

EU-27 WATCH



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On the project

Due to the new treaty provisions of the Lisbon Treaty and the economic crises the enlarged EU of 27 member states is on the search for a new *modus operandi* while also continuing membership talks with candidate countries. The EU-27 Watch project is mapping out discourses on these and more issues in European policies all over Europe. Research institutes from all 27 member states and the four candidate countries give overviews on the discourses in their respective countries.

The reports focus on a **reporting period from December 2009 until May 2010**. This survey was conducted on the basis of a questionnaire that has been elaborated in March and April 2010. Most of the 31 reports were delivered in May 2010. This issue and all previous issues are available on the EU-27 Watch website: www.EU-27Watch.org.

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Denmark**Non Eurozone EU member state supports Greek financial package**

Katrine Prytz Larsen*

In Denmark, the financial package for Greece was generally perceived to be a positive act: in the government's view, it was necessary to help Greece. Greece's potential withdrawal from the Euro is perceived as an existential threat to the Euro itself. The "Greek tragedy" is seen as a product of decades of neglect, corruption and unwillingness to reform the economy.¹ According to the financial newspaper *Børsen*, Denmark faces small problems compared to other European member states such as Greece and Spain. Foreign Minister Lene Espersen underscored Denmark's strong international position, but at the same time pointed to the need for a stronger Europe. She called for a modernisation of the single market and the creation of new e-trade solutions requiring strong coordination on both the EU and national levels.²

The Greek crisis triggered a debate about Denmark's position as a non-Euro country, giving rise to arguments from the governing parties that Denmark, for the time being, should keep its opt-out regarding the Economic and Monetary Union. EU Commissioner for Climate Action Connie Hedegaard, however, highlighted the possibility that the economic and financial crisis might result in a divided Europe with the Euro countries and the non-Euro countries moving at two different economic speeds. Denmark, as a non-Euro country, thus might risk being left out of future discussions about European financial and economic regulation.³

Priorities for the Europe 2020 Strategy

The government held a positive view towards the Europe 2020 Strategy. Prime Minister Lars Løkke Rasmussen stressed the need to focus on a different kind of crisis management by phasing out national aid packages and avoiding state aid.⁴ Also EU Commissioner for Climate Action Connie Hedegaard and the Danish Chamber of Commerce voiced their optimism towards the Strategy.⁵

The financial and economic crisis was seen as a special chance to change the position of Europe globally through the creation of European economic growth. Reform, innovation and research were often mentioned as key components on which the Europe 2020 Strategy should focus. They were perceived as necessary to secure the future success of Europe as well as its influence on the global arena. Both the leader of the opposition party the Danish Social-Liberal Party, Margrethe Vestager, and the Danish Consumer Council highlighted the need for reform as an important tool to create economic growth as well as a greater focus on research and innovation in Europe.⁶ Sofie Carsten Nielsen and Member of Parliament (MP) Lone Dybkjær of the Danish Social-Liberal Party called for a greater role for the Commission and said the Europe 2020 Strategy should be linked more closely to the EU budget to create a carrot-and-stick mechanism. Among the opposition parties, the debate was thus focused on expanded economic control and reform as the European way forward. Four Members of European Parliament (MEPs) representing the Social Democrats, the Socialist People's Party, the Conservatives, and Venstre, in line with Jesper Jespersen of the Roskilde University supported the idea of a European Monetary Fund. Hans Skov Christensen, head of the Confederation of Danish Industry (Dansk Industri – DI) conceived the crisis as a serious threat to Europe's role in the world economy and to Denmark as a country. He said the European Council would have to send a clear message to the Commission that it has to continue promoting reforms.⁷ DI generally expressed its concern with problems existing within the EU, which challenge Europe's role in the world economy. DI thus put the increase of European productivity, initiatives to create growth and enhance competitiveness, and labour market reforms to match the demographic development as top priorities for the future EU strategy.⁸ Furthermore, MEP Dan Jørgensen commented that the Europe 2020 Strategy lacks a focus on unemployment, climate change, and the opportunity to create green jobs.⁹ The financial newspaper *Børsen* also voiced its critique of the EU's financial policy saying that the EU is not well enough coordinated when it comes to economic policy. Thus, the stronger economies in Europe are not obliged to secure growth in the EU by conducting expansive financial policies.¹⁰

* Danish Institute for International Studies.

