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EU- USA Summit- Fresh President and the “Good” Old Europe

Daniel Šitera

The traditional European perception of everything that is “American” splits the public opinion into two halves of americanism and anti- americanism probably already since the 20’s of 20th century. The perception of the American President influences significantly the final “taste” of transatlantic relations and Barack Obama was able to win over with his campaign both the US and Europe. The first days of April, during which he visited the continent for the first time, should have shown if European hopes in “better” America won’t be dashed and if he’ll “sweeten” Euro- American relations in Czech-like way.

The meeting of US and EU on 5 April in Prague was the peak of Obama’s several day trips to summits G-20 in London and NATO at the border of France and Germany. The results of Obama’s Prague meeting with the highest representatives of Europe are therefore to be assessed in the context of his whole itinerary. Subjects of debate became four basic issues: the climate, Afghanistan, Guantánamo and EU- Turkey relations. European delegates especially welcomed Obama’s ambitions in climate protection. On the other hand, the topic of security repeated the scenario from previous years - while Obama called on behalf of US for a more active role of EU in Afghanistan and assistance with Guantánamo prisoners, he wasn’t able to obtain the helping hand. What more, he came in for an indirect criticism from several of European statesmen for his support of faster integration of Turkey to EU, in spite of the well-known “no” from France and Germany. At least they condemned the North Korea’s missile launch in the Joint Statement of the EU and US.

The Czechs did not change their long-term position at all. The reinforcement to Afghanistan cannot pass through the Parliament opposition, neither can the Americans expect any help with Guantánamo prisoners, as it may be assumed from the earlier statement of Czech Minister of Foreign Affairs Karel Schwarzenberg, who said that “They’ve hunted them down, so now they should take a proper care of them.” Barack Obama proved that in contrary to Czechs, he is able to sweeten things up. But again, Europe’s response to “non-green” safety challenges is rather bitter and passive. Obama may change and appeal, but the change-awaiting Europe leaves his appeals with no reply.

Faster Introduction of the Euro Unlikely

Václav Bacovský

A report on a rather confidential material from International Monetary Fund, which recommended relaxing of the Maastricht criteria, was brought by Financial Times on 5 April. This would enable a faster entry of Hungary, Poland and other crisis-hit states to the Euro zone, easing the problem of a high foreign currency debt. The European Central Bank rejects any weakening of entry criteria, expecting a negative impact on Euro’s credibility and apparently no Euro zone state is keen on accepting “black passengers” with an extremely high encumbrance. Hungary therefore needs to give up the idea of a fast adoption of euro.

The eventual easing of entrance criteria could play a certain role in the Czech Republic (CR) in case that after precocious elections the government would be led by ČSSD, which aims a fast adoption of the Euro. However, it would probably face a strong opposition of the Czech National Bank (CNB). According to Mirek Topolánek, the exact date of entering the Eurozone by the Czech Republic is to be announced in November 2009. In spite of the recent circumstantial evidence of a greater political support, we cannot expect Euro adoption this year. Regarding to the date of precocious elections, it is more probable that a new government is going to be in the process of formation at this very time. Another thing is that the CR won’t fulfill all of the Maastricht criteria: it won’t access the ERM II. monetary mechanism and it would probably exceed the 3% limit of budgetary deficit. The CNB also recommended refraining from announcing the date of Euro adoption, taking into account the uncertain development of economic and financial crisis.

The National Coordination Group for Euro Adoption has outlined the following priorities for the next year: preparation of legal environment, elaboration of Euro adoption method in the state administration, work on a communication campaign concept and continuous evaluation of Slovakian experience. The Report on harmonisation of Czech economy with the Euro zone also states, that due to the wasted years 2004 – 2006, the CR no sooner than in 2008 returned to the same rate of preparedness for Euro adoption as in 2003.

Czech Presidency: Entrepreneurship Support in the Shadow of the Economic Crisis (an An excerpt from an article published on PREDSEDNICTVI.CZ

Miroslav Benáček

The motto of the Czech Presidency is “Europe without Barriers”. At the time of an economic crisis, a smooth functioning of the inner market is one of the recipes for success. However the possibilities of ameliorating the situation of European entrepreneurs lie also beyond the borders of the Union. What are the stances of the Czech Republic as a presidential country towards the current state of the crisis hit business sphere and how can this state be improved?

