



## G20: "An overall solution to the crisis is only possible if there is cooperation"



Author: Jean-Paul  
Betbèze

The next summit of the 20 industrialised and emerging countries (G20) will take place in Cannes on 3rd and 4th November next. The Robert Schuman Foundation has published a European Interview with Jean-Paul Betbèze, Professor of Economy at Paris II, chief economist at the Credit Agricole and member of the Foundation's Scientific Committee, on what is at stake and the expectations of the G20 Summit. In his opinion, "there can only be an overall solution to the crisis if there is cooperation".

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### Front page! :

#### Video-Conference



Jean Cluzel, former permanent secretary of the Academy of Moral and Political Sciences, is organising a series of six conferences in partnership with the Robert Schuman Foundation entitled "Dialogues d'avenir", which will be broadcast in the shape of a video-conference at Bransat (Allier) as well as in Bamako (Mali). On 28th October Pascale Joannin, Director General of the Foundation took part in the fifth video-conference, the theme of which was "Women and Europe"... [Read more](#)

### Elections :

#### Rossen Plevneliev, the next Bulgarian president

The candidate of the party in office (GERB), Rossen Plevneliev won the



presidential election, the second round of which took place on 30th October in Bulgaria. He won 52.56% of the vote and took the lead over his rival Ivaylo Kalfin (Socialist Party, BSP) who won 47.44% of the vote. Turnout totalled 48.04%. Rossen Plevneliev will take office and succeeds Georgi Parvanov as the head of the Bulgarian state on 23rd January... [Read more](#)

#### Michael Higgins, New President of Ireland



Michael Higgins (Labour Party), won the presidential election that took place in Ireland on 27th October winning 39.6% of the vote. He took the lead over independent candidate, Sean Gallagher, who won 28.5% of the vote. Sinn Fein candidate, Martin McGuinness, Deputy Prime Minister of Northern Ireland, came third with 13.7% of the vote. In fourth position came MEP Gay Mitchell, Fine Gael, the ruling party's candidate, who won 6.4% of the vote, followed by Dublin Senator, David Norris (independent), who won 6.2% of the vote and by the two other independent candidates, Dana Rosemary Scallon and Mary Davis, who each won 2.9% and 2.7% of the vote. Turnout totalled 56.10%. On 11th November Michael Higgins will become the 9th president of the Republic of Ireland succeeding Mary McAleese... [Read more](#)

#### Financial Crisis :

##### Agreement at the Euro Zone Summit



In the night of 26th to 27th October the 17 euro zone Heads of State and government came to agreement to save Greece and to stabilise the single currency. The private sector will cancel half of Greece's debt and, with the support of the EU and the IMF, the country should succeed in reducing its debt to 120% of the GDP by 2020. Details of the second aid programme to a total of 100 billion euros over the period 2012-2014 will be set by the end of the year. To prevent contagion the Stability Fund will be strengthened to a total of 1000 billion euros. The banking sector will be strengthened and recapitalised and 9% of the capital will now be guaranteed. In an effort to share in debt reduction, Italy has promised to make structural reforms to achieve a balanced budget by 2013; the European Commission will ensure the surveillance of the measures undertaken... [Read more](#)

##### Bundestag/EFSSF



On 26th October the Bundestag (lower chamber of Parliament) approved the strengthening of the European Financial Stability Fund (EFSSF). 503 MPs of the 596 votes cast, agreed to stepping up the EFSSF's capability. This decision came just hours before the start of the euro zone summit. German MPs also appointed on the same day, a special 9 member committee responsible for responding rapidly to European requests. However on 28th October the German Constitutional Court placed its veto on the implementation of this mini-committee. This is a protective measure whilst the Court's final decision still has to be delivered... [Read more](#)

