



"We must avoid Greece leaving the euro zone"



Author: Jean-Paul
Betbèze

The Robert Schuman Foundation publishes a Europe Interview with Jean-Paul Betbèze, chief economist, director of economic studies at Crédit Agricole SA and member of the Foundation's Scientific Committee. After speaking about the consequences that a Greek exit from the euro zone would have for that country and for the euro zone as a whole, he call for the proposed crisis exist strategy to be "affirmed" and "fine-tuned". He then refers to the difficult position of Spanish banks. Finally he calls for a growth policy based on private offer involving the competitiveness of businesses, social dialogue and a return to confidence.

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Front page! :

Ranking of Member States according to the proportion of women in government



The Robert Schuman Foundation publishes three tables ranking the 27 European Union Member States according to the proportion of women in the government, in national Parliaments and in the European Parliament. In the ranking of Member States according to the proportion of women in government, France comes in second place after Sweden... [Read more](#)

France-Germany: the essential entente

Jean-Dominique Giuliani, President of the Robert Schuman Foundation, has published on his website an editorial entitled "France-Germany:



the essential entente". In it he calls for the preservation of the entente between the two countries, which together represent over half of the European continental economy and without an agreement between which "in financial terms, nothing is possible". He says that although differences between the French and German positions may be great, the two States "would do better to discuss their differences [...] rather than remain camped on their own positions". Referring to a new cooperation treaty, which would take over from the Elysée Treaty, he declares that this "should, this time, go further and go into the details of a shared vision of the future of Europe"... [Read more](#)

Truths about Europe



On 24th May the President of the Robert Schuman Foundation, Jean-Dominique Giuliani, received at the European Commission representation in France the Finnish European Affairs Minister, Alexander Stubb, who spoke on his "Truths about Europe". He highlighted the importance of deepening the internal market, opening up to foreign trade and the structural reforms required to support growth in Europe. He stated that, although financial solidarity is necessary, it is just as necessary to establish common rules to avoid budgetary slipping and declared that growth cannot be based solely on debt. Finally, he put forward his conviction that the European Union will come out stronger from the current crisis, just as it always has after previous crises throughout its history... [Read more](#)

[Other link](#)

Elections :

Uncertainty regarding the results of the Irish referendum of 31st May on the European budgetary pact.



On 31st May the Irish will vote in a referendum on the European budgetary pact, known as the Treaty on Stability, Coordination and Governance (TSCG), which was signed in Brussels on 2nd March 2012 by the heads of State and Government of 25 Member States of the European Union (except the United Kingdom and the Czech Republic). The European budgetary pact will come into force as soon as it has been ratified by at least 12 Member States. Ireland is the only country to submit the European budgetary pact to a referendum. The latest opinion poll carried out by the Millward Brown Lansdowne Institute and published on 17th May by The Irish Independent newspaper, shows that 37% of Irish people declare that they are in favour of ratification of the European budgetary pact whilst a quarter (24%) state that they will say "no" to the treaty. One third of people asked are still undecided... [Read more](#)

Journalist Thora Arnorsdottir is the favourite in the Icelandic Presidential Elections



Icelandic tradition holds that no competitor stands against the outgoing President of the Republic when the latter is seeking a further mandate. On 30th June, outgoing President Olafur Grimsson will be up against 7 other candidates. In Iceland the President's role is essentially honorific. The Head of State is, however, a symbol of national unity and exercises moral authority amongst his fellow citizens. The presidential mandate lasts for 4 years and there is no limit set on the number of mandates. According to the latest opinion poll carried out by the Social Sciences Institute at the University of Iceland and published on 21st May, journalist Thora Arnorsdottir is set to come out on top of the presidential elections on 30th June, with 46.2% of the vote, ahead of the outgoing Head of State who will take 37.8% of the vote. The gap is currently tending to narrow between the two main candidates... [Read more](#)

Financial Crisis :

The financial transactions tax supported by the European Parliament



On 23rd May, MEPs approved a resolution on the proposal to implement a tax on financial transactions. Whereas the European Parliament has been proposing this tax for the past two years, the Commission put forward legislation at the end of 2011. According to

