

**Bi-annual meeting of the EIN think tanks on the  
subject of the EU 2020 strategy**

**Olai VOIONMAA**

**Research associate**

**Center for Geostrategic Studies,  
Ecole Normale Supérieure, Paris**

## Introduction

After missing the objectives of the Lisbon agenda, launched in 2000 and renewed in 2005, the transformation of the actual Lisbon strategy into a new post-2010 strategy is one of the main challenges and priorities of Mr Barroso (Euractiv, 4.9.2009).<sup>1</sup> Ten years after setting the highly ambitious agenda of reforming the EU into the most competitive economy in a decade, the need for a new strategy is widely accepted. Whereas there is a widespread consensus about the need for a strategy, the shadow of the failed Lisbon agenda still eclipses this new initiative. In its Lisbon agenda evaluation, published the same day as the first synthesis of the public consultation, the Commission stresses that the agenda has helped to build a wide consensus on what reforms the EU needs and that even if the objectives will not be reached, the overall result of the agenda is positive and severely suffered from the crisis.

A first draft of the new strategy, branded as the “EU 2020 strategy”, was presented in November 2009 and subjected to a public consultation in order to have contributions from different stakeholders. The first results of this public internet-based consultation on the EU strategy post-2020 were presented on 2<sup>nd</sup> February 2010 at the same time as the evaluation report of the Lisbon agenda.<sup>2</sup> The consultation received some 1500 contributions from a great variety of interested groups: Member states, European and national organisations, European and national social partners, regional and local authorities, business and professional federations, companies, NGOs, think tanks as well as academics and numerous European citizens. Some non-EU countries and stakeholders also responded. A more detailed synthesis will be available soon, together with all the contributions submitted to the EU Commission.

The first version of the EU 2020 strategy is based on three areas: 1) Creating value by basing growth on knowledge, 2) Creating a competitive, connected and greener economy, and 3) empowering people in inclusive societies. Even if Greece was the main topic discussed by the European leaders during the special summit convened by Mr Van Rompuy on the 11<sup>th</sup> February 2010, national leaders endorsed a plan concerning EU 2020. According Euractiv, Van Rompuy wants governments to adhere a limited number of guidelines on research and development spending, participation rates in the labour markets, third-level education and poverty reduction. In return, member states could get funding and loans to support national efforts. It is not clear at which schedule will the strategy go ahead.<sup>3</sup>

**Within the EU parliament**, the political parties broadly support the Strategy, but propose priorities of their own. The Socialists and Democrats proposes five priorities: i) a new deal for sustainability; ii) high quality full employment with decent work and social inclusion; iii)

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<sup>1</sup> Euractiv, *Barroso plaide pour une transformation de la stratégie de Lisbonne à l'horizon de 2020*, 4.9.2009.

<sup>2</sup> Commission working document. Consultation on the future « EU 2020 » strategy, Brussels 24.11.2009. COM(2009)647 final.

<sup>3</sup> Euractiv, *EU shies away from sanctions in 'Europe 2020' plan*, 11.02.2010  
<http://www.euractiv.com/en/priorities/eu-shy-away-sanctions-europe-2020-plan>

fight against poverty, inequality and insecurity; iv) a high-productivity knowledge economy; and v) a social & territorial cohesion. In each area a series of policy proposals are put forward.

While agreeing with the main priorities of the strategy, ALDE calls for more focus on the internal market and free movement of people and financial supervision. It criticizes the Lisbon strategy for being "a weak open method of coordination". According to the European Conservatives and reformists (ECR) party, the proposal for the new strategy should be reconsidered in the light of the lessons drawn from the Lisbon agenda, and the new strategy should focus on Europe's comparative economic advantages and existing commitments rather than extending it into "new" areas. The party proposes to concentrate on a set of proposals (i) to complete the single market for goods and services, but also for R&D and energy (ii) to further reduce administrative burdens on enterprises and focus on SMEs, (iii) foster innovative procurement and PPPs.

