

THINK TANKS' THOUGHTS

Europe's People's Forum has prepared a selection of the best think tanks' articles focused on themes that we find most current and interesting for the activists, politicians and connoisseurs engaged in the future policies of the European Union. The articles were published in the second half of June.

EU's Future institutional Structure and Policies

Helmut Kohl, the architect of the German reunification, has died last week. In her article [What is left from Kohl's era?](#) (ECFR), Vessela Tcherneva remembers the statist and talks about the challenges the EU must face, which go from the establishment of a European Defence Fund to a Eurozone reform. As she stresses at end of her commentary, "the romanticism of the early 1990s is gone but Germany is even more significant to Europe and the world than before".

In his brief commentary [Let's use the new EUphoria to tackle Europe's root problems](#) (Friends of Europe), Giles Merritt believes that "Europe's greatest insecurity is economic". The need to increase immigration in order to cope with EU's ageing population, as well as the urgency to develop cross-border industrial policies and invest in R&D require as much attention as other structural reforms. However, as several "Europeans are still unconvinced of the need for collective rather than national action", the author believes that with the new momentum for the EU it should be done now. Waiting could be too late.

One question though still has to find its answer: is Europeanism a lost cause in Central Europe? In his article [Central Europe's Tough Choice: Macron or Orbán?](#) (ECFR), Ivan Krastev affirms Central Eastern European countries "will soon be forced to choose between a future of deeper integration with Western Europe, or a future where Central Europe is increasingly marginalized".

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

In their policy brief titled [The long journey to end energy poverty in Europe](#) (EPC), Claire Dhéret and Marco Giuli analyse the problem of energy poverty and the role of the EU on the development of adequate policy solutions against it. Besides proposing the centralisation of comparable data at EU level by strengthening the role of the European Energy Poverty Observatory, the two authors stress the need to encourage social innovation and to invest on the EU's building stock in order to make them more energy efficient.

In his article [Reforming Services: What Policies Warrant Attention?](#) (ECIPE), Erik van der Marel stresses the importance of elaborating a new services reform in order to boost growth through higher productivity growth. How this goal can be reached? According to the author, there is a need to better regulate entry barriers and barriers to firm growth (i.e. operational barriers), which both have impact on productivity.

Policies on Migrants and Refugees, Schengen and Development Aid

In her article [Militarisation should not trump development criteria in battle for EU funds](#), (Friends of Europe) Heidi Hautala, underlines the interconnection between development and security, and advocates for a more comprehensive European strategy which does not just focus on military capacity-building in third countries but also takes into consideration the need to find more sustainable solutions to global poverty, internal (forced) displacement and refugees issues.

In their publication titled [The Myth of Return. The Market of Symbolic Policies](#) (CIDOB), Blanca Garcés Mascareña and Neus Arnal Dimas explain why the rhetoric around expulsion of irregular migrants does not match up with real data. Deporting migrants who were not granted asylum is always expensive and extremely difficult, both because people affected often refuse to collaborate and disappear before being detained, and because readmission agreements with third countries are not as effective as EU member states would like to think. However, the two authors explain that return policies have a symbolic function – to convince citizens that their borders are effectively controlled – and respond to the demands of a growing control industry.

Priorities and Values in EU Foreign and Security Policy

In June 2017, the Commission launched a proposal for a new 'European Defence Fund' (EUDF) to better "coordinate, supplement and amplify national investments in defence research, in the development of prototypes and in the acquisition of defence equipment and technology". In her article [What future for the European Defence Fund](#) (CER), Sophia Besch explains how difficult it would be for the EUDF to be approved. Besides the lack of clarity about which capabilities the EU will focus on, it is still uncertain how the EU's funds will be distributed and how the member states will finance the EUDF.

On 28th June, the Commission published its [Reflection Paper on the future of EU finance](#), which includes the possibility to make a distinction between EU and euro area budgets. In his article [Eurozone or EU budget? Confronting a complex political question](#), (Bruegel) Guntram B. Wolff questions whether there in a post-Brexit situation with 85 % of EU's GDP in the Euro Area will be a need to separate the Euro budget from the EU budget and uses an analytical framework to assess whether a separated euro area budget would be effective or would bring negative consequences.

In her article [Crans-Montana– 'now or never' moment for a Cyprus settlement?](#) (EPC), Amanda Paul provides the background for the current negotiations in Crans-Montana about a unification of Cyprus and finds that the circumstances for an agreement are better now than in the foreseeable future. An agreed settlement would be a win-win for both sides but issues of security and guarantees still remain. The interdependence between Turkey's pre-accession talks with EU and the future for the Island links the outcome of the negotiations with many consequences for the region.