Eurobarometer, 66% of Europeans are in favour of this tax. European Parliament Reporter Anni Podimata states that the tax "is an integral part of exiting the crisis". The long term aim is to use a wider field of application to combat tax evasion... [Read more](#)

OECD economic prospects



According to economic prospects published on 22nd May by the Organisation for Economic Cooperation and Development (OECD), world economic recovery is definitely in place, but remains "fragile" and "unequal, depending on the regions". In the OECD zone, growth should thus slow in 2012 to 1.6% compared to 1.8% in 2011 and should be at 2.2% in 2013. The main subject of concern is the situation in the euro zone, which should see a fall in its GDP of 0.1% in 2012 before returning to modest growth in 2013. Growth should, on the other hand, be relatively strong in the United States and Japan. Within this context, the OECD warns against a risk of propagation of the European crisis to other regions of the world. Before the European summit on 23rd June, it also suggests several measures aimed at stimulating growth in the euro zone... [Read more](#)

Dutch MPs give the ESM the green light



On 24th May the proposed law on the European Stability Mechanism (ESM) was approved by 100 of the 150 Dutch MPs. The mechanism's "authorised" capital, which will be operational from July, amounts to 700 billion, 80 billion of which will be "deposited". The rest will be in the form of guarantees. The Netherlands will pay in 4.6 billion euros as "deposits" in the fund and will guarantee an additional 35.4 billion euros. During the debates several parties spoke against ratification of the treaty, which was held to be non-democratic. On 22nd May, Geert Wilders, president of the PVV extreme right-wing party brought legal action before the courts in an attempt to postpone parliamentary ratification until after the early parliamentary elections to be held on 12th September. The Court has not yet rendered its decision. The proposed law should be put to the vote by Dutch senators at a date yet to be decided... [Read more](#)

The United Kingdom officially in recession



According to figures published on 24th May by the British National Statistics Office, GDP saw a 0.3% drop over the first quarter 2012. After falling by 0.2% in the last quarter of 2011, the United Kingdom therefore went into recession. Two days earlier the National Statistics Office had announced that the inflation rate in April had fallen by 0.5%, down from 3.5% to 3% between March and April. The inflation rate has not been so low since February 2010... [Read more](#)

The Danish Central Bank reduces its base rate



On 24th May the Danish Central Bank reduced its base rate by 0.1 point, to 0.60%, following the purchase of currency on the market, it announced in a communiqué. "The reduction in interest rates comes after the Central Bank purchased foreign currency on the market", specifies the bank. Denmark, which is a member of the European Union but not part of the group of 17 countries in the euro zone, generally follows decisions made by the ECB. The Danish krone is linked to the euro by a pivot exchange rate agreement which prevents it from fluctuating by more than 2.25% around a fixed value, and the Danish Central Bank ensures that the gap with the euro zone is not too unfavourable... [Read more](#)

Bankia publishes revised accounts



Spain's fourth largest bank, Bankia, which on 25th May asked for 19 billion euros in public aid for its recovery, has announced revised accounts for 2011, showing a loss of almost 3 billion euros. The bank, which is going to be nationalised on receiving this public aid, had claimed in February that it had shown a net profit of 309 million euros in 2011. But "a clear up in the loans portfolio, the property assets

seized and the up-dating of the market value of Bankia's holdings showed a negative result for 2011 of 2.979 billion euros", declared Bankia in a communiqué. Of the big Spanish banks, Bankia is the most exposed to the devastated property sector, with a property portfolio of 37.5 billion euros, the vast majority of which (31.8 billion) is problematic... [Read more](#)

Recapitalisation of Greece's four largest banks



On 28th May the four main Greek banks received 18 billion euros from the European Financial Stability Facility (EFSF) with a view to their recapitalisation. The Greek National Bank (BNG), the country's top bank, received 7.43 billion euros, Alpha bank 1.9 billion, Eurobank 3.97 milliards and the Piraeus Bank 4.7 billion in bonds, as had been decided by the Bank of Greece. These amounts are part of a package of 25 billion, paid in the form of bonds in April by the EFSF to the Hellenic Financial stability fund for the recapitalisation of Greek banks, after the losses of around 28 billion euros that they suffered due to the Greek debt restructuring operation in March... [Read more](#)

