

The 2011 European Council Agenda: Fighting Old and New Crises

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Not surprisingly, macroeconomic issues again occupied the biggest portion of attention during the European Council meetings in 2011. The other favourite domain of the EU leaders – foreign policy – did not lag behind either. Some relatively prominent topics were business and finance, energy and migration policy.

The Economy: The Crisis Continues

As with the previous year, the European Council 2011 Conclusions were dominated by discussion of macroeconomic issues – 37 % of the agenda falls within this category. The priority given to this topic in relation to other policy areas increased slightly compared to 2010. Whilst a certain degree of discussion focused upon the Europe 2020 strategy and its consequences for future growth and prosperity, a significant amount of attention was also directed towards the financial crisis faced by the EU, and the Eurozone in particular, which triggered discussion about fiscal consolidation and structural reforms. The March meeting produced the most significant decisions for the economy. As expected, the European Stability Mechanism (ESM) was set up as a permanent successor to the temporary European Financial Stability Facility of 2010. The ESM is a last resort measure for granting stability via financial assistance under strict conditions. The Euro Plus Pact, the successor of the Stability and Growth Pact, was adopted and featured appreciably in the later meetings. It should be noted that the Pact relies on economic policy coordination with spill-over coordination efforts in other policy areas, using the soft technique of the Open Method of Coordination. Thus, it involves no top-down enforcement of ‘best practices’, but rather policy learning. Importantly, it should be seen as an additional instrument for fighting the crisis; however, it cannot really be regarded as the cure. Further discussions of the national measures within the Euro Plus Pact, especially regarding economic governance, employment, social and tax policies, were scheduled for next year, suggesting that the perception of Europe in crisis is far from disappearing.

And Still the Economy: A Euro-Driven Europe

The fact that the aforementioned attempt for economic policy coordination involves only 23 EU member states (the Eurozone countries, Bulgaria, Denmark, Latvia, Lithuania, Poland and Romania) provokes the notion of a two-speed Europe. The same applies to the ESM, which takes the form of a more binding agreement, since it was only made possible through a limited treaty change (even though it involves only Eurozone member states). The openness of the ESM to any non-euro member state who wants to join clearly indicates the absence of a unanimous position. The final European Council summit of December 2011 was followed especially closely by the media. There was much anticipation or, in some cases, trepidation, concerning a possible treaty amendment designed to introduce tougher fiscal rules in order to tackle Europe’s financial crisis. What came out of the meeting was a confirmation of the two-speed Europe theory. Before the formal European Council

Conclusions, a statement of the Euro Area Heads of State or Government was issued. The second appeared much more specific on the measures that have to be undertaken, whereas the attention to macroeconomics in the Conclusions was the common vague discussion about economic growth. Notably, only the United Kingdom did not indicate a willingness to proceed towards a stronger economic union. It refused to sway from its demands for safeguards on the single market and financial services and decided to remain out of the 'treaty change club'. The notion of a two-track Europe was reaffirmed by the media storm following the event, with interpretations of symbolic matters, such as Prime Minister Cameron and President Sarkozy's (absent) handshake following the summit.

Foreign Policy: Still Working on a Single Voice

The European Council had to respond to the many international events which took place in 2011, taking up some 18% of its agenda. The Arab Spring and related issues in North African and Middle Eastern countries occupied more than one third of the whole attention to foreign policy. The EU leaders discussed, for example, support for the re-building of democratic states, provision of humanitarian aid, resolution of the crisis in Libya. Interestingly, the European Council never used the geographical term North Africa, but instead called the region Southern Neighbourhood. This is likely a tactic to imply the proximity of these countries to the EU.

Other external issues discussed to a lesser extent included concerns over Iran's nuclear programme, restrictive measures against Belarus and disaster relief for Japan after the earthquake and subsequent tsunami. The Western Balkans received some specific attention, mostly due to the signing of the EU Accession Treaty by Croatia in December, just before the summit.

Meanwhile, the October earthquake in Turkey was not commented upon. The death toll there was clearly considerably lower than in Japan, and the timing was inappropriate, since the disaster happened on the eve of the main October European Council. Yet the reason behind this lack of attention might be different. Turkey has threatened to freeze relations with the EU when Cyprus takes the rotating EU Presidency in 2012. In its December Conclusions, the European Council expressed concern over the threats; perhaps for this reason, it did not see it as right to send condolence in the same message.

The mass shootings perpetrated by Anders Breivik in Norway in July were also not featured on the agenda. Was it a matter of timing? The next meeting of the EU leaders was in October. Or was the problem considered small and external? The Presidency called a Council Working Group meeting on fighting terrorism, thus transferring the issue to a lower level of power. Meanwhile, the ETA declaration on end of violence was considerably discussed and praised. Whatever the reasons for the lack of attention, this was a missed chance for Europe to condemn right-wing terrorism with a single voice.

Crises Spill-Overs: Business, Energy and Migration

Among the other themes that were considered important by the EU leaders were business, energy and migration. Similarly to 2010, inclusion of the first clearly indicated the European Council's desire to have the private sector involved in the solution of the crisis. The second was a reflection of the realised need for security of energy supply and safety after the Russian-Ukrainian gas conflict of 2009 and the 2011 Fukushima disaster. The third one addressed the unexpected and unwelcomed migratory flows following the revolutions in North Africa.

Business and finance occupied approximately 11% of the agenda. A large portion of the discussions on this topic were related to banking and financial market regulation. Some attention was also given to improving the functioning of the Single Market (including the establishment of a Digital Single Market by 2015) and achieving lighter regulatory burdens for small and medium-sized enterprises.