### **Time-frame**

The public consultation started on November 24<sup>th</sup> 2009 and ended on January 15<sup>th</sup> 2010. One of the common criticism was that this period of time was far too short to enable a thorough public discussion. Several stakeholders demanded this period to be either extended or relaunched. This view was most notably shared by the social partners, such as Philippe Herzog from the platform Confrontations Europe (Euractiv, 16.12.2009), or the ETUC, but also by organizations such as the Council of European Municipalities and Regions (CEMR) and Eurocommerce. Within the EU Parliament, this concern provoked a written question from Jean-Luc Bennahmias (ALDE, 21<sup>st</sup> January 2010), who pointed out several hesitations between the EU Commission and the Council. Whereas president Barroso promised a postponement of the adoption of the EU 2020 strategy in June while addressing the EU Parliament, the EU Council president Van Rompuy has requested that a decision is to be made during the full summit on 25-26<sup>th</sup> March, prepared by a special summit in February. However, this special summit, held on 11<sup>th</sup> February, focused more on the Greek economic situation than the vision of the next decade. It is still unclear in what will be the time-schedule and the method of the implementation of the strategy.

In parallel, some of the civil society organizations are growing impatient and requesting a larger overhaul of the strategy. According to the media, the Permanent Forum of Civil Society has asked the Council to launch a public consultation (local, regional, national and European) organized with the EU Parliament, Economic and Social Council and the Committee of Regions that would achieve in October 2010 effectively bypassing the EU Commission. The balance between the EU institutions in preparing and monitoring the strategy is still unclear, certainly sensible, but seminal to be determined soon in order to assure a prompt implementation of the strategy.

## Method

If the language of the Commission's first overview of the public consultation is consensual and optimistic, the reaction from different stakeholders has been everything but soft. In particular, several social partners were astonished by the EU Commission's statement that they broadly agree with the proposed agenda. For example, the Social Platform's stated overview paper was "*clearly an attempt to gloss over the positions of stakeholders that contradict the Commission's view, presumably to influence the outcome of the Informal European Council*" on 11st February 2010.

In response, some NGO:s with a social vocation announced they will write to EU heads of state ahead of the informal summit, making them aware of their reservations, and will call on Council President Herman Van Rompuy and the European Parliament to organise their own consultations with civil society – effectively bypassing the Commission. (Euractiv, 5.2.2010) Due to harsh criticism from the social partners, there are still some questions pending about the time-schedule and how the strategy will be implemented.

## Communication

An important feature to make the new EU strategy better was a better communication, which was highlighted in several inputs. For example the business community believed communication should be made more effective than the one of the Lisbon agenda, which is often confused with the Lisbon Treaty. Among the member states, the Czech proposition makes the case for improving communication of the plan, especially regarding to the public: "*The agenda is too complex and incomprehensible to citizens, it's [...] highly bureaucratic. A common communication strategy is necessary.*"

**1. The first objective of the new strategy, "creating value by basing growth on knowledge", highlights the potential of education, research and digital economy. It contains also the objective of social cohesion and promoting opportunities.**

- **Investing in education and research as well as creating a European Research Area is high on all EU countries' agenda, but should not be focused only on higher-level education, but also technical training.**

## School and university

According to the Commission's first synthesis, several contributions from the education community underline the importance of education to achieve social inclusion as well as active citizenship. Moreover, they stress that the new strategy should not only be on higher education but also on primary and secondary education. Many stakeholders call for the partnership between the private sector and universities to be extended, the Commission stated.

The Erasmus Student Network (ESN) welcomes the general strategy, and that it is putting forward student mobility as well as explicitly naming the ESN. However, the ESN regrets the Commission's document does not mention Lifelong Learning Programme (LLP) at all. If the Young European Federalists (JEF) agrees on strengthening education as a means to reduce poverty and inequality, it believes that more must be done on European level and puts forward several propositions. One of these is harmonizing school curricula to enable a strengthened mobility within the EU, enabling families moving after work relocate more easily to new regions of the EU.

