

Economic Ideas Forum



Economic Ideas Forum

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London 2011

Economic Ideas Forum

ABOUT THE EIF

In May 2011 the Centre for European Studies was proud to host the second annual

Economic Ideas Forum

EIF11 took place in London on the 25th and 26th of May and brought together high-level government officials, business leaders and other influential stakeholders from across Europe and the United States. Participants included EU officials, parliamentarians and senior British politicians, as well as high-level representatives of major corporations.

This unique gathering of speakers and participants provided an ideal opportunity to discuss current economic issues and challenges while offering innovative policy ideas and solutions.

Over 200 participants took part in EIF11, which counted on the support of our partners the Stockholm Network and Business for New Europe.



London
2011



Economic Ideas
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EIF11 tackled significant and timely topics in the economic agenda including Europe-US cooperation in reforming financial services, the economic and political impacts of the Arab revolts and the Japan earthquake, the EU digital single market and the promotion of job-creating growth in Europe.



THAT'S THINKING ECONOMY

Under the slogan 'Thinking Economy', CES presented the second annual Economic Ideas Forum as a platform for political and business leaders to set a new course for the global economy and to generate answers to such questions as: How do we get out of the crisis? Where do we go next? Are our leaders ready to listen?

And who is really 'thinking economy'?



WELCOME TO THE EIF



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EIF11 was opened by John Bruton, former Taoiseach of Ireland and Chair of the EIF Organising Committee. In his opening remarks Mr Bruton stated that the creation of the European Union involved perhaps the most coherent intellectual effort of statesmanship of the entire 20th century. He noted that it is important to remember that the goal was always a political one: to guarantee peace in Europe through the creation of a single market and through the creation of a level of interdependency never before seen. It is that same interdependence in the monetary and banking fields that has presented a challenge that is perhaps even greater than those of the last century.

The challenge now is to construct a mechanism to ensure that we have the restoration of a stable economy and banking structure. The challenge is to make the European people once again feel that the EU belongs to them. The challenge is to build a Europe that is democratic, strong and decisive enough to prosper, both today and in the future.



Wilfried Martens, President of the Centre for European Studies and the former Prime Minister of Belgium, officially opened EIF11. President Martens stressed the importance of innovative ideas in addressing the continued crisis Europe faces. In this crisis President Martens defined three dimensions. The first dimension concerns the need for the proper implementation of the Euro Plus Pact in order to achieve the European Financial Stability Facility, the European semester with a close scrutiny of budgets, better financial and market regulation and stress tests for banks to improve their capitalization. However, all these institutions will come to nothing if the European Union as a whole does not return to sustainable growth. This is indispensable in putting an end to the disruptive tensions among and within the different Member States of the European Union. As such, it is crucial that the project of the single market is both broadened and deepened. Nevertheless, if we do not also focus on the third dimension – our values – neither our institutions nor our policies for growth will bear fruit. All



policies used to tackle the crisis must be based on our values of solidarity, subsidiarity and sustainability. They are important – and not only in this crisis; they make up the core of our social market economy in general.



'Let us be optimists and turn this challenge into a chance to make Europe a better place.'

*Wilfried Martens
President, Centre for European Studies, President, European People's Party; Former Prime Minister of Belgium*

PANEL

I

ALLIES OR COMPETITORS? Cooperation Across the Atlantic - Reforming Financial Services

The first panel of the second annual Economic Ideas Forum focused on the ongoing reform of financial services. The panel was moderated by Roland Rudd, Chairman of Business for New Europe and featured high-level government officials and distinguished business leaders from the EU and the US.



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The differing approaches of Europe and the US concerning global economic governance were discussed and the potential for transatlantic cooperation was highlighted. The open and lively discussion addressed how to combine effective risk management with a regulatory framework that does not stifle growth, as well as how the US and EU can cooperate to mitigate moral hazard in the banking system. The discussion also made note of the principles that should guide international work on a systemic risk tax.



In implementing the lessons learned from the financial crisis, the real challenge is to ensure that there is consistency in financial services sector reforms and that any reforms undertaken by the US, UK and Europe are compatible. The panel suggested that all our efforts should ensure that reforms are proportionate, that they identify and address real challenges – the stability and resilience of the financial markets – and that they promote long-term economic growth.



'Yes, we need to make sure there's financial reform [but we need] to make sure those reforms are rooted in evidence.'

*Mark Hoban MP
Financial Secretary to the Treasury, UK*

The crisis in Europe has the potential to cause major structural changes in, and damages to, the financial services sector in the short term. However there has been an unfortunate lack of coherence in the response of European countries to this issue. Still in terms of the convergence of principles across the Atlantic in the context of financial markets regulation, there is relatively strong agreement between the US and the EU.

The speakers agreed that there is no guarantee that there will not be conflicting regulations between the US and the EU in the future. Such a development would eventually harm the interests of both the US and Europe, which is the allocation, at the cheapest possible price, of resources to promote productive investment and growth.

'There could be more done...but on a global level, so much cooperation has been achieved thus far, [at a time] when our nations faced a serious potential to take advantage of the crisis environment...that we have managed a considerable degree of compatibility [across the Atlantic] is something that should be recognised and built upon.'

*Julie Chon
Former Senior Advisor to Senator Dodd,
US Senate Banking Committee,
Nonresident Senior Fellow, Atlantic Council*



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'The US and Europe have never been as close together as we have been of late'

*Yves Mersch
Governor, Central Bank of Luxembourg*

'We need standards that are global, but we also have to recognise that everyone is not the same; the same rules will have different impacts on one side of the Atlantic than on the other side.'

*Yves Mersch
Governor,
Central Bank of Luxembourg*

The speakers affirmed that productive investment, growth and prosperity are crucial to the development of global, regional and national economies and should therefore be fostered rather than inhibited. Transatlantic cooperation, particularly on the legislative level, is critical for the global economy, especially if we take into account that the US and the EU economies represent a major part of world output.

'The real challenge...is to ensure that there is consistency in regulatory reform between the UK, Europe and the US'

*Mark Hoban MP
Financial Secretary to the Treasury, UK*



'Growth and prosperity are crucial for the development of the global economy and therefore should be fostered rather than inhibited.'