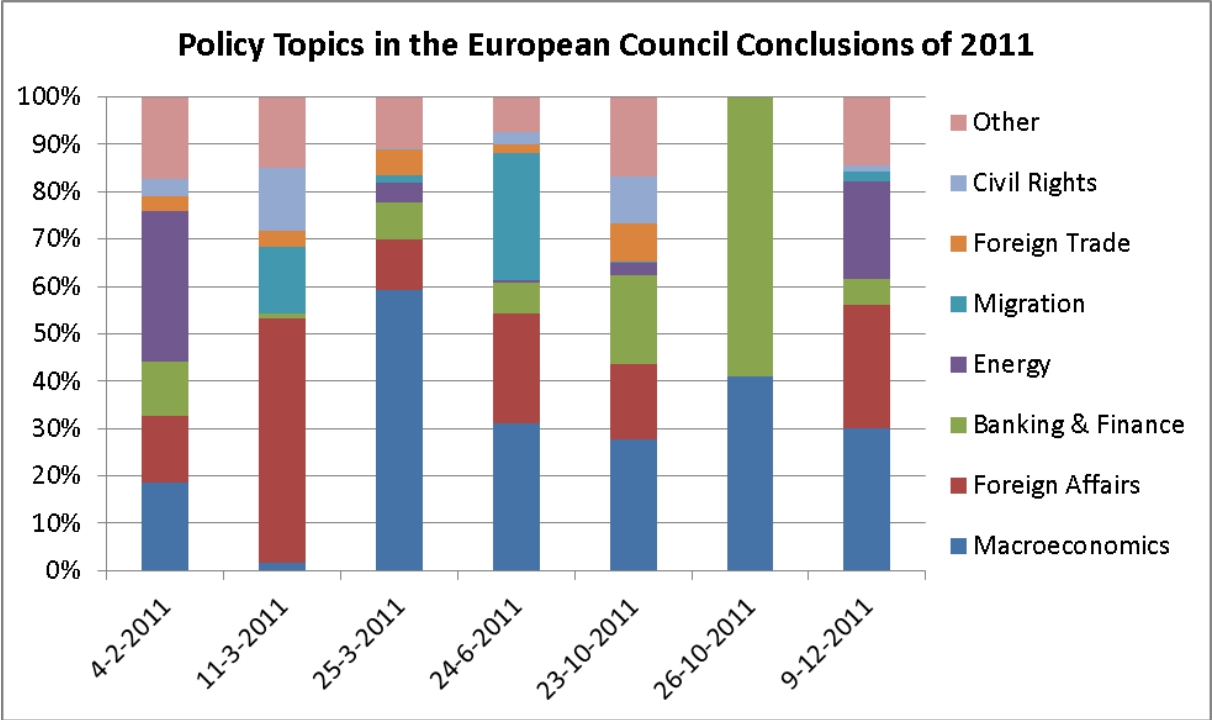
Some 8% of the agenda focused on the Union's energy policy, designating a goal of establishing a common internal energy market and enhancing the coherence of the EU external energy policy. About one fourth of the attention to energy was directed to nuclear safety and stress tests for nuclear power plants. The energy efficiency target was also strongly reaffirmed. The opportunity to focus so much on energy issues was enabled by a Special European Council meeting on energy and innovation in February, one of the priorities of the Hungarian Presidency. The perception that a common energy policy is needed has gradually become apparent in European Council meetings throughout the last six years. The topic has become especially sensitive after certain member states suffered a cold winter after the Russian-Ukrainian gas conflict in early 2009. The explosion of Japan's Fukushima nuclear power plant in March 2011 refocused attention of the use of nuclear energy.

Migration issues occupied 7% of the agenda and were especially prominent during the June meeting. The events in the Southern Neighbourhood provoked some discussion on strengthening Frontex and solidarity across member states regarding migratory flows. A major drive behind this discussion was the Arab Spring and Italy's unpopular approach to North African migrants. The handing out of residence permits, seen as encouragement for going somewhere else in the Schengen Zone, provoked a conflict between Italy and France, and controversial ideas for reintroducing internal border controls. Eventually, the leaders of the two countries pushed for a reform of the Schengen treaty. The last appeared impossible not only because it would generally be hard to agree upon, but, more importantly, because another treaty change had just been introduced in March. The European Council's emphasis on solidarity and need for stronger external border control indicated that work will be undertaken to prevent similar problems in the future. How successful a mechanism for responding to exceptional circumstances in the Schengen Area will be remains to be seen. What has, however, become clear in view of recent crises is the inaptness of the existing EU treaties to deal with 'exceptional circumstances'.

Striking a Balance

This year's European Council agenda can be differentiated from that of 2010 in terms of its increased volume, which nevertheless does not seem higher than the average for the last decade. A considerable level of continuity regarding the types of topics can be observed. It appears that overall, the European Council did not surprise with its output. Old problems of internal division on economic and other tricky issues came to the fore, underlining that Europe is far from united. The European

Council reaffirmed its role in introducing policy initiatives, but their designing and implementation will have to be evaluated in the coming years.



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This analysis on the 2011 European Council Conclusions is part of a research project within the Comparative Policy Agendas. It studies the Presidency Conclusions of the European Council since its first meeting in 1975. The unit of analysis are sentences and quasi-sentences (i.e. the lowest possible meaningful unit of policy content). They are content coded according to an international cross-country comparative codebook, adapted to the EU and measure attention to policy fields and specific issues within these fields.