

Annual Report 2003

PRESIDENT'S MESSAGE

New fields for Economic Cooperation

Economic cooperation, for which ELEC has fought since its inception, has made enormous progress in Europe for over half a century now. Might we then assume that, having accomplished its mission, ELEC has earned the right to retire gracefully? This question has been raised openly in a few national sections when faced with difficulties in recruiting new members, or keeping their traditional support.

However, the image projected by our working commissions is entirely different, as there never seems to be any shortage of either subjects for research, or issues for debate. Their agendas are fixed for the year ahead, indeed for several years ahead. I take this as firm evidence that many fields of economic cooperation in Europe remain to be cleared.

Moreover, we are not solely occupied with locating and clearing new fields. We must also ensure that they are developed and exploited, and aspire to play a motivational role in this. This annual report gives me the opportunity to outline some of these new fields. They can be seen as forming a number of "concentric circles", the working of which can motivate our national sections and occupy our commissions for many years to come, the more so since the construction of Europe is not a process whose end is in sight.

The first of these circles encompasses the Euro Zone. The problem of its governance mostly consists of finding the best forms of macro-economic cooperation first between nation states that have chosen monetary unification while jealously retaining their prerogatives in other areas of economic policy, but also between their governments and the European Central Bank. The conflicts caused by the application - and specifically in the last few months, the non-application - of the "Stability and Growth Pact" are a good example of how the development of such cooperation does not happen of its own accord.

A slightly larger circle is that of the European Union in which stand side-by-side members and non-members of EMU. With the new enlargement non-members will, moreover, be in the majority, at least for several years. This will pose a number of thorny problems not only of monetary cooperation in normal circumstances between the European Central Bank and other central banks, but also of more extensive cooperation, in times of crisis or financial instability, between these monetary authorities, the institutions charged with prudential control of financial establishments, and finance ministers. Such European cooperation will need to include non-member states of the EU such as Norway and Switzerland.

In a European Union which is expanding to include ten new Member States whose average level of development is appreciably lower than in the EU-15, the progress of the whole will depend in part on the difficult conciliation between the application of the common rules of the internal market, the pursuit of the objectives of catching-up and cohesion, and the overall budgetary constraint. In this respect, the reform of the CAP, the fixing of priorities as regards trans-European transport networks, the new distribution of structural funds and the drafting of Community budgets in the framework of the future financial perspectives will all be tests of the political will to co-operate in order to transcend national self-interests and pursue the common European interest in an

enlarged Europe. It is important that all European citizens be well informed on these matters, and ELEC has another role to play in this respect.

Beyond the present enlargement, the circle of potential cooperation is likely to expand to include neighbours of the enlarged Union: on the one hand Eastern and South-Eastern Europe, which includes at one and the same time countries that are candidates for EU adhesion (Romania, Bulgaria and Turkey), countries that have a manifest calling to become candidates sooner or later (the Balkan region), and countries which have emerged from the break-up of the Soviet Union, and whose geographical proximity and wealth of resources mark them out as desirable partners; on the other hand there is North Africa to which the Mediterranean Commission is paying special attention.

Finally, looking farther than the controversy surrounding the war in Iraq, and at a time when Islamic terrorism is also striking Europe, the transatlantic relationship must continue to provide privileged opportunities for economic, monetary, political and military cooperation between countries that share many common values. A spirit of mutual understanding and cooperation between Europe and the United States are today, more than ever, necessary to world stability.

Ferdinand CHAFFART

THE CENTRAL COUNCIL

In 2003 ELEC Central Council met on 6 June in Warsaw, and on 28 November in Brussels.

Having chosen as its main theme "Building an Enlarged Europe", **June's meeting** of the enlarged Central Council heard from Minister Jan TRUSZCZYNSKI, Chief Negotiator to the EU and Mr Leszek BALCEROWICZ, President of the National Bank of Poland, who enlightened different aspects (historical, political, economic and monetary) of the route taken by their country towards the European Union. The debate that followed also benefited from contributions by Ambassador Jan KULAKOWSKI, a previous negotiator, and Mr Witold ORLOWSKI, chief economic advisor to the President of Poland.

As well as the usual reports from the presidents of the working commissions, the Central Council heard a report from Mr Régis MALBOIS, on behalf of the Europe & Strategy study group, on the results of the Convention, and adopted a draft resolution on "The work of the Convention", which subsequently was sent to Convention members and to leaders of the European Parliament's major parties. It also adopted a draft resolution presented by the Economic and Social Commission on "The necessary control of public expenditure", as well as a project presented by the Monetary Panel on the procedure for appointing members of the Executive Board of the ECB.

The central theme of the **Brussels meeting** was "A Stronger Europe", a subject that was developed in the International president's introductory speech. The Central Council also heard a speech by former prime minister of Belgium and vice-president of the Convention Jean-Luc DEHAENE on "The Convention and the I.G.C.", and it held a debate over the "Stability and Growth Pact", a subject which was introduced by Mr Philippe JURGENSEN, president of the Economic and Social Commission.