Peter Sutherland
Chairman, Goldman-Sachs International

It was also emphasised in the panel that in terms of financial services specifically, the share of the US and EU in world output is even larger than in the global economy as a whole; that is the reason why the US and the European economies were hit especially hard by the financial crisis. Nonetheless, with regulation come other threats including the potential outsourcing of activities to a shadow banking system.

The panel stressed that regulation always reduces the degree of economic activity, but that ideally it also provides greater safety and stability. Consequently, there will always be a swing of the pendulum concerning regulation in the financial services sector. In times of financial stability governments will tend to deregulate the financial services in order to facilitate growth, whereas in times of instability and uncertainty the financial services sector will operate with more regulation. There is also the issue of who is going to pay for the recent crisis and how we can avoid relaying the costs to financial services consumers when it is obvious that some financial institutions have played a role in the crisis. The goal is to protect European and American taxpayers from the costs of past and future financial crises; however, it is possible that adopting strengthened regulatory standards will impede the pace of recovery.

'The architecture of the transatlantic relationship needs to be re-examined; we need to find new ways of making significant progress.'

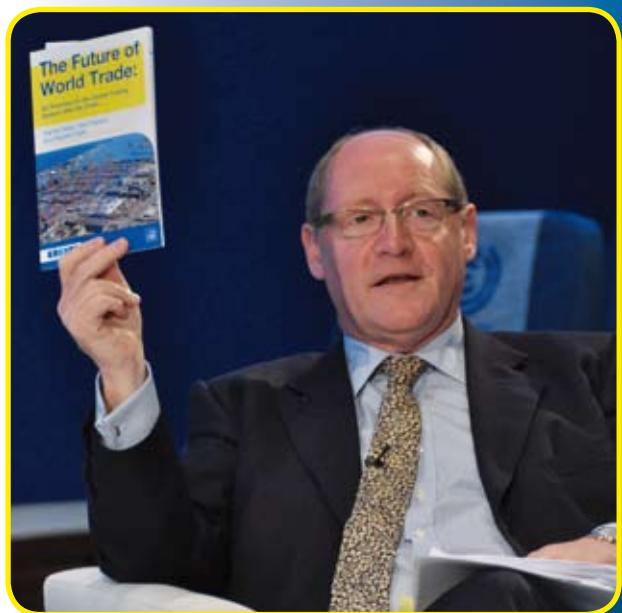
Johnathan Evans MP
Former Chairman, European Parliament Delegation to the US

'It is absolutely reasonable that those who have been partly or wholly responsible for what has occurred should pay the price.'

Rt Hon. Lord Brittan of Spennithorne
Vice Chairman, UBS Investment Bank,
Former Vice President, European Commission

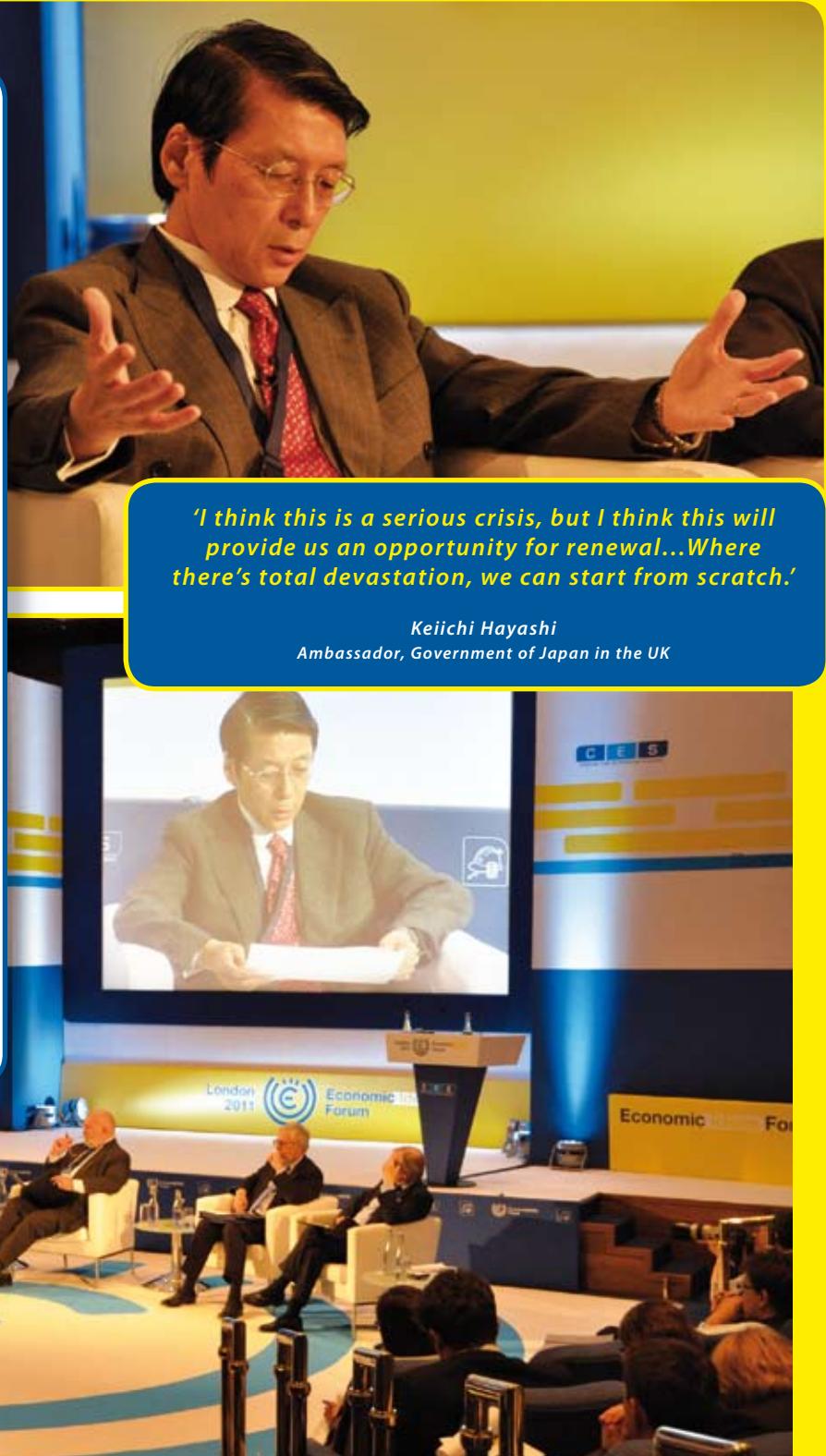


The panel concluded that regulatory reforms on both sides of the Atlantic should be guided by a focus on systemic risk oversight, supervision of the banking sector, transparency and safety. Although the regulatory frameworks are not identical, the goal of achieving more compatibility and consistency across the Atlantic is being accomplished. Cooperation continues and the momentum has not been lost. There is formal institutional dialogue in place, and regulatory forums for international cooperation, even though there is still a legislative gap between the US and the EU. The next step is therefore to solidify this cooperation on the parliamentary level in addition to the technical and regulatory dialogue that has been successfully occurring. Subsequently, our financial regulation must promote fair competition in both retail and investment banking, ensuring access to affordable credit and better, safer financial services for consumers.