Mario Draghi specifies what a pact on growth would be



On 24th May in Rome, Mario Draghi, President of the European Central Bank, gave a speech to thousands of students from Sapienza University. He recalled the need to create a growth pact alongside the existing treaty reinforcing budgetary discipline. In his opinion, this calls for structural reforms, both of the employment market, which must be made more flexible and of public investments, which must be extended using the increased lending capacity of the European Central Bank. Notably he declared that "governments in euro zone countries must define jointly and irreversibly their view of what the political and economic framework supporting the single currency will be"... [Read more](#)

European Council :

Conclusions of the informal dinner for the 27 Heads of State and Government



At the end of the informal dinner held in Brussels on 23rd May, the 27 heads of State and Government repeated their will to retain Greece within the euro zone. "We want Greece to remain within the euro zone and meet its commitments" they stated in a joint communiqué. Aware of the efforts made by Greek citizens, the 150 billion euros already contributed and the structural reforms to be undertaken, the objective now is to concentrate on the structural instruments and funds that will bring debt down to a sustainable level, and to stimulate growth and job creation... [Read more](#)

Continue the efforts towards recovery



On 28th May the President of the European Council, Herman Van Rompuy, declared during a speech in Nicosia that the European Union, and therefore the Member States, hold their destiny within their hands. He reminded his listeners that the exceptional situation in Greece since 2008 has called for effort, sacrifices and solidarity. He stated that Greece "must remain in the euro zone and keep its commitments" and hopes that this will be the choice made by the Greek government after the elections. What awaits the Union, beyond this crisis, are real structural challenges and decisions that will be hard but necessary. He said that at the next summit meeting, in June, decisions will be taken with regard to employment and growth, "two sides of the same coin" inextricably bound together for future prosperity... [Read more](#)

Enlargement and strengthening of the European Union



On 25th May, the President of the European Council, Herman Van Rompuy, addressed members of the Slovenian National Assembly. He insisted on Slovenia's part in European integration of the western Balkans, underlining progress made over recent years. He then recalled the efforts made over the past two years to overcome together the economic, financial, banking and monetary crisis, declaring that rigour and the

golden rule are not ends in themselves, but should enable public expenditure to be better directed in favour of growth... [Read more](#)

Commission :

Roma integration on the European Commission's programme



In a report dated 21st May, the European Commission invites Member States to implement the national strategies adopted with a view to integrating the 12 million Roma people within the European Union. The strategies include access to education, jobs, healthcare and housing. According to Viviane Reding, European Commission vice-president for Justice, "the presentation of national strategies is an important first step, Member States must now move up a gear". The European Commissioner for employment, László Andor, believes that Roma integration is a "shared economic, social and moral imperative". Regular checks will be made on application of the measures requested by the Commission... [Read more](#)

Commission's report on progress made by Montenegro



On 22nd May the European Commission published a report on progress made in Montenegro's European Union membership process. All the points identified by members of the Commission as having to be met before negotiations could be opened have now been efficiently addressed by the country. Montenegro must now concentrate on implementing certain reforms, such as the rule of law, fundamental rights, the combat against corruption and organised crime. The report observes that the administration has been professionalised and depoliticised, the media has been freed and debate with civil society has been opened up. The constitutional reform process for the independence of the judicial system is still on-going. Negotiations could be started in June 2012... [Read more](#)

Parliament :

The combat against persistent salary differences on the European Parliament's programme



On 24th May MEPs passed a resolution in which they attack the wage difference that still continues between men and women. They base their action on a persistent difference of 16.4% across the Union, and demand the adoption of additional measures in legislation that will make up for this continuing gap. Amongst the proposals are the establishment of more severe sanctions against employers (administrative fines, exclusion from the benefit of subsidies, etc.), new policies and new, more relevant programmes. The resolution was passed by qualified majority... [Read more](#)

