

Annual Report 2000

PRESIDENT'S MESSAGE

Enlargement: widening without deepening?

During the current decade, the European Union will open its doors to twelve new Member States bringing with them populations totaling more than one hundred million. Membership negotiations with six of these countries - the "Luxembourg Group" - began on 31 March 1998. Negotiations with the second group - the "Helsinki Group" - opened on 15 February 2000.

These negotiations are difficult, inter alia because the applicant countries of central and Eastern Europe have significant ground to make in economic terms, and livings standards and productivity are on average lagging far behind the existing fifteen Member States. But their economic potential is considerable, the more so since the populations of these countries in general enjoy a reasonably high level of education.

Nor is the motivation behind enlargement solely economic: security considerations certainly play a significant part. For the EU-15, enlargement should contribute to reducing or extinguishing sources of instability on its eastern border. For the CEECs, membership of the European Union represents the surest way to consolidate young and still fragile democracies.

The obstacles ahead are certainly many, and the problems complex, not only in the course of membership negotiations but also during the more or less lengthy transitional periods which will follow the admission of these countries to the European Union. However, it is almost unimaginable that these difficulties should prevent Europeans from taking up the historic challenge to reunite the two halves of their continent.

But what kind of reunified Europe will emerge? However difficult the membership negotiations may be, it must be recognised that the reform of the European institutions is a still more challenging process, that a European constitution is unlikely to be born tomorrow, and that enlargement will certainly precede the development of a closer European Union.

The risk therefore exists that the nature of the European Union will change. Enlarged to include twenty-seven Member States without the institutions capable of managing it effectively, it could indeed become no more than a large market, remaining for long an economic giant but a political dwarf. Such a scenario may well appeal to our American – or British – friends. But would this outcome satisfy the founders of ELEC in 1946-47 and its successive presidents?

To ask the question is to answer it.

Ferdinand CHAFFART

THE CENTRAL COUNCIL

During 2000, the ELEC Central Council met twice, on 16 June in Berlin, and in Brussels on 15 December.

The **Enlarged Central Council** in June addressed the question of "The Enlargement of the European Union to eastern Europe". The speakers were Günter VERHEUGEN, European Commissioner for Enlargement, Jan KULAKOWSKI, Government Plenipotentiary for Poland's accession negotiations to the EU, and Andras INOTAI, Director of the Budapest Institute for World Economics.

Also on the agenda were the question of the new ELEC strategy, and the traditional reports from the Presidents of commissions. The Central Council also adopted two resolutions presented by the Economic and Social Commission on the employment situation and the globalisation of trade.

The **Brussels meeting**, which focused on "The Reform of the European Institutions", was attended by Honorary Ambassador Philippe de SCHOUTHEETE de TERVARENT, who spoke on the results of the Nice Summit.

The proposal for a new ELEC strategy was finalised after intensive discussions, and two new resolutions put forward by the Economic and Social Commission (on the problems of immigration and pensions schemes respectively) were adopted.

ACTIVITIES of the NATIONAL SECTIONS and MEETINGS of the WORKING COMMISSIONS

7 February - Brussels - Working Group Enlargement

Chaired by Michael PALMER, the Group dedicated its work to the answers to be given to the International President on the new strategy.

24 February - Barcelona

Conference by Mr. Lluís FOIX (La Vanguardia) on "Western democracies and corruption".

7 March - Vienna

Euro-lunch in collaboration with the International Vienna Council: "Was erwartet sich die österreichische Industrie von der neuen Regierung?" by Mr. Lorenz FRITZ, Secretary General of the Austrian industry association.

9 March - Brussels - Mediterranean Commission

The meeting, chaired by Carles GASÓLIBA, was entirely devoted to the preparation of the conference to be held in Barcelona in May.

16 March - Paris - Infrastructures Commission

The Commission, under Ottokar HAHN's chairmanship, heard various reports by experts on the development of TENS, the East/West corridors and the improvement of international transport.

17 March - Paris - Monetary Panel

At this meeting chaired by Bernard SNOY, two themes were dealt with: ECB's strategy and information campaign, the future of financial services industry, in addition to the traditional *tour d'horizon* on economic convergence.

23 March - Paris

Conference by Mr. Alexandre ADLER, historian and journalist, (Courrier International) on "L'Europe à la croisée des chemins: élargissement et mondialisation".

30 March - Brussels - Presidents' meeting

The International President had wished to gather together the presidents of national sections and commissions in order to finalise the new strategy.

30 March - London

Annual General Assembly of the British Section.

4 April - Bern

Meeting of the Swiss Section on the theme "Bilaterale Verträge und Beitrittsgesuch: wie weiter in der Integrationspolitik?".

5 April - Vienna

Eurolunch in collaboration with IVC: "Standortpolitik und Privatisierung - wohin steuert Österreich" by Prof.Dr. Karl AIGINGER (WIFO).

14 April - London

Briefing for members of the British Section by the Portuguese Ambassador.

28 April - Luxembourg - Enlargement Commission

Discussion of the draft publication on the role of the enlarged EU, and of the situation of Roma in Eastern countries, the Pan- and Trans-European networks, and the project of a conference on enlargement.

5 & 6 May - Barcelona - Annual Mediterranean Conference

Featuring a number of speakers who illustrated the major theme of the "Relations between the EU and countries of the Eastern Mediterranean".