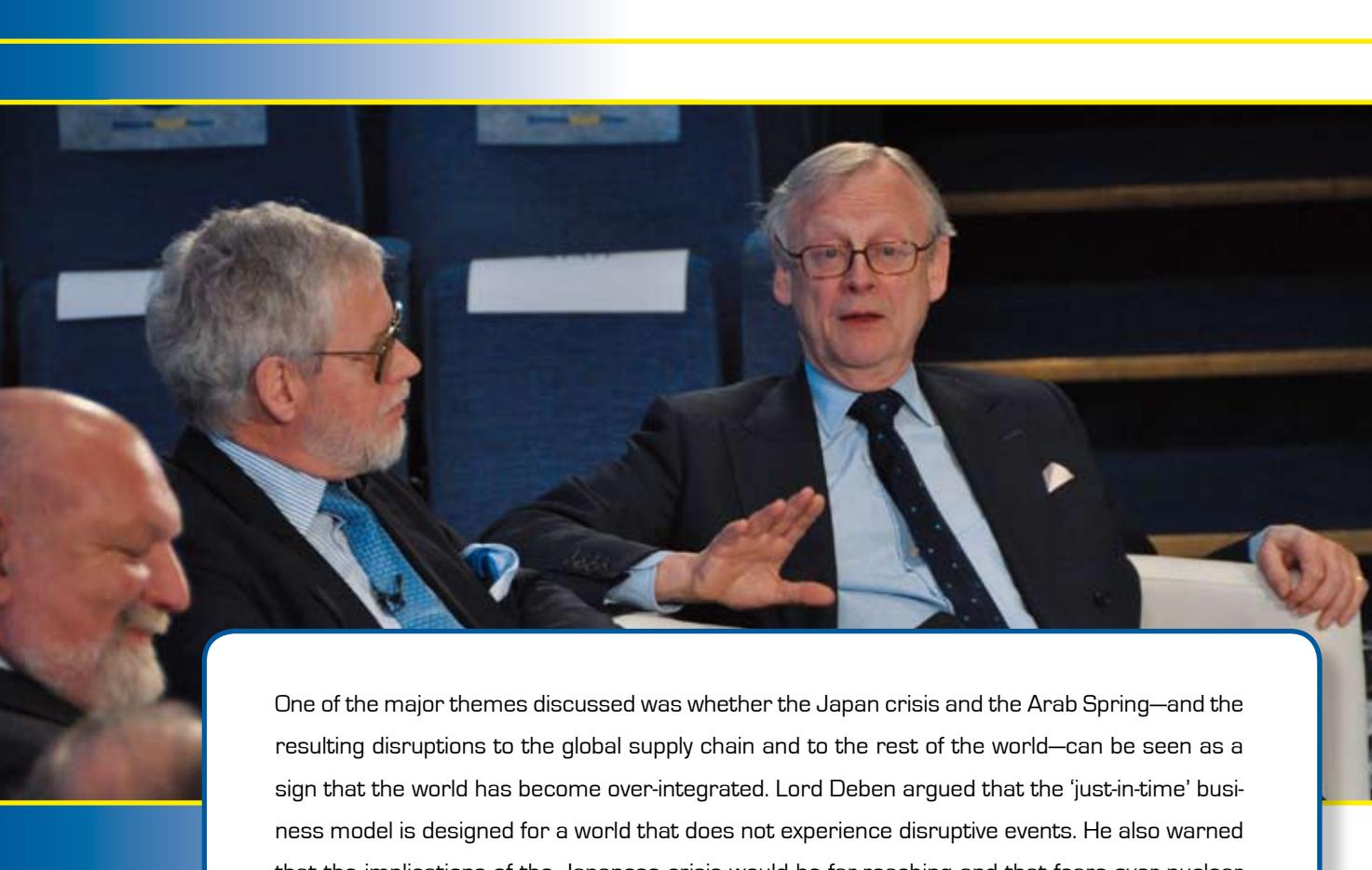
The Economic and Political Impacts of the Arab Spring and the Japan Earthquake

The second panel of the Economic Ideas Forum addressed the economic and political impacts of the 'Arab Spring' revolutions that swept across the Middle East and North Africa in early 2011, as well as the impacts of the earthquake and tsunami that struck Japan in March, 2011. Moderated by Tom Spencer, Executive Director of the European Centre for Public Affairs, the panel featured Keiichi Hayashi, Ambassador of Japan in the United Kingdom, Baron Bernard Snoy et d'Oppuers, President of the European League for Economic Cooperation, Graham Bishop, economist and Founder of GrahamBishop.com, and the Rt Hon. John Gummer, Lord Deben, Chairman at Sancroft International Ltd and the former UK Secretary of State for the Environment.





Mr Spencer began the discussion by asking whether the Arab Spring and the Japan disaster require us to think about the world differently than we did before. Ambassador Hayashi responded by noting that despite the uncertainty surrounding both of these events, both have the potential to lead to a positive future. Still, the tragedy in Japan has been severe; in addition to the 25,000 people killed or missing and hundreds of thousands displaced, the country experienced a financial loss of close to £180 billion. Japanese exports took a serious hit, as did tourism. Nevertheless, the Ambassador expressed determination to palliate the effects of the catastrophe.