Whilst hearing reports from the presidents of the working commissions, the Central Council also:

- approved the appointment of Mr Michel JACQUOT, a lawyer and former high-ranking European official, to the post of president of the new Agriculture and Society Commission;

- debated the future of the Enlargement Commission as from 1 May 2004, and of the new mandate (along with a new name) which it should then receive;
- adopted a draft resolution presented by the Infrastructures Commission on the Galileo Programme.

Please note that three other position papers were adopted by the Central Council in 2003 by written procedure: in May, a message to the Convention on "Enhanced Cooperation"; in October, a resolution, proposed by the Economic and Social Commission, on "The failure of Cancun", as well as a message to the Intergovernmental Conference presented by the Europe and Strategy study group.

ACTIVITIES of the NATIONAL SECTIONS and MEETINGS of the WORKING COMMISSIONS

3 January - Vienna - Austrian section

Together with the European Club: "Hellas und die Europäische Union - die Prioritäten der griechischen Präsidentschaft": Christos ALEXANDRIS, Greek Ambassador in Austria.

30 January - Brussels - Belgian section

Programme meeting of the Belgian section.

31 January - Frankfurt - Infrastructures Commission

President: Ottokar HAHN. Topics: Public Private Partnership (D. BADEA-TAYLOR) - Trans-European Networks (Prof. STARKE) - GALILEO (Hanspeter KUHLEN). A letter was sent to governments of the EU countries.

3 February - Vienna - Austrian section

Together with the European Club: "Auf dem Weg zur Sozialunion - was will der Konvent?": Caspar EINEM, MEP, member of the Convention.

19 February - Paris - French section

Lunch-debate "La Grande Bretagne, la France et l'Europe": John HOLMES, British Ambassador in France.

21 February - Brussels - Enlargement Working Group

President: Michael PALMER. Topic: work programme.

24 February - Barcelona - Spanish section

Lunch-debate "Las relaciones UE-Estados Unidos: es Europa antiamericana?": Lluís FOX., Director "La Vanguardia".

3 March - Vienna - Austrian section

Together with the European Club "Drei Projekte in Verbindung mit der EU Erweiterung": Andras INOTAI, Director of the Institute for World Economics, Budapest.

6 & 7 March - Vienna - Austrian section

Together with the Club of Rome: symposium "Work beyond 60: Preparing for the demographic shock".

18 March - Brussels - Mediterranean Commission

President: Carles GASÒLIBA. Topic: EIB financing of investment projects in the third countries of the Mediterranean (Bettina MUSCHEIDT).

21 March - Vienna - Monetary Panel

President: Jean-Jacques REY. Topic: monetary dimensions of the EU accession process (Gertrude TUMPEL-GUGERELL and Francesco MAZZAFERRO).

25 March - Brussels - Belgian section

"Comment la Belgique fédérale organise-t-elle la défense de ses intérêts au niveau européen?".

26 March - Brussels - Conference & debate

at the European Parliament on the topic "Où va la Convention?": many distinguished speakers (conventionalists, MEPs, experts in European questions, journalists), and a large audience.

28 March - Brussels - Enlargement Commission

President: Michael PALMER. Topics: financing enlargement (James SPENCE) - "Élargissement: le double défi du nombre et de la diversité" (Dietrich HAMMER).

2 April - Vienna - Austrian section

Together with the IVC "Europa erweitern und vertiefen": Karl DOUTLIK, Head of EU Representation office in Austria.

3 April - Brussels - Mediterranean Commission

President: Carles GASÒLIBA. Topic: case study of a structural loan in the South-Mediterranean Region (Mario TROMBETTI).

4 April - Barcelona - Spanish section

Lunch-debate "La industria de defensa en Europa": Karl von WOGAU, MEP.

8 April - Vienna - Austrian section

Together with the European Club "General Agreement on Trade and Services - Mythen und Fakten": Reinhold MITTERLEHNER, Deputy Secretary general of the Austrian Chamber of Commerce.

16 April - Paris - Economic and Social Commission

President: Philippe JURGENSEN. Topic: level of taxes and public levies in the EU, with: Yves CANNAC ("Conclusions des travaux de l'Observatoire de la dépense publique") - Jean-Paul BETBEZE ("Les limites du pacte de stabilité et la gouvernance économique de l'Europe") - Ralph ODENDALL ("The experience of Germany with reducing public expenditure") - Anne-Marie IDRAC ("Problème du rapport coût/efficacité dans les services publics") - David FROST ("The English experience of privatising public services"). A resolution was adopted on "The necessary control of public expenditure".

25 & 26 April - Tunis - Mediterranean Conference

President: Carles GASÒLIBA. Many participants for the Annual Mediterranean Conference on "financing investment private sector projects in the third countries of the Mediterranean", with high-level speakers.

28 April - Brussels - Enlargement Working Group

President: Michael PALMER. Topic: preparation of the next meeting.

30 April - Vienna - Austrian section

Together with the IVC: "Aspekte der österreichischen Finanz- und Wirtschaftspolitik": Josef CHRISTL.

5 May - Vienna - Austrian section

Together with the European Club: "Die EU am Vorabend der Erweiterung: der Konvent & aktuelle Herausforderungen": Othmar KARAS, MEP.

