

CHALLENGING THE CZECH TALES ON EUROPEAN POLICIES: FINAL CONFERENCE

An international conference organized by the Association for International Affairs (AMO) in cooperation with EUROPEUM – Institute for European Policy. The conference is a part of the project supported by the Open Society Foundations. The event was supported by the Embassy of the Republic of Poland in Prague, and the Czech-Polish Forum. The media partner is EurActiv.cz.

Thursday, 13 December 2012

Embassy of the Republic of Poland in Prague, Valdštejnská 8, Prague, Czech Republic



**Asociace
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Conference synopsis

In the last year, European leaders have proposed, debated and sometimes adopted various measures that may be crucial in future evolution of European integration. The debate has largely been incited by the eurozone crisis and the wish both to resolve it as well as to amend the existing rules to avoid similar problems in the future. The new rules related to European governance and assistance across the eurozone have led to changes in the primary law as well as to new international treaties, such as the Treaty establishing the European Stability Mechanism or the Fiscal Compact.

At the same time, the often long and difficult negotiations on these measures have re-inspired the calls for more efficient and more expert decision-making in the European Union, such as a smaller Commission, more European powers in budgetary and taxation policies or wider use of majority voting, accompanied by calls for stronger democratic control. The advocates of further integration have faced disapproval from strong proponents of national sovereignty; multi-speed integration in more and more areas seems necessary, and even unavoidable.

Moreover, as the end of the 2007-2013 Multiannual Financial Framework is approaching, the Member States need to negotiate new multiannual budget. The crisis that resulted in fiscal austerity but also stricter audit of the use of the EU budget, together with the new budgetary powers given to the European Parliament by the Lisbon Treaty, represent a difficult set of conditions for these negotiations. The future of the Cohesion Policy that is often interpreted as one of the main benefits of EU membership for the new Member States is also one of the key issues for national administrations, both the largest contributors and the largest beneficiaries.

Despite these key developments, the national debates on European integration remain fragmented and limited to national arenas, and detailed arguments from other countries remain unheard in public arenas. What can we learn from public debates in four Central European countries, the Czech Republic, Germany, Poland and Slovakia?

All these issues will be debated at the final event of the project Challenging the Czech Tales on European Policies that aimed to monitor and incite the Czech debate on European issues throughout the year 2012. The main topics of the project have been related to the Euro, economic governance, negotiations of the new financial framework and structural and cohesion funds.

Panels

Panel I.: Competitiveness of Central Europe in Times of Crisis

The Eastern big-bang Enlargement in 2004 was perceived as political unification of Europe, but also as a new economic opportunity for both old and new Member States. Access to the internal market was one of the sources of the economic growth of Central and Eastern Europe, while financing from Cohesion and Structural Funds for period 2007-2013 was aimed to improve infrastructure of the new Member States and increase the competitiveness of their economies. While substantial economic progress was achieved in the first years of membership, it is unclear how much it reflected the access to the European market and what the effect of the Cohesion Policy was.

However, a year before the end of the current financial framework, the results are unimpressive. Most of the CEE countries have fallen on the Global Competitiveness Index recently. While economists in these countries usually do not have problems with identifying the main challenges to competitiveness, their effective tackling by the governments remains a problem. For example, the advisory body to the Czech government, the National Economic Council, identified three main areas limiting the country's competitiveness: weak institutions, incomplete infrastructure and low levels of innovation. In short, the areas the Cohesion Policy in 2007-2013 was supposed to tackle.

The financial and economic crisis, which started in 2008, has changed the economic and political landscape. Contemporary problems of Greece and other southern-European countries are partly caused by their poor competitiveness, posing severe limitations to possible solutions of the crisis. Moreover, most of the countries with severe economic problems were also recipients of high cohesion and structural funding since 1980's. This fact to a certain extent undermines arguments for a robust Cohesion Policy in the next Multiannual Financial Framework from 2014 onwards.

CEE countries stay firm on the defence of the Cohesion Policy and argue that further European funding is needed to balance their structural disadvantages. On the other hand, some agreement on need to keep the cohesion funding is one of the few issues these countries can agree on. They often differ on other matters of the current European discussion, such as the aspects of further political integration.