One of the major themes discussed was whether the Japan crisis and the Arab Spring—and the resulting disruptions to the global supply chain and to the rest of the world—can be seen as a sign that the world has become over-integrated. Lord Deben argued that the ‘just-in-time’ business model is designed for a world that does not experience disruptive events. He also warned that the implications of the Japanese crisis would be far-reaching and that fears over nuclear power in Japan would have a fundamental impact on government policy in the United Kingdom, as well. The move to non-fossil fuels, which has tremendous implications for the geopolitics of the Middle East, has been significantly impaired by the events at the Japanese nuclear plants.



'All the challenges Europe faces demand that Europeans cooperate [such that] together we do things which we couldn't do separately.'

Rt Hon. John Gummer, Lord Deben
Chairman, Sancroft International Ltd,
Former Secretary of State for the Environment,
Government of the United Kingdom

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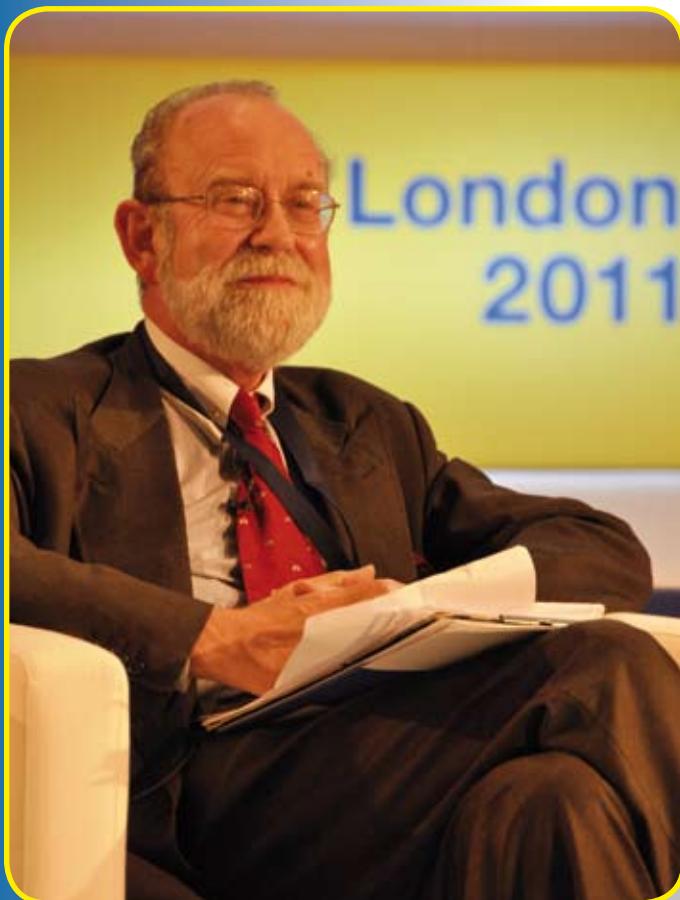


Mr Bishop described how the seemingly very different events that are the Arab Spring and the Japan tragedy actually share a perfectly clear link – energy prices. Indeed, the earthquake in Japan has impacted the viability of nuclear power, not only in Japan, but also in Europe. This, in turn, raises the issue of bio-fuels, which directly impacts food prices. We have to remember that sharply rising food prices in the Maghreb region played a significant role in the discontent that spurred the Arab Spring; this is one example of the way in which seemingly unrelated events can have linkages in this interconnected world.

'We need a very coherent strategy – a vision.'

Graham Bishop
Economist and Commentator, Founder, GrahamBishop.com





Baron Snoy spoke about the causes and implications of the Arab Spring, as well as Europe's response. He noted that even though Tunisia and Egypt were among the most relatively prosperous countries in the region, the Arab Spring began in those countries because the benefits of economic growth did not reach the larger populations. Youth unemployment had been very high across the region, which led to a sense of economic exclusion and rising expectations among younger generations that could not be fulfilled. With regard to Europe's role in the region, it is true that Europe has devoted considerable resources; however, it has not been sufficiently clear about linking development aid to democracy and human rights. However, the Arab Spring has now provided a new window of opportunity to start something new.



'Our engagement [in the Maghreb region] has to be linked to progress in building and constantly updating democracy and respect for the rule of law.'

Baron Bernard Snoy et d'Oppuers
President, European League for Economic Cooperation

Mr Spencer closed the discussion with the key observation that policy-makers and thought leaders must engage in dialogue across their traditional divisions – exactly the aim of this panel and the Economic Ideas Forum in general. Only when people are mixed and traditional boundaries crossed, will we generate the ideas needed to take the European Union and the rest of the world out of the current crises.



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KEY NOTE ADDRESS

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Lord Inglewood delivered a keynote address on the digital economy and the single market. He noted that the single market was still a groundbreaking idea at the time he was elected to the European Parliament in 1989. He described his personal memories of how the architect of the concept of the single market, Arthur Cockfield, meticulously pieced together this extremely complex project.

He reflected on the collapse of the Soviet Union and noted that, despite being one of the most exciting and pivotal moments in history, it has taken attention away from the project of the single market. In the last two decades, not enough welfare has been created in comparison to the money we have collectively invested. Therefore, both the Lisbon Strategy and Europe 2020 have been aimed at spurring economic activity to return to the levels of growth observed in the 1950s and 1960s.

Lord Inglewood made the point that we cannot treat the European single market in isolation and that it must function in a wider global context. We must also integrate various components of the single market in order to make the system work. First, digital technology must exist in order to link consumers and businesses together in the digital marketplace. Secondly, there must be the possibility for relationships to develop in these networks. Thirdly, policymakers must acknowledge and encourage the fact that digital networks will be a similar generator of wealth as the building of railway lines in the 19th century.



'In order to work properly, the single market has to become a part of the global marketplace.'

*Lord Inglewood
Chairman, House of Lords
Select Committee on Communications*

He emphasized that the digital agenda of the European Union lies at the heart of the single market and that policymakers should seek to improve digital literacy so that we overcome the fundamental problem that digital services are not being used to their full potential. One major issue in the digital agenda is to ensure online security in order to boost confidence among both businesses and consumers.

Lord Inglewood noted that when creating European policy, the lowest common denominator is usually adopted. However, this trend is completely unworkable in the case of consumer protection. More political will from the side of the Member States is needed, as well as a robust and user-friendly dispute resolution procedure, especially in cases where different languages and business cultures collide.

Lord Inglewood concluded by insisting that the single market, and the digital economy within it, are and will increasingly be crucial to all of us in the 21st century.