10 May - Gdansk - Polish section

"European meeting" Poland-France co-organised by the Polish section: "New European Markets and Development of the Economy of the Pomeranian Region".

13 May - Brussels - Infrastructures Commission

President: Ottokar HAHN. Topics: Trans-European Networks (Klaus MILZ) - GALILEO project (Klaus Peter LUDWIG) - relaunching infrastructures projects of Delors' "White Paper".

2 June - Brussels - Belgian section

Meeting of the Belgian section.

2 June - Vienna - Austrian section

Together with the European Club: "Der Schweizer Sonderweg in Europa: Sackgasse oder Königsweg": Johann BUCHER, Swiss Ambassador in Austria.

3 June - Gdansk - Polish section

Conference co-organised by the Polish section: "Chances of the Pomeranian Region within the EU Regional Policy".

6 June - Warsaw & Gdansk - Enlarged Central Council and General Assembly**16 June - Madrid - Spanish section**

Lunch-debate "Es Europa decadente?": Jordi PUJOL, President of the Generalitat of Catalonia.

10 September - Vienna - Austrian section

Together with the European Club: "The building process of the EU - the current challenge": Raffaele BERLENGHI, Italian Ambassador in Austria.

16 September - Brussels - Economic & Social Commission

President: Philippe JURGENSEN. Topics: what are the stakes in the Doha Round? (Paul Henri RAVIER and Nicolas THERY) and "The Doha Round and the Singapore Issue" (Roberto RIOS). A resolution was adopted on the "Failure of Cancun".

16 September - Gdansk - Polish section

General Assembly of the Polish section.

22 September - Gdansk - Polish section

Conference co-organised by the Polish section: "EU funds and projects for business".

25 September - Brussels - Infrastructures Commission

President: Ottokar HAHN. Topic: 10th anniversary of Delors' "White Paper".

25 September - Paris - French section

Lunch-debate "Politique extérieure américaine et relations France - États-Unis": Howard LEACH, US Ambassador in France.

29 September - Barcelona - Spanish section

Conference "La convención europea": Miquel ROQUA, member of the Council for the debate on the future of the EU.

6 October - Vienna - Austrian section

Together with the European Club: "Das Europa der 25 - Herausforderungen und Perspektiven": Martin SAJDIK, Head of Division Integration and Economic Policy, Ministry of Foreign Affairs.

8 - 10 October - Bucarest - Austrian section

Danube Region Business Conference.

10 October - Brussels - Monetary Panel

President: Jean-Jacques REY. Topics: economic governance of EMU (Servaas DEROOSE and Fernand HERMAN) - *tour d'horizon* on the economic and monetary situation.

3 - 5 November - Gdansk - Polish section

Conference presented by the authorities of the Valence Region, co-organised by the Polish section "EU structural funds absorption". Meeting with Francisco CAMPS ORTIZ, Prime Minister of the Government of the Valence Autonome Region.

4 November - Vienna - Austrian section

Together with the European Club: "EU Erweiterung - Investitionen - Wachstumschub für Europa": Ewald NOWOTNY, Institute for Economic Theory and Policy, Vienna.

14 November - Kronberg - German section

Annual meeting of the German section.

14 & 15 November - Kronberg - Monetary Commission

President: Rolf BREUER. Topics: ECB's monetary policy issues in the run-up to enlargement (Gertrude TUMPEL-GUGERELL) - Global financial markets: challenges and risks ahead (Gerd HÄUSLER) - Structural changes in European banking: challenges ahead (Alessandro PROFUMO) - The European Convention: EU reforms in the pipeline? (Jacques SANTER).

21 November - Barcelona - Spanish section

Lunch-debate "La promoción de las empresas en la UE para una mejor competitividad": Erkki LIIKANEN, European Commissioner.

24 November - Barcelona - Spanish section

Lunch-debate "La Conferencia Intergubernamental y el futuro tratado constitucional de la UE": Marcelino OREJA, former Minister of Foreign Affairs, former European Commissioner.

25 November - Brussels - Mediterranean Commission

President: Carles GASÒLIBA. Topic: evaluation of the Tunis conference and next conferences.

27 November - Vienna - Austrian section

Together with the Club of Rome: symposium "Orientierung - Konzentration - Themenramen".

27 November - Brussels - Infrastructures Commission

President: Ottokar HAHN. Topics: Delors' "White Paper" - Galileo (Hans MARCHLEWSKI) - PPP (D. BADEA-TAYLOR).

28 November - Brussels - Central Council and General Assembly

1st December - Vienna - Austrian section

Together with the European Club: "Hat Europa eine Außenpolitik?": Walter SIEGEL, Former Director, Ministry of Foreign Affairs.

9 December - Brussels - Enlargement Commission

President: Michael PALMER. Topics: "The EU enlargement of 1 May 2004 - a political view" (Hans-Gert POETTERING) - "Convergence économique dans l'UE élargie" (Grégoire BROUHNS) - future work of the commission.

And not to forget ...

The publication in August 2003 of the Information Letter n°15 "Europe: from crisis to hope", with the help of Régis MALBOIS, ELEC Adviser.

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