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- ¹ Berlingske Tidende: Den græske tragedie version 2.0, 9 February 2010.
- ² Berlingske Tidende: I front for dansk vækst, 15 April 2010; Erhvervsbladet: Det handler om, hvad Danmark skal leve af i fremtiden, 19 March 2010; Børsen: Nødvendig hjælp til Grækenland, 13 April 2010.
- ³ Politiken: Connie Hedegaard advarer: Nu kører eurotoget, 10 May 2010, available at: <http://politiken.dk/politik/article967472.ece> (last access: 17 May 2010).
- ⁴ Statsministeriet: Statsminister Lars Løkke Rasmussens tale på VL-Døgn 2010, 9 February 2010.
- ⁵ Kristeligt Dagblad: EU-vækstplan skal reducere antallet af fattige, 4 March 2010; Dansk Erhverv: Ny EU-strategi skal bringe os ud af krisen, 11 December 2009, available at: <http://www.danskerhverv.dk/Nyheder/Sider/Ny-EU-strategi-skal-bringe-os-ud-af-krisen.aspx> (last access: 1 April 2010).
- ⁶ Politiken: EU's ledere skal også multitaske, 26 March 2010, available at: <http://blog.politiken.dk/vestager/2010/03/26/eus-ledere-skal-ogsaa-multitaske/> (last access: 18 May 2010).
- ⁷ Børsen: EU: Hans Skov Christensen: Det er sidste udkald for Europa, 26 March 2010.
- ⁸ Dansk Industri: Europa skal have fokus på konkurrenceevne og reformer, 26 March 2010; DI Indsigt: Europa taber terræn til USA og Kina, 30 March 2010.
- ⁹ Altinget.dk: Dan J.: Forkert fokus i 2020-strategi, 31 March 2010, available at: <http://www.alinget.dk/artikel.aspx?id=112482> (last access: 1 May 2010).
- ¹⁰ Børsen: Nødvendig hjælp til Grækenland, 13 April 2010.

Questionnaire for EU-27 Watch, No. 9

Reporting period December 2009 until May 2010 – Deadline for country reports 21 May

All questions refer to the position/assessment of your country's government, opposition, political parties, civil society organisations, pressure groups, press/media, and public opinion. Please name sources wherever possible!

1. Implementation of the Lisbon Treaty

On the 1 December 2009 the EU-reform ended with the entering into force of the Lisbon Treaty. However, the new treaty provisions still have to be implemented. Some procedures and conditions have to be determined. In other cases, procedures, power relations, and decision-making mechanisms will change due to the new provisions.

- How is the work of the new President of the European Council, Herman Van Rompuy, assessed in your country? Which changes to the role of the rotating council presidency are expected?
- How is the work of the new High Representative of the Union for Foreign Affairs and Security Policy, Catherine Ashton, assessed in your country? Please take into particular consideration both her role within the European Commission and her relationship to the Council of the European Union.
- On 25 March 2010 a "Proposal for a Council Decision establishing the organisation and functioning of the European External Action Service" was presented. How is this concept perceived in your country? Which alternatives are discussed?
- On 31 March 2010 the European Commission presented a proposal defining the rules and procedures for the European Citizens' Initiative (ECI). What are the expectations for the ECI in your country? What are the various positions concerning the rules and procedures?

2. Enlargement and European Neighbourhood Policy

The European Commission has given its opinion on Iceland's application for EU-membership and a decision from the Council is expected before the end of June. Croatia seems to have settled its border dispute with Slovenia. Against this background:

- Which countries does your country expect to become members of the European Union in the next enlargement round? What are the opinions in your country on the membership of these countries?
- How are the membership perspectives of those countries discussed, which are not expected to become a member in the next enlargement round?

The Eastern Partnership and the Union for the Mediterranean were the last major projects dealing with the European neighbourhood:

- How are these projects assessed in your country?

3. European economic policy and the financial and economic crisis

The European Council agreed on 25/26 March on the key elements of the Europe 2020 strategy, the successor of the Lisbon strategy. While not being on the formal agenda the economic and financial situation in Greece was discussed. The European Council agreed on a finance package combining bilateral loans from the eurozone and financing through the International Monetary Fund.

- How is the finance package for Greece assessed in your country? Are there any opinions on the process, how the agreement on the package was reached?
- Which lessons should be drawn from the Greek case for a reform of the Stability and Growth Pact?
- How is the idea of "a strong coordination of economic policies in Europe" perceived in your country? What concepts of an European economic governance are discussed in your country and which role do they assign to the Euro group?
- How is the Europe 2020 strategy discussed in your country? What are the priorities for the Europe 2020 strategy from your country's perspective?

4. Climate and energy policy

The climate conference in Copenhagen took note of the Copenhagen Accord but did not reach a binding agreement. The next conference of the parties (COP 16 & CMP 6) will take place at the end of November 2010.

- How is the Copenhagen conference assessed in your country? Please take into consideration the negotiation strategy of European Union and the results of the conference.
- Does the European Union need to change its own energy and climate policy in order to give a new impulse to the international negotiations?
- Is a global agreement within the UNFCCC the best strategy to fight climate change? If not, which alternative strategy should the European Union follow?
- What is your country's position on financing mitigation and adaptation efforts in developing countries?

5. Current issues and discourses in your country

Which other topics and discourses are highly salient in your country but not covered by this questionnaire?