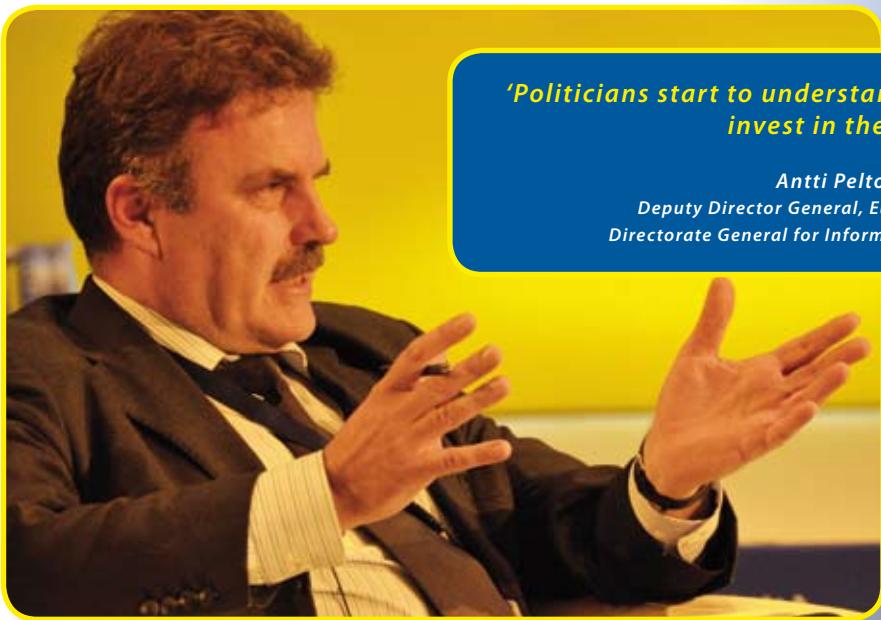
A Single Market for a Digital Europe?

The third panel of the Economic Ideas Forum was moderated by Helen Disney, Chief Executive and Founder of the Stockholm Network.

The central theme that emerged from this discussion was that the EU institutions, citizens and the business community should engage in meaningful dialogue to create a model in which the free movement of any type of goods and services is possible. Therefore, there should be no difference between the physical and digital single markets, and in fact the digital single market should be seen as a new and modern aspect of the single market. However, there are significant issues that need to be addressed. The most important challenges are to make the digital single market competitive and secure, with all the advantages provided by the larger



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'Politicians start to understand that now is the time to invest in the future.'

Antti Peltomäki
Deputy Director General, European Commission,
Directorate General for Information Society and Media

European single market, plus the benefits of the latest IT technologies, including the secure storage of personal data.

'In digital industry, we need more Europe.'

Christofer Fjellner, MEP
Committee on International Trade

Every actor in the digital industry must acknowledge the tremendous pace of innovation. However, business models are not always sustainable and business and consumer habits change quickly. Business leaders must therefore learn to adapt to their customers quickly in order to remain profitable. Similarly, the digital industry will not thrive without the support and the trust of consumers and gaining such trust requires compromises from the industry. In return for the trust of consumers, businesses must bring much needed economic growth to Europe, which is still troubled by the aftermath of the global economic crisis and by longer-term demographic challenges.





'If we would have a free flow of digital goods in Europe by 2015, we would be able to create 4 percent growth to the European GDP.'

Erkki Ormala
President, DIGITALEUROPE,
Vice President, Technology and Trade Policy,
Nokia Corporation

The rapid advance of technology is not only a challenge to businesses, but to policymakers as well. For example, by the time a new online service has been properly scrutinized by Parliament, it is already outdated. Therefore, a careful and detailed analysis can sometimes be more of a burden than a help. In addition, together with new technologies and services, new shortcomings of the digital market will emerge

as well. However, there are problem areas that could be improved easily, among them consumer rights protection, which is only a matter of harmonising legislation. There is a strong case to be made that harmonisation is not 'rocket-science' and is readily achievable. Mr Peltomäki also pointed out that if there is political will, anything is possible. However, such will is still lacking today.



Ms Korhola emphasized that the rapid development of technology can be a huge advantage. Innovation leads to totally new ideas at considerably lower cost. When penalties are minimised for unsuccessful attempts at innovation, there is even greater flexibility for innovators and more incentive for creativity. Another important issue is that of e-governance and the protection of 'netizens' and their rights. Young people especially must be protected in cyber space. Protection from digital warfare, upholding digital property rights and the right to assemble online are all issues policymakers must keep in mind. Still, despite any potential pitfalls, the digital industry presents tremendous opportunity. From the business perspective, the digital single market presents a very similar opportunity as that contained in the original idea of forming the European single market. However, in terms of policy, only



'We have to find the correct balance between the rights of the consumers and the rights of the industry.'

Erkki Ormala
President, DIGITALEUROPE,
Vice President, Technology and Trade Policy,
Nokia Corporation

'The future generation is of vital importance when we think about the digital single market.'

Eija-Riitta Korhola, MEP
Committee on Internal Market and
Consumer Protection

relatively small measures are needed, for example in privacy laws and copyright protections. It is not about changing our fundamental rights as European citizens, but rather about fine-tuning legislation.



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Questions from the audience and from the #EIF Twitter wall mainly addressed practical aspects of the digital single market, for example the protection of online identity, and access to education and training. One participant inquired about the differences between the music industry in the EU and the US. Panelists agreed that music licensing is a complex issue and cannot be compared with the US, where policy makers do not have to take into account 27 different opinions and the rights are solely owned by the producers, not the artists. Mr Peltomäki pointed out that in Europe it comes down to harmonization again and political will. Panellists did however suggest that simplifying the procedures for obtaining a license for audiovisual content would greatly benefit the European market.



'Cloud Computing will bring economic benefits.'