MEPs demand the release of political prisoners in Ukraine



On 24th May MEPs passed a resolution on the situation in Ukraine, particularly with regard to the case of the head of the Ukrainian opposition, Ioulia Timochenko. After lengthy debates on the question on 22nd May, they specifically requested the Ukrainian authorities to release "all political prisoners including leaders of the opposition." MEPs also asked for fair and free elections to be held. Finally, with regard to Ioulia Timochenko and the criminal proceedings being brought against her, the Ukrainian government has been asked to modify its penal code in order to distinguish political responsibility from penal responsibility... [Read more](#)

Measures to combat youth unemployment



In a resolution on 24th May, MEPs identified priorities in the combat against youth unemployment. The average unemployment rate is 10% in the European Union and 22% for young people, sometimes reaching 50% in the countries hit hardest by the crisis. Since the position of young people is dependent on the economic situation, MEPs are asking Member States to take action and put forward proposals between now and the end of 2012. This action comes in support of the project launched by the Commission on

21st May entitled "Your first EURES job", the aim of which is to increase employment rates amongst young Europeans by improving youth mobility and helping them to find a job in a Member State other than their place of residence... [Read more](#)

Optimisation of the Union's resources to stimulate the economy



According to a resolution passed by MEPs on 24th May, the European Union should make better use of its resources in order to stimulate the economy. The European Commission and the Parliament have drawn up plans for this, and it is now the responsibility of Member States to apply them at national level. Valorisation of precious materials should replace their incineration, for example. MEPs also invite Member States to head towards environmental taxation which would lead to a reduction in other taxes, notably in the employment sector... [Read more](#)

No European funds for undemocratic neighbours



On 24th May MEPs took a stand on the granting of European funds to near neighbours of the European Union, notably the Balkans and eastern neighbours. Two aspects were addressed in the resolution: the first is the respect for Human Rights and democracy which must be a condition for the granting of funds, and the second is Parliament's participation in the decision on whether or not to grant aid. For example, the countries concerned must undertake to use the aid received to combat poverty and forced child labour. Finally, MEPs want checks to be increased, notably by the European External Action Service, which will be asked to draw up reports on all beneficiary countries... [Read more](#)

Diplomacy :

Diplomatic process on Iran's nuclear programme



Negotiations between the E3+E group and Iran saw a certain amount of progress on 24th May, according to High Representative Catherine Ashton. The parties agreed that it was possible to continue to negotiate and presented their respective priorities. Despite "important differences", some "common ground" has been found. The next meeting will be held in Moscow on 18th and 19th June 2012... [Read more](#)

Germany :

Franco-German prize for journalism



At their meeting in Paris on 23rd May, the French and German members of the jury nominated the winners of the Franco-German Prize for Journalism 2012. Prizes, of a total value of 28 000 euros, were allocated in the following categories: Video, Audio, Written and Multimedia. The aim of the prize is to award contributions that seek to achieve a better understanding between France and Germany. The Franco-German Prize for Journalism awards ceremony will be held on 28th June at the ARD offices in Berlin. Saarländischer Rundfunk (SR) has been awarding the Franco-German Prize for Journalism since 1983... [Read more](#)

Growth in German GDP over the first quarter



Growth in German Gross Domestic Product (GDP) was confirmed on 24th May at 0.5% in the first quarter compared with the previous quarter by the German Federal Statistics Office (Destatis). The annual rate, again with seasonal and calendar adjustments, showed growth over the first quarter is at 1.2%, confirmed Destatis, after having given identical preliminary figures on 15th May. German GDP fell back by 0.2% over the fourth quarter, but German growth recovered more strongly than forecast, unlike its neighbours within the euro zone... [Read more](#)

Berlin opposes the introduction of eurobonds

After the informal dinner for Heads of State and Government held on



23rd May, the German government reaffirmed its opposition to the introduction of eurobonds. For Georg Streiter, deputy spokesman for the federal government, the introduction of common European bonds would not resolve the current crisis. On the contrary it would rock the foundations of stability. Steffen Kampeter, Parliamentary Secretary of State at the Finance Ministry declared "in the current state of affairs, the introduction of eurobonds would lead to interest rates falling too low, which would encourage European economies to relax their efforts". To overcome the crisis, Europe must rely on the budgetary pact, the signatories of which have made a firm commitment to restore their public accounts. Germany will oppose the introduction of eurobonds for as long as Europe does not have an integrated budgetary policy... [Read more](#)