##### Cyprus: credit rating taken down a notch



On 27th October Ratings agency Standard&Poor's downgraded the Cypriot rating from "BBB+" to "BBB". The reason for this was the Cypriot banking system's significant exposure to the Greek debt. Analysts say that the recapitalisation of several banks will be necessary following the euro zone summit's decision to increase the private sector's contribution to the rescue plan for Greece. The ratings agency also announced that the country's public finances might deteriorate further over the next few months... [Read more](#)

##### Spain: a rise in Unemployment

Unemployment in Spain started to rise again in the third quarter to reach 21.52%, its highest level since the end of 1996 - this is a



catastrophic result for the government just three weeks away from the general election on 28th November. The symbolic threshold of 5 million unemployed has nearly been reached; it lay at 4.978 million at the end of September, in comparison with 4.83 million at the end of June (20.89%). Spain continues to hold the sad record of the highest unemployment rate in the industrialised countries... [Read more](#)

#### France: unemployment figures rising sharply



According to figures published on 26th October by the Employment Ministry, the number of job seekers without any work at all rose in September by 0.9% to 2.780 million people: this is the highest rise since January 2000. If all of those working part time are included the total number of people looking for work lies at 4.175 million (+0.7%) ie +27,600 in comparison with August +130,000 since the start of the year. The number of long term unemployed (more than one year) has also risen (0.7%) over the month of September and by 7.7% over one year... [Read more](#)

#### Promise of Reform



Italian head of government, Silvio Berlusconi, promised to put forward the main outline of a growth recovery plan by 15th November. In a letter sent to the presidents of the Commission and the European Council before the euro zone summit took place he said he wanted the Italian government to achieve budgetary balance by 2013 in to reduce its debt to 113% of the GDP by 2014. The Italian government is planning to introduce a golden rule into its Constitution. The growth plan will focus on four main points that will be implemented over the next eight months: liberalising the Italian economy by opening markets up to the competition; supporting business and innovation thanks to fiscal breaks, reforming the labour market, notably with a "new regulation governing redundancy for economic reasons in permanent work contracts," and finally modernising the civil service... [Read more](#)

#### Malta: "A+" confirmed by Fitch



The ratings agency Fitch confirmed Malta's long term sovereign rating on 25th October as A+, ie the fifth highest possible rating with a stable outlook. Fitch stresses however that the Maltese debt, at 68% of the GDP, is clearly above the average of comparable countries with the "A" ranking... [Read more](#)

#### Church and Crisis



The autumn plenary session of the Commission of the Bishops Conferences of the European Community gathered on 26th to 28th October. The meeting focused on the theme of "the financial crisis and the future of European integration". The bishops called on European leaders to adopt a long term outlook to overcome the crisis. They adopted a declaration on the social market economy entitled "A European Community of Solidarity and Responsibility" that will be published in January 2012... [Read more](#)

#### Commission :

##### Borders



On 25th October the European Commission adopted a communication to provide the EU with more modern and effective systems to manage the flow of travellers on its external borders. The Intelligent Borders initiative will include an entry/exist system, as well as a programme to register travellers. Four to five million travellers may cross the borders faster this way every year - which would stimulate investments in support of modernising automatic border control systems (eg. for electronic passports) at the main crossing points... [Read more](#)

## Dangerous Synthetic Drugs



On 25th October the European Commission announced measures to counter the trade in dangerous synthetic drugs. The number of new, illegal drugs is on the increase (one new drug per week on average) and purchase of these over the internet is difficult to fight. 5% of young Europeans say they have already used these. Since measures in different States are less effective and in virtue of the EU's new competences in this area after the Lisbon Treaty, the European Commission will draw up new legislation to fight the production, trade and sale of these drugs over the next few months - the new laws will also apply to the ingredients used to make the drugs, announced Viviane Reding, Vice-President of the Justice Committee. This communication came in the same week as the adoption by Justice and Interior Ministers of a pact against synthetic drugs... [Read more](#)