*Dominique Lazanski
Technology Policy Analyst,
The TaxPayers' Alliance*

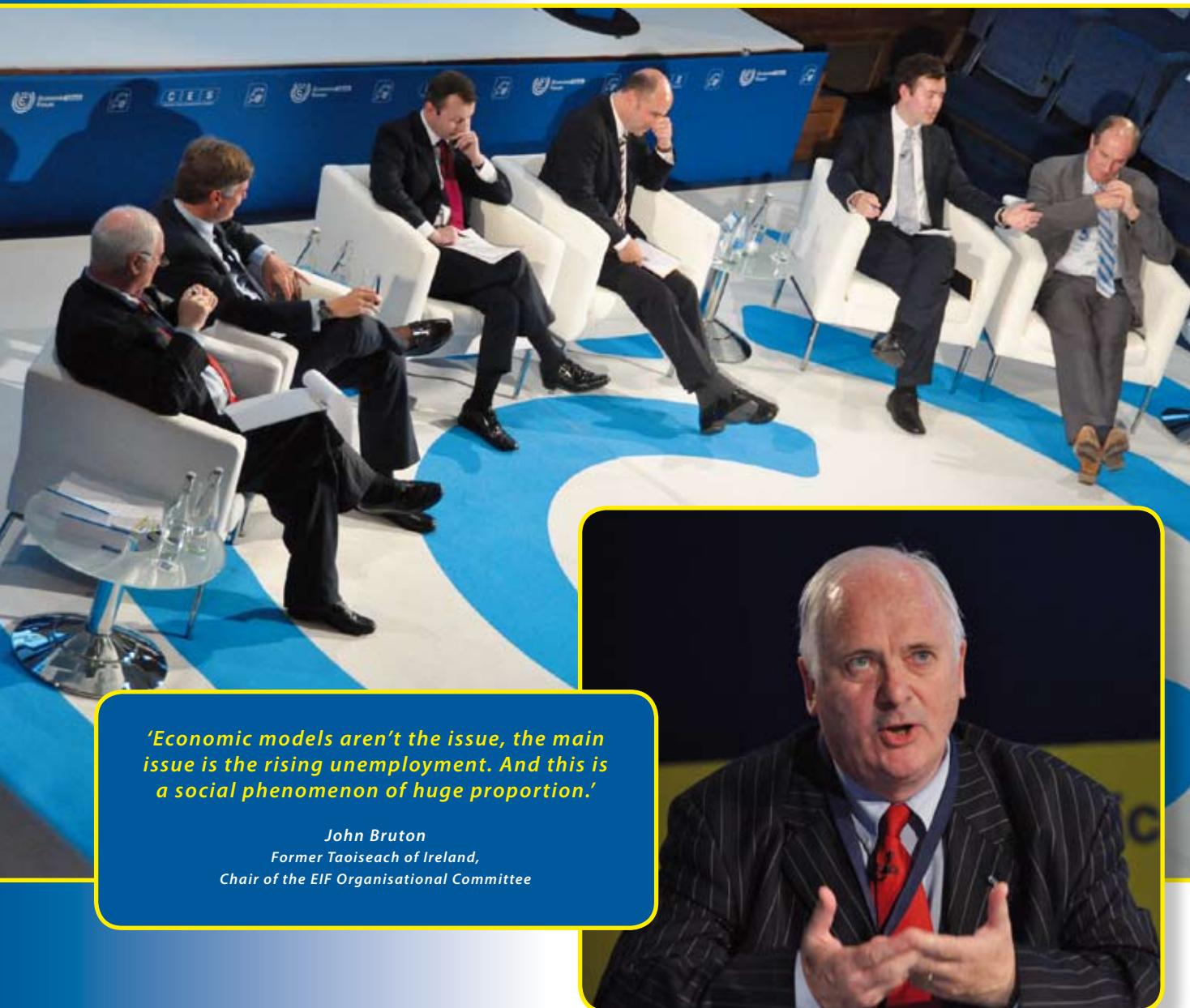
Cloud computing was a final important theme addressed by the panel. Although this has become a topic of much discussion lately, Ms Lazanski noted that cloud computing has actually been around for a while, for example in the form of popular online e-mail services. Still, this has been a ground-breaking phenomenon and is completely changing the way in which consumers and businesses interact. Since cloud computing is sure to dominate the future of the digital industry, policymakers must increasingly take it into consideration when forming policy.



PANEL IV

Saving the Lost Generation: Promoting Job-Creating Growth

Panel IV of the Economic Ideas Forum addressed the crucial issue of job creation. Panelists presented their views on current problems, the origins of these problems and potential solutions.





Mr Bruton underlined that unemployment is a complex phenomenon which has negative consequences in both the economic and social dimensions. Policymakers must remember it is important to ensure the neutrality of the tax and welfare systems in order to avoid anti-labour bias which can cause even more rapid rises in unemployment. At the same time, we have to be realistic; any expectations that the economy will rebound and experience rapid growth rates similar to those after World War II are baseless.

'We cannot deny the importance of SMEs, of the de-bureaucratization process and of help to start-ups.'

Roland Freudenstein
Deputy Director and Head of Research, Centre for European Studies





'Small and medium size entrepreneurs are the basis for proliferating the economy.'

*Antonio López-Istúriz White, MEP
Secretary Treasurer, Centre for European Studies;
Secretary General, European People's Party*



EPP Secretary General Antonio López-Istúriz described the current economic situation in Spain, underlining that the first duty of politicians is to give the people an economic climate in which they have the opportunity to pursue their goals. This is a difficult task; the future Spanish government will have a difficult time reforming the economy, especially

with issues like cutting government expenditure. However, if explained properly, reasonable and effective reforms can be understood and accepted by the public. Therefore, for Partido Popular, transparency and clarity must remain the political priorities in shaping economic policy.

'It's really beholden upon business to get involved and reach out to the young and unemployed.'

*Seth O. Thomas
Head of Public Sector Content, Citi*



With regard to the role of the state creating jobs for young people, Mr Thomas emphasized the role of business in building the skills of young graduates, and this will be crucial to the stability and prosperity of Europe in the future. Business and government must do a lot to collaborate to this end. Business must also be involved in addressing issues such as youth unemployment directly, including by reaching out to jobless youth.



'We have to start to live within our own means, we have to overcome our addiction to housing, we need to start saving again and, crucially, we have to find ways to encourage entrepreneurship. It all takes time, but it is all possible.'