If we talk about the problems of European entrepreneurs in the context of the Czech Republic’s stances, the presidential country puts emphasis mainly on the support of small and middle entrepreneurship (SME). During the current crisis, this business group, just like many other of those involved, tackles a vast array of problems, sometimes even struggles for existence. The liquidity of SME belongs to one of the most poignant problems, which require a fast solution. Lack of financial sources and complicated access to them can be a vital complication for many. Resources from the European Investment Bank (EIB), EU programmes and structural funds are concerned in particular. In these cases, diminution of administrative burden for entrepreneurs and resolution of the problem of loan issuance by the banks, whose confidence of firms has dramatically dropped in recent months and without whose support the situation of SME will hardly be improved, is crucial. From the short-term point of view, sufficient financial resources are fundamental for firms with regard to the necessity of basic working capital. In the long-term, investments in innovations and human resources, but also research and development, will be important. In spite of its hitherto worldwide high standard of products, Europe cannot do without stable investments in this field. [Full article](#) (in Czech only)

Comments on Recent Events

North Korea Launches Rocket

According to North Korean media, on 5 April a [satellite](#) transmitting data and playing revolutionary songs was put into the orbit. However US, Japanese and South Korean intelligence agencies [think](#) that it was just a cover up for a test of long range rocket Tepodong-2 which could theoretically hit US soil. President Obama immediately reacted in his [Prague speech](#): “Now is the time for a strong international response. North Korea must know that the path to security and respect will never come through threats and illegal weapons.” According to some media, Obama’s speech, which many thought would draw attention to the Czech Republic, was [overshadowed](#) by the Korean act. The Czech Presidency on behalf of the EU issued a [declaration](#) on the launch of “experimental communications satellite”, in which it denounced the North-Korean act as an act putting additional strain on regional stability. EU has also commented on the incident in a [Joint Statement](#) with the USA.

Slovaks Elect Old-New President

In the second round of presidential elections Iveta Radičová battled with Ivan Gašparovič, who won with 55,5% of votes. E15 daily published his extensive profile, according to which it is a person with dubious past, who changes opinion according to what is most profitable for him at the moment. Radičová had a lot of supporters who believed that she would bring Slovakia the much needed change and fresh breeze on the political scene. Voters gave her around 1 million votes and therefore Slovakia (similarly to Czech expectations from the unsuccessful presidential candidate Jan Švejnar) is intrigued about how she'll make further use of her popularity and shuffle the political cards.

New Macedonian President to Steer his Country towards the EU

Georgi Ivanov, elected on 5 April in the second round of presidential elections, has set himself an ambitious goal of resolving the long-time conflict with neighbouring Greece concerning Macedonia's official name. Because of this argument, Athens prevents the country from entering NATO and EU. The Macedonian President's powers are more or less symbolic, but he can influence foreign policy. In March 2009 the Czech Presidency, whose priorities include the approximation of the Balkans to the EU, has expressed its support for Macedonia's entry in the EU.

Interviews for PREDSEDNICTVI.CZ

"The current 27-member Commission has shown that it works very well even though many people thought it would not work this way. Just take a look at the initiatives formulated by this Commission and which things it has pushed through. But, imagine that the Union enlarges with the Western Balkans countries, Turkey etc. Then the question, whether a 35 or 40-member Commission can work effectively, really makes sense. Based on the current situation, it is clear that it is quite good for the European identification of particular member countries to have a Commissioner. However in case enlargement does not stop, it will be logical to have fewer Commissioners than countries."

Vladimír Špidla, EU Commissioner, on 30th March 2009. [Complete interview](#)

"Now the political proclamations have changed a bit too, because it is no longer said "Europe of regions" but "Europe with regions". It might sound similarly, but there really is a difference as well as a shift in thinking. Firstly, Europe now understands that it cannot do without the regions and secondly perhaps the success of regions that have long strived for it. On the other hand, regions themselves understand that their competence and potential to solve some problems must have its limits. Therefore they do not try to amass power in their hands, and on the contrary seek cooperation. However, in some fields, I think, strengthening of European region's powers is not bad – e.g. in regional politics."

Jiří Kolman, Representative of the South Moravian region to the EU, on 1st April 2009. [Complete interview](#)

Is today's integrated Europe better equipped for fighting the crisis than the then Europe of interwar years? "It is a fact that today's Europe is integrated to some extent. Even though it does not have an entirely integrated economic policy, its policy is harmonised in this or that way, sometimes in a

better way, sometimes in a worse way. But based on historical experience, willingness of top leaders to look for a common consensus exists and that is why today's Europe or the EU is in a better position to fight the crisis."

Vladimír Jeníček, professor at the University of Economics in Prague, on 14th April 2009.

[Complete interview](#)

Interesting Publications

Centre for European Policy Studies (CEPS)

In April, with regard to the enlargement of the EU, CEPS publishes a special report – "[Implementation of Directive 2004/38 in the context of EU enlargement](#)" - which focuses on the [directive 2004/38 on the right of citizens of the Union and their family members to move and reside freely within the territory of the Member States](#). According to the authors the rights of the EU citizens are viewed differently in different member countries. Such a disparity could, in their view, potentially clash with the basic human rights.