Overall, the European Students' Union (ESU) welcomes the attention given to education in the EU Commission's proposal, but is worried about the lack of specific targets. For example, on the EU Commission's ambition to allow *"all young people in Europe the possibility to spend part of their educational pathway in other Member States"*, the ESU remains highly skeptical, if concrete measures, mobility targets and indicators for measuring the progress towards them are not set up, the union says in its contribution.

### **Innovation and creativity**

Many countries and social stakeholders are fully adhering to the agenda **enhancing innovation and creativity** highlighting this objective in their own contributions. Poland, for example, has put forward through the European Parliament president Jerzy Buzek the perspective for cultivating innovation in his country. Yet, he was countered by a leading Polish economist, Professor Jan Winiecki, who is against increased state support for research. Skeptical that his country can *"build a silicon valley in Europe,"* he claims innovation in the business sector will be helped more by removing bureaucracy and cutting taxes than by direct state funding of research and development (Euractive, 1.2.2010). As such, hence, innovation should not be a EU policy.

If investing in education both in schooling and university seems to gain a broad consensus, CEMR for instance stresses that a knowledge-based economy is not only about scientific innovation, but also requires a DUI-approach (doing, using and interacting). Innovation by practice should not be underestimated and submitted to scientific research. Beyond high-level education, several contributions insist on skills. Indeed, the possibility of using life-long learning to switch jobs, avoid long-term unemployment, avoid loss of human capital is to be stressed. For example, Philippe Herzog (Euractiv, 16.12.2009) : *"It was very evident at our conference that we not only lack skills at a very high level in Europe – entrepreneurs and*

*engineers of a very high quality – but we also face a huge lack of technicians. So we'd like to have massive funds devoted to the re-qualification and up-skilling of workers, and this isn't present in the 2020 agenda as yet,” he said.*

The European Centre for Development and Vocational Training (CEDEFOP) believes the EU 2020 Strategy should include detailed policies on innovation and creativity and in particular on education and training, including vocational education and training. Partnerships between businesses and research bodies should include education and training authorities to help match skills with jobs.

Similarly, concerning **Small and medium-sized enterprises** (SME), the European Association of craft, small and medium-sized enterprises (UEAPME) highlights the challenges SMEs face and calls for better market access (internal market and third countries' markets), fair competition and a level playing field. Referring to the Small Business Act, it emphasizes the importance of implementing policy commitments effectively.

Among the member states, the UK contribution is particularly strongly highlighting the SME:s. It underlines the proactive role that should be given to the EU Commissioner in charge of the SME's, who should be empowered to hold Commission directorates-general to account for their commitment to 'Think Small First', a pledge included in the Small Business Act adopted by the EU in 2008: *“This should include naming and shaming those DGs that fail to apply the SME test to new regulations that place a burden on business, and those that do not apply Common Commencement Dates [for implementing pro-enterprise legislation] and share good practice within the Commission,”* the paper says, according to Euractiv (Euractiv 20.1.2010). This view is also shared by the European employers' organisation, Businesseurope, which regrets that the Commission does not integrate this principle across all layers of public administration: *“young, innovative and fast-growing companies will be at the center of the EU's economic revival and will be a key factor for innovation and creativity.”*

Concerning the funding of the SME:s, the UK seeks to attribute a specific financing to this initiative in order to translate it into action by permitting the European Investment Fund (EIF) to be given right to access capital markets in order to attract billions in private financial resources.

## **Digital economy**

The implementation of the digital economy, one of the priorities of both the Barroso Commission and the Spanish presidency, is broadly welcomed. Among the interested stakeholders, Digitaleurope, an advocacy of the European digital economy, is applauding the EU Commission's initiative through its detailed contribution. The advocacy considers that digital technology will not be just another important feature of this new age, but has already become, *“the defining transformational force”*, and is hence adhering to Mr Barroso's vision of a new digital economy (Digitaleurope, 14.1.2010).