*Tom Clougherty
Executive Director of the Adam Smith Institute*

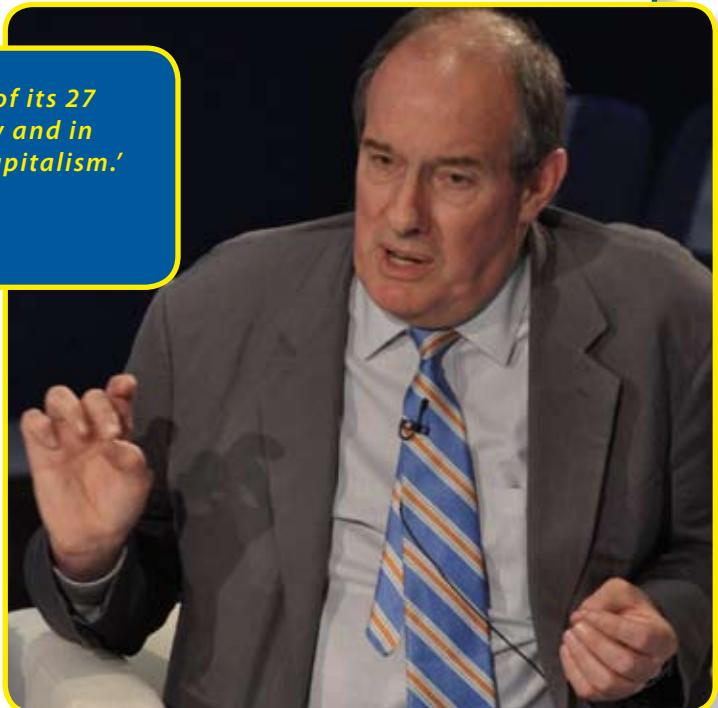
Mr Clougherty opined that job creation is part of a larger, global challenge. In the example of the United Kingdom, the modern economic model is no longer working and must be radically reformed if we are to deal with challenges such as demographic change. The current concept of the welfare state should be reformed towards a smarter fiscal policy and tax



'The challenge of the European Union and of its 27 Member States is to figure out, individually and in Brussels, how we achieve a good European capitalism.'

*Will Hutton
Executive Vice-Chair, The Work Foundation, UK*

distortions should be eliminated. For instance, employment taxes are now discouraging employers from hiring workers because of the heavy financial burden. Moreover, regulations are even more important than taxes. A system with heavier regulation will lead to the bureaucratization of the economy. Meanwhile, the banking system should be insured by governments in order to encourage banks to be more active and to take business risks.



Mr Hutton emphasised that for an accurate analysis of the situation it is important not to go to extremes. Ideas of the state as a sort of "super regulator" on the one hand, or of the free market as the sole economic regulator, on the other, do not reflect reality. The capitalism concept has always been a model based on the complex relationship between the public and private sectors. These two sectors are interlinked and should complement

each other. On the European level, EU institutions have to be interlinked in some ways with Europe's private enterprises, and the rules applied to this linkage should be based on institutional logic, not on a cultural framework. The private sector must be able to embrace challenges as quickly as possible; and the public sector has to help to mitigate the risks businesses face.



Another notable issue discussed includes the role of research and development in the economy and whether R&D can be seen as the crossroads where business and government meet. As the market itself cannot ensure the development of the R&D sector, companies which are interested in innovation should acknowledge the role of the state in this process. However, business is not always satisfied with the skills of graduates from public education systems and therefore has to participate and to provide training to employees in order to ensure the quality of the workforce. The same relationship can be seen between the state and the private sectors when it comes to green energies.

Mr Bruton echoed the opinion that the state is not a good distributor. In general, the real driver of the economy is scarcity. In the near future, Europe will suffer from shortages of energy, food and care personnel. However, these shortages will spur innovation in these areas.



Mr López-Istúriz described the ideological challenges that centre-right parties from the EPP family are facing in Europe. The EPP for many years advocated for socially responsible business and invested significant resources to convince centre-right governments all over the EU to ensure the development of the social market. To this end the EPP hosts ministerial meetings, where representatives of the ministries of the EPP governments meet in order to discuss the most important issues on the national and European levels.

CLOSING OF THE EIF

Tomi Huhtanen
Director, Centre for European Studies



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Tomi Huhtanen, Director of the CES, concluded the meeting by underlining that the EIF 2011 succeeded in bringing to the public's attention the most important European issues. The participants and panellists had fruitful discussions on topics of both European and global dimensions. The EU's recovery from the economic crisis is now facing new challenges including the completion of the single market and its possible merging with the digital market, the role of regulatory measures and of the state in the economy. Mr Huhtanen paid special attention to the role of private business, which is contributing to innovation and the sustainable growth of the EU economy. He emphasised that reforms are needed without delay and that they should be based on values. Mr Huhtanen then thanked the forum sponsors, partners, contributors and the CES team for organizing the panels and expressed his hope of seeing all participants again next year on the EIF 2012.

GALA DINNER

David Smith, Economics Editor at the Sunday Times, addressed the guests during the opening dinner of the EIF. He provided an overview of the recent economic crisis, emphasising its impacts on European economies, including the tremendous negative impact on the financial and banking systems of the EU and the eurozone. Some of the EU Member States have shown themselves to be more vulnerable than others, and side effects of the crisis still plague some of the economies of the EU 27. However, during 2010 the EU overall showed astonishing progress in economic recovery. And even if it is too early to talk about the end of the crisis, and even though a lot of work still needs to be done, the EU is returning to an atmosphere of greater stability and economic growth.



NEW ECONOMIC IDEAS

John BRUTON

Shortages are the real incentives for the innovations. The industrial revolution in England happened because of the shortage of labor. Analyzing the trends of today's Europe we can expect the energy revolution. The shortage of energy in Europe will encourage us to think more regionally and more creatively than anyone else in the world.



Keiichi HAYASHI

We are talking about turning crisis into opportunity. The Japanese economy is now making an economic upturn. And this tendency will be shared by Europe.



Yves MERSCH

The crisis showed us that we didn't have enough Europe. Still there are many areas in the economy which are under national regulation. We have sovereignty in the monetary area and we don't have the political union, we must strengthen European economic governance and microeconomic coordination in order to be successful in our European project.



The Rt Hon. John GUMMER, Lord Deben

Everything is connected with everything – this could be the slogan of the modern economy. We, as Europeans, became far too siloed when it comes to climate change, food shortages, energy problems. And these challenges are all parts of the same picture of the world which is becoming a global family. In this regard the EU is playing an important role of being an important part of the balance between the US and developing countries. And in order to make the EU successful we have to begin to value European unity and the input of the individual states at the same time.



