

López Garrido affirms that Spain intends to transform the European Council into a real economic Government of the EU and is working to fix the rates of international financial operations

The Secretary of State for the European Union, Diego López Garrido, said today that the Spanish Presidency of the EU has come across what he defined as the “perfect storm”, that is a scenario of economic crisis which still requires a stronger Europe. Therefore, one of the main objectives of the Spanish Presidency of the European Union is to move towards an economic and monetary common space, for which Spain intends to direct the European Council towards a role to transform it into the real, de facto economic Government of the EU.

López Garrido, who affirmed that the Spanish Presidency has the support of the Permanent President of the European Council Herman Van Rompuy in this matter, declared that in practice, the first step was taken last February 11 in Brussels, with the Declaration of the European Council, for which the Heads of States and Government of the European Union took the engagement to implement national policies in line with the norms agreed upon by the EU, and accepted to share the responsibility for the financial and economic stability of the zone. The Secretary of State for the EU made these statements at the closing ceremony of the symposium on “The economic crisis and the need for a stronger Europe”, organized in Madrid by DIEAS Foundation and the think tank Policy Network.

During his communication, López Garrido was totally in favor of a step further in Europe for financial regulation and has announced that the Spanish Presidency is working on the possibility to create taxes on international financial operations and to define a new system to supervise banks and financial products. These, according to him, are the priority objectives of the Spanish Presidency and, if Spain is able to keep it going, it would be a valuable asset at a crucial moment of the EU.

EUROPE, IRRELEVANT IF ANSWERS ARE NOT COORDINATED

Among others, the symposium also saw the participation (*deleted among other,*) of the former President of the European Parliament, Pat Cox, who, in the same vein, warned that Europe will not have a relevant role on the international arena of a global world in the coming years if it is not able to strengthen the political architecture of the union and if the states do not accept to coordinate their economic and fiscal answers to the crisis and continue to adopt fragmented measures.

Likewise, Cox thinks it is a priority to increase the global budget of the EU (which is not even 1% of the GDP while the budget of the USA is 20% of its GDPB) and jointly stimulate economic recovery and industrial production, paying special attention to technologies.

Loukas Tsoukalis, President of ELIAMET, who was also present at the symposium, agreed with López Garrido and Cox on the need for Europe to coordinate national economic policies to operate as one country, because otherwise, it will not be able to compete in multipolar markets, where China, India, Brazil and other countries have emerged in the last decade as powerful actors.

Prior to Cox and Tsoukalis, Jesús Caldera, the executive Vice President of IDEAS Foundation inaugurated the symposium, suggesting a way towards not only a monetary union, but an economic union, as an instrument to develop policies to keep the social cohesion in all the EU.

TWO PANELS

Apart from Cox and Tsoukalis' discourse and Caldera and López Garrido, who spoke at the inauguration and the closing ceremony respectively, there were two roundtables.

The first one, presided over by Olaf Cramme, director of Policy Network, was about the EU's need to adapt to the new era. During this roundtable, María Joao Rodrigues, Special Advisor to the EU and member of the Scientific Committee of IDEAS, suggested several instruments to adapt the EU to the changes derived from the crisis, among which, the improvement of the coordination of fiscal policies among the member states; joint action of the member states against speculation and the creation of a euro-bonus to reward or penalize member states depending on their investments in industrial, technological and educational policies.

With her was Juan Moscoso, Spokesperson of the PSOE at the European Commission, who urged for the boosting the common European market and agreed like the others, to increase the European budgetary context. Federico Steinberg from the Real Instituto Elcano, also spoke to warn that, if Europe is not able to solve the internal economic imbalances as well as the weakness of its institutions, in 2040, the EU will account only for *(deleted el)* 5% of the world economy. Finally, the correspondent in Brussels for the newspaper El Mundo, María Ramírez, regretted that, the EU is still dragging on a democratic deficit which, in her opinion, is the result of the model for the election of the European Parliament as well as the resistance of the states to transfer their sovereignty.

The second panel was entitled "From the Lisbon Strategy to EU 2020 – what must change?", based on a paper drafted by Antonio Estella and Maite de Sola, *(deleted respectively)* the head and fellow of the European Area of IDEAS Foundation respectively, in which they propose two measures: firstly, the creation of a fund, the "Lisbon fund", funded by taxes to be used as incentives and punishments of member states depending on their fulfillment *(deleted or not)* of the communitarian regulation on economics; secondly, the establishment of an economic governance for Europe which revolves around the European Commission and which considers the idea of Mister or Miss Lisbon to confer credibility to the control process of the fulfillment of the economic norms by the member states.

Roger Liddle, President of Policy Network, took part in the second panel, affirming that, in his opinion, Europe needs now to make two changes: reduce temporary and precarious jobs, stimulate productivity and quality work and reach a common regulation to face up to economic and financial crises, because, as he suggested as an example, rescuing banks has been carried out by countries individually.

The MEP Enrique Guerrero, has expressed his full support to having in not a very long term, a European voice, and denounced that, one of the main problems that prevents European identity from blossoming, is the fact that the countries refuse to give up their competencies in education, especially at early ages.

Javier Vallés, Head of the Economic Bureau of the Prime Minister's Office, has also spoken in favor of the European economic governance, because, as he said, the real economic engine of the EU is precisely to achieve economic union, because nowadays, no country can compete by itself against the USA, China and the emergent countries. Regarding this, he noted two communitarian initiatives the Spanish Presidency is trying to implement: develop a regulation common to the whole EU to implement the electric car and to do the same with the development of the so-called digital agenda and the regulation of digital commerce between companies from different countries.

Lastly, Amparo Estrada, journalist at the newspaper Público, urged the members of the parliament to go down to the street and listen to the citizens, especially the youth, who want a political union where general interest would prevail over the interests of the states, who are in favor of mobility and internationalization to look for employment and who are interested, not in the architecture of bureaucracy, but in issues like for example, a high speed network to connect all the European capital cities, scholarships and loans for innovation as well as homogeneous education systems.