Moreover, the would-be "competitiveness-booster", the Multiannual Financial Framework for 2014-2020, is subject to harsh negotiations influenced by the current political and economic turmoil. The rich net-payers highlight that fiscal austerity should not be limited to national budgets, while the large receivers of cohesion or agricultural funding underline the need to support growth by public spending.

In the end, the future European long-term budget remains as open as the question of whether the European funding can really be the main engine of reforms aiming at increased competitiveness of Central and Eastern European countries.

Panel II.: Future of European Integration – Central European Perspective

In the last year, the EU was flooded with calls for advancements in European integration and for creation of different "unions" – fiscal, banking, political – from top representatives of both EU Member States and European institutions. However, the understanding of the substance of these proposals for further integration often differs greatly among the Member States, as well as the emphasis that different stakeholders place on its different aspects. While Polish Foreign Affairs Minister Radoslaw Sikorski did not hesitate to mention the need for “federation” early in his November 2011 Berlin speech, the Commission President José Manuel Barroso mentioned it only towards the end of his 2012 State of the Union Address, and in much more humble context. At the same time, the terms federation/political union evoke very different connotations in individual Member States, including in those of Central Europe. For example while for Germans, the European federation is understood as another level of the functional German federation, based on reallocation of powers among partially sovereign political communities, the Czechs equal federation to simple centralization of powers.

The Central European Member States differ also on less abstract and more specific issues, the known case of the Fiscal Compact is the best known example. The differences are often based on the differing situations of these countries: Germany as one of the leading countries of European integration, Poland as the biggest of the “new” Member States, Slovakia as the member of the eurozone, and Czech Republic as the country with one of the most euro-sceptic governments in the region.

However, at the same time, many of these countries suffer from a lack of fact-based public debate on measures already debated and adopted in the EU. The debate on many recent issues directly related to the crisis, such as the Amendment of Art. 136 of the Treaty on the Functioning of the European Union or the adoption of the Treaty on European Stability Mechanism, was often limited to purely financial issues (e.g. national contributions and guarantees to the rescue fund). If any discussion was conducted on further integration, it was also often reduced to general claims supporting or criticizing further integration, with little or no relation to the specific issues at hand.

Moreover, the national debates are often limited to national frameworks, with very little information on debates in other countries. The debate is often constrained to a few remarks on official proceedings in the largest Member States, such as brief information on the need for German parliamentary approval of bailouts, judgment of the German Federal Constitutional Court on the Treaty on ESM, or the aversion of British Tory backbenchers to further integration or larger European budget.

Key contributions to the debate are often either misinterpreted or almost completely ignored. For example, the Westerwelle's statement on the interim report of "his" Future for the Europe Group was announced as an agreement on federalization of the EU, including a strong president or European army. On the other hand, more specific (and aiming to produce actual proposals in short term) report by van Rompuy (and Barroso, Draghi and Juncker) "Towards a genuine Economic and Monetary Union" received less attention limited to a few notes on banking union. One of main follow-up documents: "A Blueprint for a deep and genuine EMU", published by the European Commission on November 28, proposing not only to launch the banking union within the next 18 months, but also to move further in tax and employment coordination with the aim of creating a full banking, budgetary and economic union, received little attention from the media in the first days following its publication, although it may become subject to more discussion as the end-of-the-year summit approaches. The main update of the "Towards a genuine Economic and Monetary Union" from December 5, meant as the main input for the discussion on this week's European summit, went also almost unnoticed.

Programme

12 December 2012

19:30 Welcome Dinner
by special invitations only

13 December 2012

9:00 – 9:30 Registration

9:30 – 9:45 Welcome Remarks

Marek Minarczuk, Chargé d'affaires a.i. of Poland in the Czech Republic, Czech Republic

Tomáš Karásek, Director of the Research Center, Association for International Affairs, Czech Republic

9:50 – 11:30

Panel I.

Competitiveness of Central Europe in Times of Crisis

Chair:

Arnošt Marks, Project Consultant, Association for International Affairs, Czech Republic

Panellists:

Ognian Hishow, Senior Associate, German Institute for International and Security Affairs (SWP), Germany

Miroslav Lopata, Partner & General Manager, Premier Consulting, Slovakia

Martin Tlapa, Deputy State Secretary for European affairs responsible for internal market, growth and competitiveness; Office of the Government, Czech Republic

Speaker from the Embassy of the Republic of Poland in the Czech Republic, Czech Republic (tbc)

11:30 – 12:15 Lunch

12:15 – 13:55

Panel II.