Peter SUTHERLAND

The most important issue today is to have a coordinated response to global issues. In particular the EU through its institutions has to have a coordinated response to the financial crisis and to send out a clear and coherent message about it.



Baron Bernard SNOY ET D'OPPUERS

We need to be more generous and consequent towards our neighbours when it comes to the financial aid, the visa facilitation process and the access to the EU market. The EU has to be more frank with its conditions: we have to aid countries with significant and continuing progress in democratic development. At the same time environmental, economic and demographic stability also mean political stability in the neighbouring region. The prosperity of our neighbours and our prosperity are profoundly interlinked.



Erkki ORMALA

The creation of the digital single market could be a huge economic opportunity. It would help to get out of the fiscal crises, to provide jobs and to boost economic growth.

Graham BISHOP

The main challenge of the modern economy is the energy shortage. Prices, like the food prices, largely depend on energy costs. Yet nevertheless, Europe does not save enough energy, the statistics about energy wasting are dramatic. And it has so many unexpected side results. The same with agriculture: we have to think what we can grow in Europe and what would be more viable to help to grow in neighboring countries giving them the possibility to develop.



Tom SPENCER

We are facing a really unpleasant division between North and South in Europe. Mainly, because of the fact that far right parties in the North are now gaining support, which makes impossible the exchange of solidarity with the South. At the same time the South is squeezed by currency, environmental, agricultural, and migration crises. So, when we need the contribution of our South Member States to what we call new policy in the Mediterranean, they are under massive economic and political pressure and are not able to respond.

Phillip SOUTA

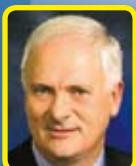
We need to liberalize our labour market, to open borders, we need to get rid of the closed shops. And in this perspective the completion of the single market would be a fantastic economic opportunity for the next twenty years.



SPEAKERS at the EIF



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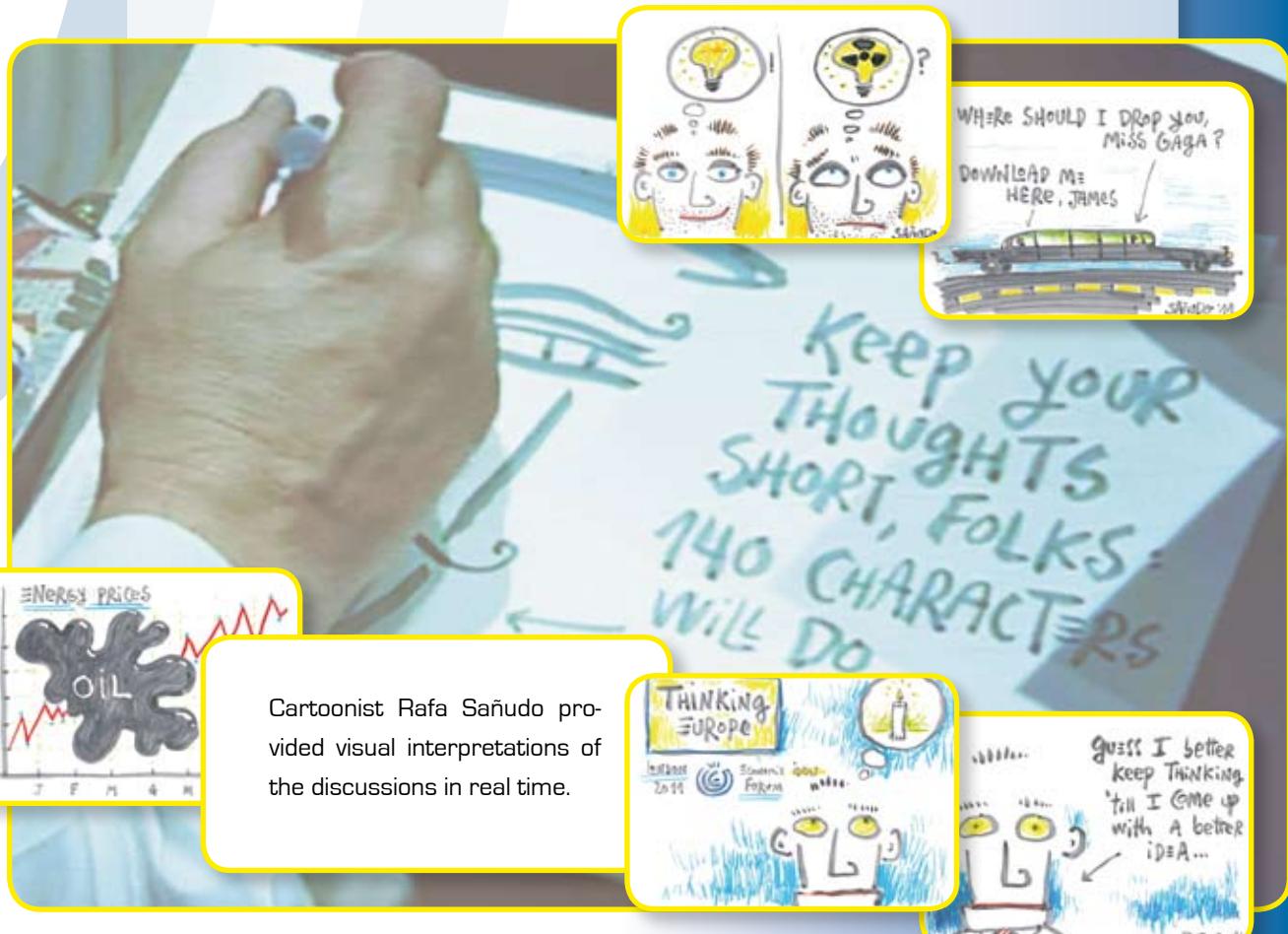
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The EIF was an interactive forum that could be followed in real time via the Facebook and Twitter accounts of the CES.



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Cartoonist Rafa Sañudo provided visual interpretations of the discussions in real time.

CREDITS

Economic Ideas Forum, London, 2011

Centre for European Studies

Presenter at the event: Gemma Slaymaker

Event design and staging: RARO

Publication design: Andreas Neuhaus | PEPATO-GROUP

Brussels, July 2011

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B-1000 Brussels

The Centre for European Studies (CES) is the official think-tank of the European People's Party (EPP) dedicated to the promotion of Christian Democrat, conservative and like-minded political values.

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This publication receives funding from the European Parliament.

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