Centre for European Integration Studies

Discussion Paper "[The Direct Election of the Commission President: A Presidential Approach to Democratising the European Union](#)" talks about the not too often discussed topic – the direct vote of the President of the Commission which is, according to the authors, among others determined by the European Parliamentary tradition. Could, however, the direct vote contribute to a greater engagement of EU citizens and diminishing of EU's democratic deficit?

Transatlantic Policy Forum

Background paper "[EU and the US in the European Neighbourhood – Converging Goals, Competing Interests, Room for Cooperation](#)" summarises the current issues and suggests possible future scenarios for the cooperation between the EU and USA in the European neighbourhood (regions of the Western Balkans, the Black Sea, Ukraine and Turkey, in particular). According to the paper, there is very little cooperation at the moment. However, current relations with the new administrative represent opportunities for further intensification.

Invitations

International Conference: "Bureaucracy in the European Union"

When: 22nd April, from 11:00 am

Where: Senate Hall, Valdštejnské náměstí 4, Praha 1

Organiser: CEVRO Institute

Guests: Edmund Stoiber - Chairman of the Anti-bureaucracy Commission; José Manuel Barroso - President of the European Commission; Mirek Topolánek - Czech PM

[More](#)

Round Table: “Visegrád Countries’ Visa Policy: Before and After Schengen”

When: 22nd April, from 2:30 pm

Where: American Center, Tržiště 13, Praha 1

Organiser: Association for International Affairs

[More](#)

Discussion: “Modernisation Unchallenged: The Czech Discourse on European Unity”

When: 23rd April, from 3:30 pm

Where: Institute of International Relations, Nerudova 3, Praha 1

Organiser: Institute of International Relations

Guests: Michal Kořan - Chairman of IIR Research Centre; Věra Řiháčková - EUROPEUM

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Expected Events

G8 Ministers’ Meeting on Food Security

Within the G8 framework, a historically first Ministers’ Meeting on Food Security is taking place in Italian city of Treviso on 18 – 20 April. The main aim of the conference is to discuss the lack of world food supplies as well as growing prices of raw food material and food products. European Union will be represented by Commissioner Marianne Fisher- Boel as well as by Czech Agriculture Minister Petr Gandalovič.

European Parliament Plenary Sitting

One of the latest sittings of EP in recent constitution is being held on 21- 24 April in Strasbourg. The scope of topics is very wide; MPs are up to solving the nuclear safety, immigration policy, patient care or, for instance, the regulation of roaming SMSs.

General Affairs and External Relations Council

Another meeting, this time of Ministers of Foreign Affairs, takes place in Brussels on 27- 28 April. On the programme are current situation in Myanmar and the European Neighbourhood Policy (ENP). The latter is going to be discussed mainly in the context of recent reports of development in some of the ENP countries that are going to be introduced by European Commission as early as on 23 April.

European Elections 2009

Position of the Two Strongest Parties Two Months before the Elections

Michal Vít

Less than two months before the elections to the European Parliament the power disparity between the two biggest parties begins to even out. The CVVM agency published a survey where the preferences of ODS outstripped CSSD’s preferences by approximately 2%. Further results

from other agencies indicate that the gap between the two parties is becoming less pronounced, despite the fact that four months ago CSSD was by almost 15% ahead of ODS.

The well mastered first half of the EU presidency is the main reason for the growing preferences of ODS. Other factors such as the negative campaign against the social democrats further play a vital role. CSSD also lost the sympathies of certain voter groups due to the initiation of the fall of the government during the time of the presidency.

One of the biggest European experts on the European Parliament, Simon Hix from the London School of Economics and Michael Marsh from the Trinity College in Dublin, commented on the elections to the European Parliament in the Czech Republic. In their study they implied the victory of CSSD (9 mandates) closely followed by ODS with 8 mandates. At the moment it is difficult to predict the results of the election as the extent of the involvement of ODS's and CSSD's representatives in the new government is not yet clear. Furthermore, there is uncertainty about the voters' response to this involvement.

The attention of the media was also attracted by a smaller body running for a position in the European Parliament. Nominated by Libertas.cz which was registered by Vladimir Zelezny in the Czech Republic, Vladimir Tlustý and Jan Schwippel will also run for office. It remains unclear, how will this trinity that became famous thanks to their frequent media presence, appeal to the voters. According to the aforementioned study by Hix and Marsh, the elections should contribute to the weakening of eurosceptic groups throughout the whole EU.

Authors' opinions are expressed in this newsletter. They needn't necessarily reflect views of Association for International Affairs.

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