Future of European Integration – Central European Perspective (with special support of EUROPEUM – Institute for European Policy)

Chair:

Viera Knutelská, Research Fellow, Association for International Affairs, Czech Republic

Panellists:

Vladimír Bilčík, Head of European Studies Research Programme, Slovak Foreign Policy Association, Slovakia

Ulrike Herrmann, Journalist, Die tageszeitung, Germany

David Král, Director, EUROPEUM – Institute for European Policy, Czech Republic

Agnieszka Łada, Head of the European Programme, Institute of Public Affairs, Poland

14:00

Coffee break and networking

15:00

End of the programme

Working language: English

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Speakers

Vladimír Bilčík

Vladimír Bilčík heads the European studies program at the Research Centre of the Slovak Foreign Policy Association (RC SFPA). He also lectures on European integration and international relations in the Department of Political Science, Philosophical Faculty at Comenius University in Bratislava. His research interests include small and new member states in the EU, Eastern partnership and EU foreign policy. He has published studies in Palgrave, Routledge, Osteuropa, Slovak Foreign Policy Affairs and regularly contributes to Yearbook of Foreign Policy of the Slovak Republic.

Ulrike Herrmann

Ulrike Herrmann is business editor of the German national daily "tageszeitung" (taz). For the last five years she has been covering the subprime crisis in the US and the Eurozone crisis.

Ognian Hishow

Ognian Hishow has been a Senior researcher at the Federal Institute for East European Studies (BIOST), Cologne, and at the German Institute for International and Security Affairs (SWP), Berlin, since 1995. In the past, he also worked at the University of Economics, Berlin, at the Institute of Economics of the Bulgarian Academy of Sciences, Sofia, and at the Federal Office for Foreign Asylum Seekers, Nuremberg. He was a visiting scholar at number of institutions, including the Russian Academy of Sciences, University of Passau, University of California, and the University of Rochester. His main areas of expertise include economic reform in the EU 15, economic integration of the accession countries, effects of the eastward extension and globalization on growth and employment and the introduction of the common currency in the new member economies.

Viera Knutelská

Viera Knutelská has worked in AMO as an analyst and project coordinator since 2010 and she is one of the coordinators of the project Challenging the Czech Tales on European Policies. Since 2008, she has worked at the Faculty of Social Sciences, Charles University, Prague. She holds Bachelor and Master Degrees in International Relations and Diplomacy from Matej Bel University and a PhD. in International Relations from Faculty of Social Sciences, Charles University (2012). Her research interest includes EU institutions and their decision-making and democratic legitimacy of European institutions.

David Král

David Král graduated from the Law Faculty at Charles University in Prague. He has been the director of EUROPEUM Institute for European Policy since 2000. He lectured at the Metropolitan University in Prague and at Charles University. During the work of the Convention on the Future of Europe and the Intergovernmental Conference 2003/2004 he was a member of advisory groups of the Minister of Foreign Affairs and the Prime Minister, and member of an advisory group on foreign relations to the Vice-Premier for EU affairs before and during the Czech EU presidency in 2009. Since June 2010 he served as the Chairman of the Board of PASOS (Policy Association for an Open Society), gathering think-tanks and policy institutes from Central and Eastern Europe and Newly Independent States. His main areas of expertise include the EU constitutional and institutional issues, EU enlargement, European neighbourhood policy, Common Foreign and Security Policy and transatlantic relations.

Agnieszka Łada

Agnieszka Łada is the Head of the European Programme and Senior Analyst in the Institute of Public Affairs, Poland. She is also a member of Team Europe – a group of experts at the Representation of the European Commission in Poland, Member of the Council of the Polish-German Youth Exchange and in the past, she was a Chair of the Board of Directors of the Policy Association for an Open Society (PASOS). She specializes in EU-Institutions (European Parliament and EU-Council Presidency), Polish-German relations and Germany, Polish foreign policy, Eastern Partnership, European civil society and the perception of Poles abroad and other nations in Poland.