## Parliament :

### 2012 Budget



On 26th October MEPs approved the 5.2% increase in the EU's budget for 2012, totalling 133.1 billion euros. The resolution on the budget was adopted 431 votes in support, 120 against and 124 abstentions. MEPs are demanding more funds for European policies, notably in the area of research and for border management. For its part, the Council has said that it was unable to accept all of the amendments made to the 2012 budget put forward by the European Parliament. The Council's position totals 129.088 billion euros. An agreement between Parliament and the Council will have to be found before the end of the year if the budget is to be implemented as of 1st January 2012... [Read more](#)

### Enhancing the rights of those who require European protection



On 27th October MEPs adopted six reforms to the asylum package. These changes notably aim to protect migrants who do not have refugee status by granting them the same rights as everyone else in terms of access to work, education, healthcare and housing... [Read more](#)

### Organised Crime



MEPs decided to enhance the EU's powers in the fight against organised crime by adopting a resolution making it even more difficult for Mafia-like organisations to access public markets; it will also make life for pedophiles more difficult as a report increasing the prevention and repression of this scourge was adopted. This notably applies to pedo-pornography. MEPs plan to create a parliamentary committee, as well as to appoint a European Prosecutor, who will follow cases linked to organised crime across Europe more closely... [Read more](#)

### Opening of the Labour Market



On 25th October MEPs asked the Member States to facilitate the mobility of workers within the EU. The resolution that was adopted asks them notably to put forward solutions to overcome linguistic difficulties, and also to put an end to any possible qualitative and quantitative quotas. The project notably aims to open the entire European labour market to Bulgarian and Romanian citizens who still face many obstacles... [Read more](#)

### World Governance



On 25th October MEPs pointed to the importance of coordinated, international governance in order to overcome the present crisis. They asked the various international organisations involved and their Member States to cooperate better together. In the resolution that was adopted, MEPs call on G20 summit participants to come to a common position on a world tax on financial transactions on 3rd and 4th November in Cannes. The resolution also asks for a more political and independent IMF that will play a

major role in world economic governance. MEPs ask the Basel Committee, responsible for the surveillance of the banking system, to encourage banks with a major systemic risk to raise their own funds... [Read more](#)

#### Political trials are poisoning relations with Ukraine



MEPs have deplored the conviction of former Ukrainian Prime Minister Yulia Tymoshenko. In a resolution adopted on 27th October they expressed their disappointment at the trial, which has been deemed political in nature. MEPs are accusing the government of abuse of legal power and criticise the infringement of rights of several former Ministers. According to the European Parliament this study is threatening the conclusion of an association agreement between the EU and Ukraine... [Read more](#)

#### Sakharov Prize



MEPs awarded the Sakharov Prize for Freedom of Thought to five Arab Spring militants on 27th October. The prize will be given on 14th December in Strasbourg by the President of the European Parliament, Jerzy Buzek, to Mohamed Bouazizi (Tunisia) - a posthumous title - to Asmaa Mahfouz (Egypt), Ahmed Al-Zubai Ahmed Al-Sanusi (Libya), Razan Zeitouneh (Syria) and Ali Farzat (Syria). Since 1998 the Sakharov Prize has been awarded yearly by the European Parliament to people or organisations that have defended Human Rights and democracy... [Read more](#)

#### Council :

##### Justice-Internal Affairs



On 27th and 28th October the 27 Interior Ministers adopted a European pact against synthetic drugs, which are becoming ever more widespread in Europe. The Council debated the state of play of work on the Common European Asylum System and more particularly they discussed two directives concerning the inhabitants of third countries, their status, and their international protection. The external borders of Greece and the Russian enclave of Kaliningrad were also the focus of specific attention. Ministers asked for them to be monitored more effectively. Finally the Commission presented the state of progress of negotiations with the USA on two major issues: the protection of data and the communication of passenger lists on planes, for which they hope to achieve an agreement soon... [Read more](#)

