

General info

What is the exact title of the session?

Post-crisis Europe: can we emerge stronger?

What is the timing?

Wednesday 30 June from 11:15 – 12:30

What is the framework of the session?

The financial and economic crisis resulted in common strategies to reshape the financial supervisory system and to spark economic recovery. The downturn prompted a stronger, more integrated post-crisis European economy. Meanwhile, the Lisbon Treaty has (almost) been ratified. So EU member states seem united, but will it last? How exactly will the recovery take shape? Will Europe emerge stronger than the US, China, India and other economies? Will Europe's 'social acquis', and, for instance, its stance on responsible banking prove competitive on the world stage?

Introduction: the topic

The financial and economic crisis has left scars in Europe's economic landscape. The recent tensions on financial markets sparked by the Greek debt crisis and potential contagion effects have put the euro under pressure and calls for a significant overhaul of the governance of monetary union.

Against the background of demographic ageing, the majority of the EU's member states will have to address urgently the sustainability of their public finances.

At the same time, strong demand in other world regions have helped to boost European exports – a major contributing factor in the economic recovery. This recovery be consolidated by putting greater emphasis on competitiveness-enhancing reforms.

Europe needs new engines for growth and better conditions to develop a true entrepreneurial society.

Main issues at European level

- Managing sovereign debt crises and restoring fiscal sustainability
- Creating a real drive for reforms throughout the internal market
- Euro-area economic governance
- Access to finance and financial sector regulation
- New industrial policy: innovation, entrepreneurship
- Europe's role in global governance

Challenges in the short and long term

Challenges in the short term

- Combine policies fostering growth and fiscal sustainability
- Reforming financial markets in a balanced way

Challenges in the medium- and long term

- New industrial policy: innovation, entrepreneurship, climate change
- Address macroeconomic imbalances and reinforce EU and global economic governance

Possible questions to be discussed during the session

5 Most relevant questions to be discussed during this session

Question 1:

Have we learned anything from the Greek debt crisis regarding economic fundamentals but also in terms of communication and conduct of national politics?

How can we tackle intra euro-area imbalances successfully?

Question 2:

In the light of reemerging nationalist reflexes in many member states, how realistic do you think is the idea of stronger economic coordination and better governance? In the longer term, can we manage a monetary union without political union ?

Question 3:

Why do you think the idea of a European Monetary Fund has been received with so much scepticism by many politicians so far? A large number of academics support the general idea.

Question 4:

What do we need to really boost Europe's innovation and entrepreneurship potential?

Will the crisis have a lasting impact on companies' access to finance?

Question 5:

What do you think must be the priorities in designing strategies to ensure the sustainability of public finances?

Further reading

Provide 3 interesting weblinks for further reading

1. Financial Times
2. The Economist
3. DG Ecfm
4. websites of well known think tanks (CEPS, Bruegel, EPC)

PUTTING EUROPE

BACK ON TRACK

Post-crisis Europe: can we emerge stronger?

**Briefing Note
Opening Plenary**

Provide 3 articles/books for further reading

1. FT Interview with Jürgen Habermas (30 April 2010)
2. European Commission's Spring Economic Forecast (introductory and "specialized" chapters, published 5 May 2010)
3. European Commission's Communication on enhancing economic governance (published 12 May 2010)
4. BUSINESSEUROPE's report on sustainability of public finances (published 15 March 2010)
5. CEPS paper by Daniel Gros and Thomas Mayer on a European Monetary Fund (published February 2010)