7 June - Paris - Economic and Social Commission

The new President of the Commission, Philippe JURGENSEN, had chosen to center the discussions on employment perspectives following the Lisbon Summit, world trade in the context of globalisation, and the consequences of ageing on demography in Europe. Two resolutions were adopted, on the employment situation in Europe and on the European policy towards globalisation.

13 June - Budapest

Restructuring meeting of the Hungarian Section.

14 June - Paris

Lunch-debate with Mr. Pierre MOSCOVICI, Minister in charge of European Affairs, who spoke on "Présidence française de l'UE: quelle vision pour l'Europe?".

15 June - Berlin - Infrastructures Commission

Pan-European transport networks, the Galileo project and the future of the rail-industry were on the agenda.

15 June - Berlin - Executive Committee

16 June - Berlin - Enlarged Central Council and General Assembly

10 July - Brussels - Working Group Enlargement

Follow-up meeting on the draft publication on the role of the enlarged EU and a possible conference on enlargement.

25 September - Bern

Meeting of the Swiss Section on the theme of bank-secrecy and tax reforms. Guest speaker: Mr. René WEBER (Head of Section, Federal Finance Administration).

26 September - Budapest

Conference of the Hungarian Section, with the participation of several experts from the Institute for World Economics.

27 September - Barcelona

Lunch with the participation of Mr. Josep PIQUÉ (Foreign Affairs Minister of the Spanish Government), and tribute to MM. Llorenç Gascón, Ignacio Tormo and Jordi Bergós. Conference by Mr. Mario MONTI (European Commissioner for Competition).

29 September - Brussels - Working Group Enlargement

Discussion of proposals submitted for the new strategy and of the project of a conference in 2001.

6 October - Vienna - Monetary Panel

Besides a *tour d'horizon* on economic convergence, the Panel studied recent developments in the field of tax harmonisation, the impact of electronic money on monetary policy, and the future of European stock exchanges.

11 October - Brussels - Mediterranean Commission

The Commission set the basis for the Conference to be held in October 2001 on "Economic Cooperation in the Mediterranean".

12 October - Luxembourg

Conference for the Luxembourg Section by Mr. Olivier GISCARD d'ESTAING on "Europe et mondialisation".

21 & 21 October - Prague/Karlovy Vary - Infrastructures Commission

A two-day meeting in the Czech Republic allowed for discussing subjects concerning road-infrastructure, the ISPA project, air-transport, the Galileo project, and problems in the Balkan Region.

27 October - Brussels - Enlargement Commission

Mr. Krzysztof NERS, Under-Secretary of State for Finances (Warsaw), presented an evaluation of accession negotiations as far as Poland was concerned. Mr. John MURRAY (Council of Europe) commented on the situation of Roma in the CEECs.

14 November - London

7th Brandon Rhys Williams Memorial Lecture: "The European Union - From Warsaw to Nice" by Mr. John MONKS (Secretary General, Trades Union Congress).

15 November - Paris

Conference-debate "L'Allemagne et la France à la veille du Conseil Européen de Nice" by Mr. Peter HARTMANN, German Ambassador in France.

16 November - Brussels - Economic and Social Commission

Two resolutions were adopted after debates on the problems of future financing of pensions, on the one hand, and immigration, on the other hand.

23 November - Barcelona

Conference-lunch with a statement by Mr. GARRIGUES-WALKER (President of the Trilateral Spanish Committee) and the presentation of Mr. Gascon's book "Lettres aux amis de la LECE".

24 & 25 November - Kronberg - Monetary Commission

The traditional meeting of the Monetary Commission, under Dr. Rolf BREUER's chairmanship, gathered about sixty participants to listen to and discuss presentations on "The Single Financial Market: Policy Issues and Tasks Ahead" (John MOGG, Director General, European Commission) - "The Single Monetary Policy: Current Issues and Challenges of the Future" (Tomaso PADOA-SCHIOPPA, Member of the Board, European Central Bank) - "The Worldwide Currency Situation and International Monetary Cooperation" (Jürgen STARK, Assistant Governor, Deutsche Bank) - "Opportunities and Risks of the IT Revolution for Banks in Europe" (Michel TILMANT, Member of the Board, ING).

14 December - Brussels - Executive Committee

15 December - Brussels - Central Council and General Assembly

Not to forget ...

ELEC's Information Letter n°11, published in June 2000, of which the editorial "9 May 2000: A morose anniversary" was drafted by Régis MALBOIS, Adviser for ELEC.

and a new Cahier Comte Boël (n°8) "The Euro: Next Steps to Success": a contribution by the Monetary Panel.

NEWS from ELEC

France

Nomination of Mr. Philippe JURGENSEN, CEO of ANVAR, to succeed Mr. Olivier Giscard d'Estaing as President of the Economic and Social Commission of ELEC.

Luxembourg

Fernand GRÜLMS, Assistant Director at the Association des Banques et Banquiers Luxembourgeois, accepted to succeed Pierre-Marie Valenne as Secretary General of the Luxembourg Section.

Death of Raymond BERTIEAUX, eminent member of the Luxembourg Section.

Netherlands

Matthijs van der VELDEN was dignified with the Royal Order of Orange-Nassau.

Spain

Mr. Carles GASÒLIBA succeeded Mr. Lorenzo Gascon (elected Honorary President) as President of the Spanish Section, and Mr. Nicolas de SALAS was nominated Secretary General, replacing Mr. Joan Jordi Bergos.

Switzerland

Death of Gérard BAUER, Minister and distinguished European, who took an active part in the revitalisation of the Swiss Section.

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