#### Diplomacy :

##### Fighting piracy



The EU's High Representative Catherine Ashton and Australian Foreign Minister Kevin Rudd, chaired an international meeting devoted to the fight to counter piracy. Participants expressed their concern at the rise in piracy, notably in the Indian Ocean and off Somalia where there are increasing numbers of better armed pirates. They called on the EU and the Commonwealth to step up cooperation in the fight to counter this scourge... [Read more](#)

#### Germany :

##### YouTube



The German government has launched its own channel on YouTube to communicate with internet users in an innovative way and to reach out to new, younger audiences. According to a press release dated 27th October, 1000 questions have already been addressed to the German Chancellor Angela Merkel, who will answer personally on 18th November next... [Read more](#)

#### Cyprus :

##### UN Negotiations



UN Secretary General Ban Ki-Moon brought the Cypriot and Turkish leaders together on 30th and 31st October. Negotiations aim to reunify the island, the goal now being to come to agreement before Cyprus takes over the alternating presidency of the EU in July 2012. At the end of the day on 30th October the special advisor to the UN on Cyprus, Alexander Downer highlighted that discussions had been "positive, productive and energetic." Talks went on into the evening of 31st October... [Read more](#)

## France :

### EU Budget



On 25th October French MPs approved, 308 votes in support, 203 against, the French contribution to the EU's budget, totalling 18.9 billion euros as part of the draft Finance law 2012. The Senate will examine this text as of 17th November... [Read more](#)

## Italy :

### Giorgio Napolitano at the Collège d'Europe



On 26th October the President of the Republic of Italy, Giorgio Napolitano delivered the traditional inaugural speech for the academic year 2011-2012 at the Collège d'Europe in Bruges. On this occasion he recalled Italy's attachment to European integration and the euro. He pointed out the legitimate driving role ensured by the Franco-German couple which must not however turn into the condominium of the euro zone nor of the EU come to that. He finally addressed a warning to all eurosceptics: European integration has not been achieved out of pure idealism but because only a United Europe would be able to respond to challenges, whether these are political or economic... [Read more](#)

## Latvia :

### New Government



The new government coalition comprising three parties led by outgoing Prime Minister Valdis Dombrovskis was approved by the Saeima (Parliament) on 25th October, 57 votes in support, 38 against and five abstentions. In a speech given to MPs Mr Dombrovskis presented the government's priorities for the new term in office which are, the strengthening of the rule of law, the balancing of public finance and citizens' participation in the reform process... [Read more](#)

## UK :

### A New Queen



On 28th October the 16 Members of the Commonwealth approved the change to the rules of succession to the throne of England thereby enabling the first baby born to William and Catherine to become the monarch, regardless of its sex. This agreement, supported by the 16 members of the Commonwealth, whose head of State is Queen Elizabeth II, represents "an historic moment" for the monarchy said British Prime Minister David Cameron... [Read more](#)

## Croatia :

### Dissolution of Parliament



The Croatian parliament was dissolved on 28th October. In all 135 MPs out of 153 supported the motion to dissolve the assembly. General elections will take place on 4th December. This decision is the conclusion to conflict between the party in office, the conservatives of the Croatian Democratic Union (HDZ), and the opposition, notably the Social Democratic Party. For two weeks the opposition has been boycotting parliament's work. The main reason for the dispute was the former HDZ's leader's involvement in corruption scandals... [Read more](#)

## Ukraine :

### Democratic Initiatives



In spite of the re-Sovietisation process that has been ongoing in Ukraine since the election of Viktor Yanukovich, notably with the political imprisonment of all opponents (former Prime Minister, former Defence and Interior Ministers) Ukrainian civil society is organising to say that this trend is not the right one and that it hopes for a different kind of development for the country (democracy, rule of law, the fight against corruption, independent, free, economy and justice etc ...).. [Read more](#)