Miroslav Lopata

Miroslav Lopata started his first business at the age of 17 and the company he established under his grandfather's name still exists today. In 2003, he co-founded Premier Consulting and the company quickly became the leading consulting business in Slovakia helping primarily small and medium businesses and municipalities with their applications for EU subsidies. As of December 2012 Premier Consulting participated on more than 1000 successful investment projects supported by the EU.

Arnošt Marks

Arnost Marks graduated from Charles University (Prague) with masters degree in general biology in 1991 later he received PhD. degree on Knowledge and Technology Management Transformation in Post Communist Countries from University of Cambridge in 1997. Then he worked for Technology Centre of the Czech Academy of Sciences and as a project manager he ran projects for technological companies on EU programmes. He

spent 8 years in public administration working for Deputy Chairman of Senate, Advisor to the Ambassador of the EU in the Czech Republic and finally as a director general responsible for managing implementation EU Funds in the Czech Republic 2004–2006 and 2007–2013 in the Ministry for Regional Development. In 2009–2010, he worked as Senior Manager in Deloitte Czech Republic.

Martin Tlapa

Martin Tlapa has been Deputy State Secretary for European Affairs at the Office of the Government of the Czech Republic since October 2012. His responsibilities include Internal Market issues and enhancement of growth and competitiveness of the EU, and preparation of the National Reform Programme of the Czech Republic. Previously, he has been the Deputy Minister of Trade and Industry and Deputy Director General and Director General at CzechTrade. In the 1990s, he also held various positions in the area of foreign trade, e.g. at the Center of Foreign Economic Relations, at the Czech Embassy in Canada or at the Federal Ministry of Foreign Trade and the Research Institute for Foreign Economic Relations. He graduated from the Prague University of Economics in 1989, and also holds a MBA from the Sheffield Hallam University and the Czech Technical University.

Association for International Affairs

Association for International Affairs (AMO) is a preeminent independent think-tank in the Czech Republic in the field of international affairs and foreign policy. Since 1997, the mission of AMO has been to contribute to a deeper understanding of international affairs through a broad range of educational and research activities. Today, AMO represents a unique and transparent platform in which academics, business people, policy makers, diplomats, the media and NGO's can interact in an open and impartial environment.

In order to achieve its goals AMO strives to:

- formulate and publish briefings, research and policy papers;
- arrange international conferences, expert seminars, roundtables, public debates;
- organize educational projects;
- present critical assessment and comments on current events for local and international press;
- create vital conditions for growth of a new expert generation;
- support interest in international relations in the wider public domain;
- cooperate with like-minded local and international institutions.

Research Center

Founded in October 2003, AMO's Research Center has been dedicated to carrying out research and raising public awareness of international affairs, security and foreign policy. The Research Center strives to identify and analyze issues important to Czech foreign policy and the country's position in the world. To this end, the Research Center produces independent analyses; encourages expert and public debate on international affairs; and suggests solutions to tackle problems in today's world. The Center's activities can be divided into two main areas: Firstly, the Center undertakes [research and analysis](#) of foreign policy issues and comments on [AMO blog](#). Secondly, the Center fosters dialogues with policy-makers, experts and the broad public.

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EUROPEUM Institute for European Policy

EUROPEUM Institute for European Policy is a non-profit, non-partisan, and independent think-tank focusing on European integration. EUROPEUM contributes to democracy, security, stability, freedom, and solidarity across Europe as well as to active engagement of the Czech Republic in the European Union. EUROPEUM undertakes research, publishing, and educational activities and formulates new ideas and opinions to the EU and Czech policy making.

Think Tank Fund, Open Society Foundations

The Think Tank Fund works to ensure decision-makers and relevant stakeholders in the countries of operation use high quality, evidence-informed research to develop and implement policies that lead to and sustain more open and prosperous societies.

The Think Tank Fund supports independent policy research centers that strengthen democratic processes by identifying political, economic and social problems, researching them in a non-partisan and policy relevant way and providing policy alternatives that enrich public debate. Think Tank Fund also examines the various roles and functions that think tanks play in the political and policy arenas. As such, it serves as a knowledge hub and advocate for evidence-informed policy research.

Organizers



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