Many authors have focused on the Eastern Partnership countries. While Gwendolyn Sasse, in her article [Ukrainians Travel Visa Free](#) (Carnegie Europe), analyses the impact of the agreement on visa facilitation signed by the EU and Ukraine, Richard Youngs affirms that “EU policy responses in the Eastern Partnership region can be defined as a hybrid or liberal-redux geopolitics”. In his article [Is “Hybrid Geopolitics” the Next EU Foreign Policy Doctrine?](#) (Carnegie Europe), Youngs explains the EU has strengthened its commitment to the EaP. Nevertheless, it has chosen a bounded containment, avoiding asserting greater tutelage and trying to collaborate with Russia when it comes to common interests.

In their article [The great unravelling: four doomsday scenarios for Europe’s Russia policy](#) (ECFR), Gustav Gressel and Fredrik Wesslau emphasise the EU’s strategy towards Russia as result of what they see as an exceptionally united Europe but lists four possible doomsday scenarios that could make this strategy collapse and in the authors’ perspective illustrate Europe’s vulnerability. The authors suggest which strategies the EU should consider in order to prevent the collapse of its overall policy towards Russia.

EU-US relations are not undergoing a great period either. However, authors as Willem Post strongly believe that, despite Trump’s position on foreign policy matters, [Europe must not vilify America](#) (Clingendael). While he recognises EU leaders’ discomfort in dealing with the 45th US President, Post stresses the importance of strengthening cooperation with the US, especially when it comes to counterterrorism.

Trump’s unpredictability put at risk several other foreign policy issues where the EU and the US collaborate. In his comprehensive publication titled [Trump, Europe and the Middle East Peace Process: A Path out of the Quicksand](#) (CER), Luigi Scazzieri focuses on the Israeli-Palestinian conflict, which still represents a risk to regional stability that the US and the EU should not undermine. In order to “restore a sense of hope that a deal may be achieved and set the basis for future negotiations” Scazzieri proposes the EU to further collaborate with the US to end Israeli settlement expansion and facilitate Palestinian economic development as a step of improvement but far from a settlement or transformation of the conflict.

In his security policy brief [European Economic Diplomacy: what role for the EIB?](#) (Egmont Institute), Balazs Ujvari notes that EC’s recent “Reflection Paper on Harnessing Globalisation” in continuation of the “EU Global Strategy” refrains from using European economic diplomacy to pursue foreign policy agendas like democracy or peace and instead “foster growth and jobs in Europe and become more efficient in pursuing our economic interests abroad”. Building on this the author analyses the European Investment Bank, which only has used a minor part of its tools towards the Southern Neighbourhood but to be in line with EUGS needs to reorient towards Asia and in particular China and India.

The CFSP also focuses on neutralising Internet security threats. This is why the Council has proposed a “Cyber Diplomatic Toolbox”, a framework for joint EU diplomatic responses to malicious cyber activities. As Sico van der Meer underlines in his quest blog [EU creates a diplomatic toolbox to deter cyberattacks](#) (Clingendael) that the framework “opens the possibility that the European Union might impose sanctions on an adversary attacking its member states in cyberspace”. The author finds that the initiative raises several questions to be answered.

Brexit Negotiations and National Political Issues

During the last weeks, many authors have analysed the substance of Brexit negotiations. In this newsletter, EPF decided to include what we find the most interesting topics that have not been discussed in such detail in most mainstream media.

In her article [Europe Has an Irish Problem](#) (Carnegie Europe), Judy Dempsey underlines how important are Brexit negotiations for the future stability of Ireland. While both the DUP and Sinn Fein party oppose a hard border between Ireland and Northern Ireland, it is still unclear how checks will happen in case the UK leaves the EU. Moreover, the collapse of the government in Northern Ireland could seriously damage the peace process, since the UK could decide to impose direct rule over the province. The first deadline (29th June) has passed and the major parties have been given an extension to continue talks. However, an agreement does not seem likely to be reached anytime soon.

In their detailed analysis titled [Programming Brexit: How will the UK's IT sector fare?](#) (CEPS), Mikkel Barslund and Matthias Busse use LinkedIn data to show the strong reliance on the EU for IT recruitment. The two authors explain that deciding to curb overall immigration could deter some employees to move to the EU as well as increase hiring costs for employers, thus causing the UK an immense loss in terms of highly skilled workers, which substantially contribute to British public finances.

In her article [Hard Brexit, soft data: how to keep Britain plugged into EU databases](#) (CER), Camino Mortera-Martinez stresses the undeniable role the UK plays in fighting crime and terrorism. The EU is strongly aware of the issue and is willing to grant full access to its databases, but if the UK will refuse to be subject to the jurisdiction of the ECJ, pay into the EU budget and comply with EU privacy standards.