Denmark :

The City of Copenhagen unveils its climate plan



On 22nd May the Copenhagen City Council announced a plan to reduce the city's carbon footprint to nil by 2025. This plan, inspired by the climate plan launched this winter by the Danish government, should cost 2.7 billion kroner before 2025. To achieve the objectives set, additional private finance of 20 - 25 billion will be necessary. The plan provides for a reduction in energy consumption and improved energy efficiency, notably in transport (developing the usage of bicycles or the use of biofuels for public transport), and in the industrial and residential sectors. It also plans for gradual replacement of coal by renewable energy sources such as biomass, solar and wind energy... [Read more](#)

Spain :

The Spanish economy continues to contract



The Bank of Spain announced in its monthly economic bulletin, published on 29th May, that the Spanish economy will continue to contract over the second quarter 2012. The fall in GDP of 0.3% between January and March, after 0.3% during the final quarter 2011, meant that Spain was back in recession... [Read more](#)

France :

Spain and France agree on the future of Europe



French President François Hollande received the Spanish Prime Minister, Mariano Rajoy, on 23rd May. At the press conference the Spanish head of government again made a commitment to reduce his country's deficit. In his opinion, Europe needs a reflation policy which requires the implementation of a growth pact. In this respect he hopes that a text will be proposed by June. In conclusion, Mariano Rajoy reminded the press conference that Europe's main objective is to strengthen the euro, putting the accent on economic, financial and political integration. The French President insisted on the challenge of liquidities and on the need for "having a strong banking system". His words were shared by Mariano Rajoy who explained that what is urgent for Spain is the "need for finance, liquidity and sustainability"... [Read more](#)

François Hollande visits Kabul



French President François Hollande went to Kabul on 25th May to meet with his Afghan counterpart Hamid Karzai, representatives of Afghan civil society and the French community. During his talks with H. Karzai, François Hollande referred to the various aspects of long-term cooperation within the context of the Franco-Afghan friendship and cooperation treaty (education, the protection of women, agriculture, etc.). He indicated that military cooperation between the two countries will now be limited to missions offering training for the Afghan army... [Read more](#)

Greece :

Greece: political parties join forces



The Greek centre right party, New Democracy, announced on 21st May that it is merging with the liberal party Democratic Alliance, for the parliamentary elections planned for 17th June. In view of the rise observed for the radical left-wing party, Syriza, which won 16.78% of the vote on 6th May, both parties hope to use this method to improve their chances of forming a government. "We must form a pro-European front", declared Dora Bakoyannis, president of the Democratic Alliance. The political instability currently reigning in the country could lead to a Greek exit from the euro zone. The Liberal Alliance (Drasi) and the Dimiourgia Xana party (Re-create Greece) also announced on the same day that they would join forces in June... [Read more](#)

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Hungary :

[The Hungarian Parliament adopts a more flexible version of the media law](#)



The Hungarian Parliament, where Prime Minister Viktor Orban enjoys a two-thirds majority, adopted on 24th May a more flexible version of his controversial media law. The amendment to the law, approved by 257 votes to 51, concerns the protection of journalists' sources. On 11th May, the party in power submitted the modifications to Parliament, saluted by the Council of Europe, which judged that they were "going in the right direction". According to the new text, journalists may notably "no longer be obliged to reveal the identity of their informers". This protection of sources is also valid should the journalist leave his post. However, the amendment to the law does not affect either the composition or the authority of the all powerful Media Council (MT), whose members are all people close to the Prime Minister... [Read more](#)

Latvia :

[Latvia threatened with demographic disaster](#)



The population of Latvia fell to 2 million inhabitants in 2011, compared with 2.2 million in 2000. According to government estimates, it could fall again between now and 2030, down to only 1.6 million. To avoid a demographic disaster, Prime Minister Valdis Dombrovskis has set up a special unit to improve access to child care and to increase finance for the programmes aimed at encouraging the numbers of children in families. The government wants to use European funds... [Read more](#)

Romania :

[Romania ratifies the pact on budgetary discipline](#)