## Vatican :

### Real Proposals to Settle the Crisis



Cardinal Peter Kodwo Appiah Turkson, Chair of the Pontifical Justice and Peace Council presented a report on 24th October entitled "For a reform of the international financial system in view of a public authority with universal competence." This document puts forward real proposals to counter the economic and social crisis that the world has been experiencing since 2008 in view of the next G20... [Read more](#)

### Meeting in Assisi



Pope Benedict XVI denounced religious terrorism and its "unrelenting cruelty" as he spoke to three hundred religious dignitaries from around the world on 27th October. The pope re-iterated the apology originally made by Jean-Paul II for the violence undertaken by Christians. The religious dignitaries also express their solemn commitment to peace and denounced wars delivered in the name of their faith. During the final ceremony the Pope declared "no more violence, no more war, no more terrorism! In the name of God, let all religions bring the earth justice, peace, forgiveness and life, love!".. [Read more](#)

## NATO :

### NATO Mission in Libya



On 27th October the UN Security Council ended the mandate enabling NATO to use force against Libya. The resolution 2016 was unanimously adopted. The measures will enter into force on 1st November 2011. After consultations last week between NATO, the UN and the National Transition Council, the North Atlantic Council decided to end its mission in Libya on 31st October... [Read more](#)

## UN :

### 7 billion inhabitants



On 31st October, the world's population rose above the 7 billion mark, according a UN report, which on this occasion stresses increasing inequalities and the need to share wealth. The 6 billion threshold was reached in 1999. Ban Ki-moon, the UN's Secretary General, believes that the rise of the population to 7 billion should not be taken lightly. "It is not just a simple figure. It is the story of humanity," he declared. The report on the "State of the World's Population 2011, People and Possibilities in a world of 7 billion," published by the UN Population Fund (UNFPA) insists on the imperative need to place women on an equal footing with men... [Read more](#)

## Eurostat :

### Unemployment



The unemployment rate in the euro zone rose to 10.2% of the working population in September, its highest, historical rate, slightly over the 10.1% recorded in August, according to data published on 31st October by the European Statistics Office, Eurostat. It had already reached this record level in June 2010 said Eurostat. This means that unemployment has been at 10% for five months running... [Read more](#)

## Inflation



In October inflation lay at 3%, as in the previous month, according the first estimates published on 31st October by Eurostat. This figure is above market expectations that were counting on a decline in inflation to 2.8% or 2.9%... [Read more](#)

## Education



On 25th and 27th October Eurostat published figures presenting education trends between 2000 and 2009, as well as ways of life in the EU. It emerges from these studies that in 2009 the number of children per school class varies greatly between 10 and 20 per teacher, the average being around 15. In France this figure is one of the highest. Moreover a second study shows that nearly three children in four live with married parents. The country with the most single parent families are the UK, Ireland, Estonia and Latvia... [Read more](#)

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## Savings



On 28th October, Eurostat published figures showing a rise in household savings over the second quarter of 2011. The figure rose from 13.6% to 13.9% in the euro zone and from 11.9% to 12.6% in the EU. The household investment rate did however remain stable. Moreover, household disposable income increased by 0.5%, since increases in salaries were higher than the rise in prices... [Read more](#)

## Industry



New European industrial orders are rising. According to Eurostat figures released on 24th October in August the index increased by 1.9% in comparison with the previous months and by 7.8% in comparison with last year. The highest rises were recorded in Slovakia (+12.6%), Estonia (+11.2%), in Hungary (+11%), Latvia (+6.8%) and the most striking declines were in Denmark (-8%), in the Netherlands (-5.3%) and in Ireland (-4%)... [Read more](#)

## Investment



On 28th October Eurostat published business investment figures for the second quarter 2011. This study shows a slight decrease for the euro zone in comparison with the previous quarter down to 20.9% (less than 0.1%), but an increase in the EU overall, to 20.3% (0.3% more). Moreover, in the euro zone, the share of company profits remained stable: value added and wage burden had experienced a comparable increase... [Read more](#)

