament's role and the way in which it influences the everyday life of European citizens.

As EU initiates the greatest number of laws, the European Parliament is at least as powerful as any other national Parliament. The message of the campaign 'THIS TIME IS DIFFERENT' is addressed to all European citizens who need to know how they can influence the decisions made in Bruxelles and Strasbourg, as well as how their votes can impact the new structure of the European Parliament and European Commission, as well as the appointment of the EC President. The logo and slogan 'ACT.REACT.DECIDE.' stresses the fact that the electorate can determine the future of Europe by exerting their right to vote.

Phase two (October 2013 - February 2014) will focus on five main topics - economy, quality of life, jobs, money and the EU in the world - through a series of interactive events in various cities of the member states.

The third phase is the election campaign itself that will begin in February and will concentrate on the election days, 22-25 May. The date will be fixed by every member state according to specific procedures (in Romania, for instance, elections usually take place on Sundays, which means they will probably be held on May, 25). These dates will be added to the logo as the elections approach.

The final post-election stage will focus on the establishment of a new European Parliament and the appointment of the European Commission's President as well as the Commission's make-up which is to be approved by the European Parliament Plenary Session in September 2014.

The promo video is the same for all member states and can be viewed in Romanian at the following link: <http://www.europarl.ro/view/ro/press-release/actualitatea/actualitatea-2013/actualitatea-2013-sep/actualitatea-2013-sep-6.html>.

Florentina Costache



## Europe's World, Summer 2013 Issue

*Europe's World*, an original ideas platform for new thinking on political, economic and social issues, fulfils this task in a remarkable way with each new edition launched. Every four months, citizens and stakeholders within civil society, media, academia, business and government are encouraged to engage in a series of informed political debates, giving readers access to the latest topics on EU agenda.

Following the tradition of quality contributions it has accustomed its readers to since 2005, the 2013 summer edition offers an advised and useful insight into the main challenges facing Europe. The current issue has a special section dedicated to *air quality*, which tries to stress key aspects regarding the complementarity between managing air quality ceilings and climate change at the EU-level. In this respect, the European Commission should have named 2013 The Year of Air, since research has revealed that between 80% and 97% of the Europeans in urban areas are exposed to air pollution levels above the normal limits.

The former Belgian Prime Minister Guy Verhofstadt argues that the main topics on the European Parliament - EU Council negotiations agenda should be a greater focus on economic growth, competitiveness and future priorities; a flexible and independent system of EU's own resources; a binding revision clause to limit the resources spent by the Union. In this way, the severe disparities and disagreements between the net contributors and the net receivers would come to an end. It is crucial for the EU to invest in the field of research and development in order to keep the pace imposed by the greatest technology consumers, US, Japan or South Korea, and the future financial programming is not so encouraging in the matter, as the target of spending 3% of GDP on R&D, established back in 2000 in the Lisbon strategy, has not yet been reached.

Another important topic is Europe's *ageing population* which has bad consequences on the available workforce, particularly highly-trained staff. It has been predicted that in twenty-year's time, 50 million vacancies will be in Europe, which represent a quarter from the total estimation. In order to continue the competition with US and China, Europe will have to fight against the brain drain, and at the same time, to conduct a policy to attract skilled migrants.

Further on, talking about future strategic relations at macro-regional level, Wang Yiwei highlights the pros and cons of the *EU-China alliance*. On the one hand, EU is perceived as a mediator between the greatest developing country, China, and the US, promoting



peace not only among its member states, but also between the two giants. On the other hand, the disparities among the EU member states are also reflected in its external relations, as the bilateralism preferred by the Chinese is not the strongest point of the EU diplomats. The latter tend to favour the multilateralism, so the Chinese have to face the "EU institutional wall". For the moment, the author is not so confident about a strategic relation between the two global competitors because EU does not have a clear approach for this important trade connection and there are many misconceptions on both sides that inhibit the communication.

The EU currently prefers the American pragmatism, rather than the Chinese one, as the emerging *US-EU free trade agreement* is clearly showing.

Joseph Quinlan emphasizes the importance of this pact in limiting the non-tariff barriers and harmonizing the inhibitory standards that constrain the transatlantic trade and investment flows, especially in key industries like retail trade, finance, engineering or telecommunications. The final beneficiaries are the consumers who would buy cheaper, but more qualitative products and services. Jobs and income creation will be another plus.

How will Europe react now that the emerging Asian powers like China or India have already attracted the American administration's attention? Are these long-term geopolitical interests of the US in Asia putting the EU-US trade deal on stand-by? Many voices claim that their common interests and values could not set their deeply integrated economies apart.

Europe puts first the safety of its citizens and the proof stands in the neutral posture that has adopted as regards the world's military conflicts. What Karl Kaiser and Manuel Muniz specifically point out for Europe is that "in crises that affect its interests it will increasingly have to act first and on its own, even though the US may give help on a case-by-case basis." Therefore the EU policy for defence and security should be strengthened because the continuously changing balance of power in the Asia-Pacific region should not catch Europeans unprepared.

The full issue can be read on the *Europe's World* website: [http://www.europesworld.org/NewEnglish/Home\\_old/ArticleIssue/tabid/183/IssueID/240/language/en-US/Default.aspx](http://www.europesworld.org/NewEnglish/Home_old/ArticleIssue/tabid/183/IssueID/240/language/en-US/Default.aspx)

Adriana Petre, intern

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