On 21st May Romania ratified the treaty on stability, coordination and economic governance (TSCG) better known as the budgetary discipline pact. 89 senators voted in favour of ratification. The chamber of deputies had approved it at the beginning of May. Romania is the 4th country to have ratified the treaty after Greece, Portugal and Slovenia. After ratification by at least 12 Member States, the European treaty will apply to countries within the euro zone and States wishing to be part of it... [Read more](#)

UK :

[Scotland on the road to independence?](#)



On 25th May Scottish Prime Minister Alex Salmond launched the "yes" campaign for the referendum on Scottish independence that is to be held in 2014 on a date as yet undecided. "I want Scotland to be independent, not because I think that we are better than other countries, but because I know that we are as valid as the other countries", he declared in Edinburgh. "People who live in Scotland are best placed to take decisions about Scotland", said Alex Salmond as he launched the "Yes Scotland" campaign for the independence of this semi-autonomous region with a population of 5.3 million. The Scottish Prime Minister's Scottish National Party (SNP) is running this campaign, notably alongside the Greens. According to opinion polls, only one third of all Scots want to leave the United Kingdom... [Read more](#)

Bosnia-Herzgovina :

Ratko Mladic's trial will continue on 25th June



The trial of Ratko Mladic, former military chief of the Serbian army in Bosnia, which was adjourned sine die on 17th May, will continue on 25th June before the International Criminal Tribunal for the former Yugoslavia in The Hague, with the first witness being called. The former military commander is being tried for several crimes against Humanity and war crimes and is specifically accused of the 1995 Srebrenica massacre... [Read more](#)

Ukraine :

France refuses to sign the EU/Ukraine association agreement



The French foreign minister declared on 24th May that signature by France of the agreement on the association between the European Union and Ukraine, signed on 30th March, "could not be envisaged" due to human rights violations by that country. France also declared that it was "discussing" with its partners concerning the participation of its leaders in the Euro 2012 competition which will be held from 8th June to 1st July... [Read more](#)

Eurostat :

General rise in taxation



On 21st May, Eurostat indicated that taxation levels had generally increased throughout the European Union over the past year. The average standard VAT rate has been increased, and ranges from 15% in Luxembourg to 27% in Hungary. The maximum income tax rate for private individuals reaches or exceeds 50% in 7 countries. It is lowest in Bulgaria, at 10%. The taxation rate on businesses exceeds 30% in France, Malta and Belgium. However, the ratio of the overall tax burden compared to GDP remains unchanged in the European Union, at 38.4% and fell slightly in the euro zone, at 38.9%... [Read more](#)

Eurobarometer :

Europeans in favour of a balance between austerity and support for growth



According to the latest Eurobarometer survey on "the crisis and economic governance", the results of which were published on 23rd May, 47% of Europeans questioned believe that, to get out of the crisis, European States must at the same time reduce their public spending and invest in measures to stimulate the economy. 55% of those answering also declared that they would feel better protected from the current crisis by measures adopted in a coordinated fashion. On the other hand, the vast majority of people asked believe that help to States in difficulty must be subject to compliance with the common rules. A majority of those asked also declared themselves to be in favour of concertation between the European Union and Member States with regard to budgets, the setting up of eurobonds and a tax on financial transactions... [Read more](#)

Studies/Reports :

France and Germany and the debt crisis



The DGAP (Deutsche Gesellschaft für Auswärtige Politik e.V.) publishes a study by the MEP Sylvie Goulard entitled "France and Germany and the debt crisis - doubts on diagnosis and strategy" ("Frankreich und Deutschland angesichts der Eurokrise - Zweifel an Diagnose und Strategie"). The author denounces three major faults. The first is that the "systematic" nature of the crisis was not identified. The second is a wrong interpretation of its deepest causes. The final one is the overwhelming role played by the European Council, and therefore by the 27 heads of State and government, in management of the crisis. She believes that the other European institutions have not been sufficiently involved... [Read more](#)

Adjustment in the euro zone



The Bruegel centre has just published a contribution entitled "Arithmetic is absolute: euro-area adjustment". This contribution questions the possibility of a State or a group of States taking action on the cost of employment, and therefore on its inflation rate and competitiveness, without the inflation rate in other countries in the zone being modified. It also presents a certain number of conclusions regarding the relationship between labour cost variations and those of inflation... [Read more](#)

The populist rise and European policy in Finland: how is it influenced?



