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Conclusions of the Summer University in Budapest "The crisis in Europe : re-inventing EU policies delivering growth and fighting poverty"

The Union will never be the same again. Key themes of the Summer University in Budapest: 'The Crisis in Europe', 'Re-inventing EU Policies', and 'Delivering Growth and Fighting Poverty'.

(1) The crisis is no longer just economic but political too; national cohesion has become weaker in many countries; institutional cohesion is weaker; centre-right cohesion is weaker; that loss of cohesion may have electoral consequences, while also carrying the risk of paralysing public action.

(2) Parochialism and short-term thinking risk sidelining the budgetary measures and structural reforms we need today; the European Union, with its increased need for discipline and competitiveness, is more and more likely to seem hostile to specific local arrangements; we may well see a new wave of virulent euro-scepticism; at the very least, we need firmly to respect the common rules: the Union must remain impartial.

(3) In this context, it is necessary to establish a careful balance between common rules (and sanctions in the event of infringement) and the principle of subsidiarity and to take a case-by-case approach: the need to ensure convergence between certain rules regarding social security benefits (such as the retirement age) must not lead to a social Union with harmonised standards imposed from above.

(4) Stronger growth must be the centre-right's priority and EU policies must take a very pragmatic approach to it: growth must be the priority of:

- the Europe 2020 strategy. Without strong SME growth, Europe will not be able to create enough jobs (full-time or part-time, for all ages and all levels of skills) to maintain its social cohesion and Europeans' purchasing power. The new factors of growth and the opportunities of the digital economy must be looked at in a less general way. The Union must, therefore, adopt a specific investment strategy;

- the reforms of the single market (including the vital reform of the financial sector where excessive state support for the banks must come to an end and the regulators must become fully independent again);

- the neighbourhood policy, which is currently too attached to political aspects and sets conditions that are often too complex to manage; the neighbourhood policy must become more pragmatic, more open to public/private partnerships, directed more towards joint investment systems, while respecting the capacity for autonomy of the Union, which must speak with one voice in the various regional forums that have appeared or may emerge;

- the Union's economic diplomacy: commercial and monetary diplomacy, which must be less lenient towards those who do not hesitate to undervalue their currency or engage in environmental dumping. Completing the Doha Round must remain a Transatlantic priority, but it cannot be achieved unless agricultural markets become more open;

- the European budget;

- the Union's environmental policy.

(5) The European budget can no longer look like the pre-crisis one. Budgetary solidarity is now a fact; it represents a form of solidarity that mobilises substantial financial resources. Cohesion policy is not having the desired knock-on effect on growth. The Union can no longer spread itself thinly. Much of cohesion policy expenditure is unproductive, while at this stage there is no financial incentive system to support the objectives of Europe 2020. It will no longer be enough to review the revenue sector to ensure a more effective budget.

(6) The threat of Islamic terrorism is changing shape and increasing; we must move on from the progress made among Europeans to progress with Europe's Transatlantic allies and the countries that are conscious of being Europe's neighbours. We do not have the luxury of having time on our hands. We must avoid any naive optimism in face of a hardline Islamic doctrine that rejects the West, preaches the exclusion of women, weakens the cohesion of host societies and opens the door to radicalisation.

(7) The transition in Central and Eastern Europe must continue: the years following the end of Communism were not always 'springs' but often meant years of stagnation, of difficulties, during which former leaders and former structures continued to exert their influence under new guises. The renewal of the political forces must continue, genuine free competition must become established and young people must become involved in civic and political life. We must also ensure that the social transition succeeds.

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