## Studies/Reports :

### Euro Zone Mechanisms



The Wissenschaft und Politik (SWP) Foundation has published a report on debt in the euro zone; it also provides an assessment of the stabilisation measures, notably the EFSF (Dealing with Debt Crisis in the Euro Zone - Evaluation and Limits of the European Stability Mechanism). The two authors, Sebastien Dullien and Daniela Schwarzer pinpoint the problems linked to liquidity and solvency... [Read more](#)

## G20

The German Society for Foreign Policy (DGAP) has published a study on the issues at stake in the next G20 summit. The European debt crisis has become a world problem because of the increased interdependency of our economies. The authors stress the diverging approaches adopted by States to emerge from the crisis. In spite of





these differences, the G20 represents a forum to exchange opinion and is a major element for cooperation between States... [Read more](#)

### Central Asia



The Foundation for International Relations and External Dialogue (FRIDE) published a study on 24th October entitled "Human Security in Central Asia: Can the EU help out?". This paper analyses the EU's involvement in Central Asia's security. Although as a player, it's profile is not as high as Russia's or China's the author shows that the EU has every interest in having greater involvement in Central Asia in order to show its increasing interest in international security issues... [Read more](#)

### Culture :

#### "Winter Tales" Exhibition in Vienna



The Kunsthistorisches Museum of Vienna is devoting an exhibition to the winter season until 8th January : "Wintermärchen" (Winter Tales). The exhibition brings together works by Pieter Bruegel the Elder; Rembrandt, Francisco de Goya, Caspar David Friedrich, Claude Monet, Edvard Munch, Anselm Kiefer and Peter Paul Rubens... [Read more](#)

#### Stepping up the digitisation of cultural works



The European Commission is encouraging Member States to step up their work to ensure the digitisation of the greatest possible number of cultural objects (books, paintings, photos, films ...) designed to feed the digital library Europeana: <http://www.europeana.eu/portal/>. The Commission's goal is for 30 million objects to be recorded in the digital library by 2015 instead of the present 19 million... [Read more](#)

#### "Paul Klee Polyphonies"



With "Paul Klee Polyphonies" the Cité de la Musique in Paris is offering the public a monographic exhibition devoted to one painter. Among the most important artists of the first half of the 20th century, Paul Klee (1879-1940) distinguished himself by his longstanding love of music. He was a professional-level violinist. The relationship between painting and music is a complex one. Paul Klee thought a great deal about the links between the two art forms. Bringing together more than a hundred works of art lent by both public and private collections, the exhibition is being held in partnership with the Zentrum Paul Klee in Bern. It is on show until 15th January 2012... [Read more](#)

#### International Heritage Exhibition



The Carrousel du Louvre is presently hosting the International Heritage Exhibition. The event has brought together 250 exhibitors (craftsmen and restoration companies, publishing houses, local communities, heritage protection associations) and is attracting many conservation, restoration and heritage protection specialists... [Read more](#)

#### Leonardo and Michelangelo



Leonardo da Vinci and Michelangelo face to face: this the offer made to the public in the exhibition "Leonardo and Michelangelo, masterpieces and Roman studies" at the Museums of the Capitole. The exhibition is showing 66 works by the two Renaissance masters until 12th February - starting with the drawings of both men, before looking into their respective Roman activities... [Read more](#)

## Festival/Rome



From 27th October to 4th November, the Parco della Musica, designed by architect Renzo Piano, is hosting the 6th edition of Rome's international film festival. Entitled "Cinema-the International Festival of Rome", the festival is jointly being organised by the town hall of Rome, the chamber of commerce and the province of Latium. It is putting on previews, exhibitions and gala evenings. During the closing ceremony on 5th November the Marc'Aurelio prize will be given... [Read more](#)

## Agenda :



3rd November  
Frankfurt/Main  
ECB Governance Council



3rd-4th November  
Cannes  
G20 Summit



7th November  
Eurogroup Meeting



8th November  
EU "Economy and Finances" Council

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