The Finnish Institute for International Affairs (FIIA) has published a study entitled "A Eurosceptic big bang: Finland's EU policy in hindsight of the 2011 elections". The author analyses the rise of the anti-European True Finns party in the parliamentary elections held in April 2011 and shows that their success has changed the government's European policy. He notes that for the past year the government has shown proof of more prudence and reserve, even though it remains favourable to continued integration... [Read more](#)

Prospects for European companies in China



On 29th May, the European Chamber of Commerce in China published its 2012 survey on the business climate, which reveals on the part of companies investing in China an impression that the Chinese market is reaching "maturity", with labour costs on the increase. Thus, although 78% of companies say that they are optimistic with regard to the prospects for their operations in China over the next two years, only 36% believe that the profitability of these operations will evolve favourably. Also, 59% say that they are pessimistic with regard to developments in labour costs in the near future. The three main concerns of European companies in China are the economic slowdown (65%), the increase in labour costs (63%) and the world economic slowdown (62%), to which should be added a statutory framework that sometimes leads to "missed opportunities"... [Read more](#)

Culture :

"Early Dürer" - "Der frühe Dürer"



The National German Museum of Nuremberg is holding an exhibition of the works of Albrecht Dürer (1471-1528) highlighting his early life as an artist. 120 original works by the great German Renaissance painter (from a total of 200 works on show) will be exhibited through until 2nd September... [Read more](#)

Frieder Burda's modern art collection in Aix-en-Provence



Through until 30th September Frieder Burda's prestigious modern art collection will be on show at the Granet museum in Aix-en-Provence. The collection has never before been shown outside Germany. The exhibition is entitled "Masterworks from the Frieder Burda museum" and presents 53 paintings by expressionists such as Ernst Ludwig Kirchner, August Macke and Max Beckmann and American artists from the abstract expressionist school such as Mark Rothko, William de Kooning and Jackson Pollock. Works by the three "stars" of German contemporary art, Georg Baselitz, Sigmar Polke and Gerhard Richter will also be on show... [Read more](#)

The year 1917



The Metz Pompidou Centre is holding an exhibition entitled "1917" through until 24th September. Works of art created during that year are on show, offering a vision of artistic creation in war time and showing the way in which conflict affected the work of reputed artists or mere amateurs. Notably, the stage curtain for the "Parade" ballet, a monumental work by Picasso, will be shown in France for the first time in twenty years... [Read more](#)

Prizes at the 65th Cannes Film Festival



On 27th May the 65th Cannes Film Festival closed, with a very European set of awards. This year the Golden Palm went to the Austrian Michael Haneke for his film, "Amour", whilst the Grand Prix du Jury was awarded to the British director, Ken Loach, for "The Angels' share". "Reality" by the Italian Matteo Garrone won the Grand prix and the film "Dupa Dealuri" (Beyond the Hills) by the Romanian, Christian Mungiu won the award for best script, whilst actresses Cristina Flutur and Cosmina Stratan were joint winners of the prize for best actress. The best actor prize went to the Danish actor Mads Mikkelsen for Thomas Vinterberg's "The Hunt"... [Read more](#)

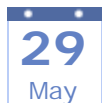
Results of the Eurovision Song Contest



The Eurovision Song Contest was held on the evening of 26th May. Sweden won with a score of 372 points for Loreen and "Euphoria". The Russian group Buranovskie Babuški came second with 259 points and Serbia, with Željko Joksimović, won 214 points and came in third position. Azerbaijan, the country organising the event, came fourth...

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Agenda :



29th May
Brussels
General Affairs Council



30th May
Stralsund (Germany)
Summit of Heads of Baltic Sea States



30th and 31st May
Brussels
Competitiveness Council



31st May
Referendum on the budgetary discipline pact in Ireland
Brussels
Trade Council



3rd-4th June
Saint Petersburg
EU-Russia Summit



3rd-5th June
Denmark
Informal "agriculture and fishing" council

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