# Brussels blog round up for 3 – 9 November: UK pushes for EU budget cut, nearly 5 million unemployed in Spain, and will Obama bring EU & US closer together?

by Blog Admin

Chris Gilson and Stuart A Brown take a look at the week in Brussels blogging.

#### The EU centre

In the run up to this month's EU budget summit, *Peter Wilding* at Blogactiv.eu discusses the different approaches of Germany and the UK; Germany wants it frozen, the UK wants a cut. He writes that the two countries are natural allies, with very small differences on the budget, but that Germany has a better understanding of "the need to talk the language of compromise in public". *FEPS* at Blogactiv.eu take the opposite line by arguing that there are real reasons why the EU budget should not be cut. Meanwhile, UK MEP *Mary Honeyball* tries to counter some of the myths about the EU budget that are currently gaining media attention in Britain. The *Common Agricultural Policy blog* says that the Cypriot Presidency of the Council of the European Union's proposals on CAP budget reform (including a €7 billion reduction) have been roundly criticised and dismissed by countries on all sides of the budget debate.

A Fistful of Euros says that the recently failed merger of BAE and EADS illustrates the rise of political Europe, where the ability to reach political consensus has not moved forward with economic integration.

Coulisses des Bruxelles looks at the current controversy over Spain's rejection of the Luxembourger Yves Mersch to the European Central Bank's governing board. Spain disagrees with the selection procedure, feeling that it was not transparent enough.

This week the *Verfassungsblog* looked at the potential hurdles presented by the German Constitution for the country to join a European federal state, should one arise. *Protesilaos* 



Credit: The Prime Minister's Office (Creative Commons BY NC ND)

Stavrou at Blogactiv.eu is concerned at recent proposals from German Finance Minister Wolfgang Schäuble to allow the European Commissioner for Economic and Monetary affairs a direct say in member states' national budgets. He says that allowing unelected bureaucrats to essentially veto budgets would massively undermine democracy across Europe.

#### EU Foreign policy and the European neighbourhood

Ahead of the US Presidential election on Tuesday, *Debating Europe* asks, which candidate would be best for Europe? After Obama's re-election for a second term, the *Fride blog* says that it "offers Europeans a great opportunity to develop a much closer and more effective EU-US relationship on global affairs". Nevertheless, it also warns that there is still a great distance between an Obama-led US foreign policy and the foreign policy positions of the EU. Meanwhile, *Bruegel* has been tracking US Treasury Secretary

Tim Geithner's contacts with euro-area officials. They say that their data shows that the Obama administration is keen to help find solutions to the eurozone crisis.

One week after elections in the Ukraine, the *Fride blog*, looks at allegations of electoral fraud and corruption by the opposition, while reuniting Europe at Blogactiv.eu reports that Bulgaria has joined Greece in rejecting the opening of accession talks for Macedonia. This is now the fourth time that accession negotiations have been blocked.

Turkish Prime Minister Tayyip Erdoğan's AK Party have put forward proposals for the creation of a full Presidential system in Turkey. *Dimitris Rapidis* at Blogactiv.eu writes that the proposal has the potential to alter the entire political system of Turkey. He also argues that it is largely being put forward as a way for Erdoğan to retain power within the country. *Lost in EUrope* looks at Turkey's growing confidence in the European sphere, having recently opened a new large embassy in Berlin.

#### The Euro Crisis

This week saw a 48-hour general strike in Greece in response to austerity measures, according to Revolting Europe. Protesilaos Stavrou at Blogactiv.eu also writes on the continuing problems faced by Greece. He argues that giving Greece more time to implement the requirements of the bailout programme will not help remedy the situation. Open Europe, in a similar vein, note that the deteriorating Greek economy is forcing the issue back on to the political agenda, making it more likely that a decision will have to be made on the country's future within the eurozone sooner rather than later. Meanwhile, Dimitris Rapidis, writing at Blogactiv.eu, urges Greeks to not vote for the EU/ECB/IMF Troika's newest austerity measures this week, saying that austerity has already failed as a policy for the country.

Revolting Europe also looks at the Italian government's cuts to funding for disabled people, and also says that funding for social policies in Italy have been cut from €2.5 billion in 2008 to €200 million for 2013.

#### **Across Europe**

Kosmopolito has some thoughts on the potential for a UK referendum on EU membership. He concludes that there will only be losers from a vote on Europe. Meanwhile, *Charlemagne* looks at the increasingly fragmented nature of Italian politics and possible roles for the country's Prime Minister, Mario Monti after the upcoming election.

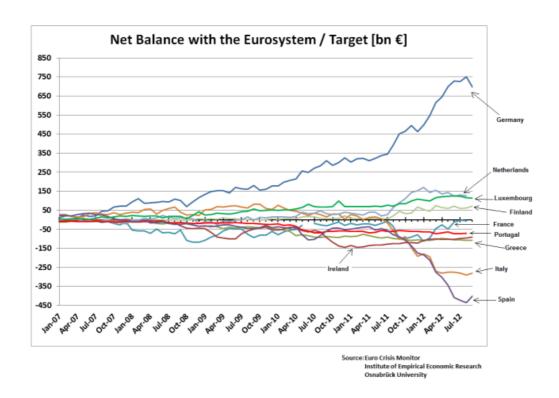
At the new blog, *No Free Lunch*, Luis Garicano looks at the destruction of 3.5 million Spanish jobs since 2007 and predicts that another 700,000 jobs will be lost before Spain comes out of the crisis. Meanwhile, *Beyond Brussels* says that 4.8 million are now jobless in Spain.

This week *ACELG* at Blogactiv.eu looked at Flemish separatism in Belgium, and concluded that their tactic, of using local elections as a stepping stone, is not the best one of how to promote separatism

France's competitiveness was in the news this week, with Prime Minister Jean-Marc Ayrault calling for economic "shock therapy", according to Lost in EUrope. The OFCE blog says that as long as the economic situation is managed at the European level, this might be the right time for an environmental tax in France to promote green industries. French and EU blog, at Blogactiv.eu, looks at the Socialist party's moves towards giving foreigners the right to vote in French elections, but concludes that any law granting these rights is unlikely to come into force before the 2014 local elections.

## Graph of the week

This week's graph is from *Place du Luxembourg* who has a comprehensive overview of the Eurosystem's TARGET2 (the system for transferring euros between central banks in the eurozone) imbalances:



# And finally...

What has President of the European Council, Herman van Rompuy been up to? This week he attended the EU-ASEM summit in Laos, and met with Prince Philippe of Belgium.

Kosmopolito says that the UK's Deputy Prime Minister has fallen for a euromyth about regulations for hairdressers.

Note: This article gives the views of the author, and not the position of EUROPP – European Politics and Policy, nor of the London School of Economics.

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