Yet, one has to avoid any excesses and keep realities in mind, several contributions warn. If the digital economy can be a means to a more efficient and transparent economy and public administration, the “e-age” is not reaching everybody. For example, the JEF considers that, while supporting the objective, this part of the strategy must take into account the generation gap as digital economy does not really reach the elderly. Moreover, a special attention should be given to the “poor people”, the organization highlights. Researchers from the National contact centre for Women and science from the Institute of Sociology of the Czech Academy of Sciences claim that the “*EU 2020 strategy offers a vision of society that is impersonal and dehumanized through its stress on the digital. This pertains to areas such as education and health where human contact has been repeatedly shown to be of a major factor of success [...] those roles can hardly be expected to be ensured online*”, the researchers claim. They consider that dangers of virtual space are largely neglected.

## **Research**

According to the EU Commission, stakeholders from the research community generally agree with the three priorities defined in the new strategy, and several contributions count on a “thriving European Research Area” based on openness and excellence as the key to the achievement of the three priorities. Synergies between the current research, education, and innovation programmes are seen in a very positive light in several contributions. Some contributions criticize, however, that while science ought to be addressing societal needs, it is subjected in the EU Strategy to a business logic which is not benefiting ordinary citizens. Moreover, many stakeholders point out that excellence should not be tried to be equally spread across all institutions, but some centers or clusters should be prioritized. The proposal to appoint a Chief Scientific Advisor is welcomed by some stakeholders, according to the EU Commission.

The **European Research Council** (ERC) underlines the importance of generating knowledge leadership as a basis for innovation, greening the economy, competitiveness and prosperity. It calls for world-class knowledge infrastructures which do not refer only to equipments (physical or virtual), but also to “institutions and to the human-resources base of the scientific enterprise”. According to the ERC, the construction of the European Research Area (ERA) will require collaboration between the EU, the member states and the research institutions of Europe, most notably universities and research centers. The ERC stresses that not every member state can or should be strong in everything, but “world-class demand will require both specialization and concentration of resources”.

The Commission maintains that most academic contributions agree with the challenges identified by the Commission and broadly support the thematic priorities. In the area of research, the Commission’s draft is seen, by some academic commentators, as putting too much emphasis on research and innovation for Europe’s businesses and SME:s instead for the benefit of European citizens. Moreover, the strategy fails to “put any stress on other areas of

human life that apparently also generate the much-touted innovativeness and prosperity, that is, culture and especially live arts.”<sup>4</sup>

## **2. The second objective is to empower people in inclusive societies**

### **➤ The lack of social dimension in the Strategy is criticized by several stakeholders, and EU citizens**

Empowering people in inclusive societies seeks to ensure that the transformation of the EU into a “smarter, greener, more competitive economy” is made in a manner ensuring social cohesion, and preventing exclusion. Indeed, according to the Commission, all social partners such as the trade unions and the business stakeholders adhere to the objective of improving education and developing skills, which are seen as serving a broader objective of fighting poverty as well as exclusion. This is one of the main priorities during this launching year dedicated to fight poverty within the Union<sup>5</sup>, and thus contributing to the overall cohesion of the EU. Yet, the means in attaining this objective have largely been debated and put under question. One of the main criticism of this part of the Strategy was the “lack of the social dimension” in this document, and considering uniquely life in society in terms of working.

### **Social dimension of the EU 2020 strategy**

The Commission Stakeholders from the business community by and large share the key priorities identified by the Commission but put relatively more emphasis on "creating growth and knowledge" and on "creating a competitive, connected and greener economy".

According to the Commission’s first overview of responses, “**stakeholders with a social vocation** broadly support the Commission's proposed priorities, but consider its scope too narrow.” More attention should be given to measures and instruments to achieve the priority of “inclusive societies” beyond education and skills, and “the general feeling is that the social dimension is weak, if not absent, in spite of the stated intentions.”

After its publication, this paper has been fiercely criticized by several NGO:s with social vocation, and especially the Social Platform (Euractiv, *NGOs defy the Commission on 'EU 2020' agenda*, 4.2.2010). Indeed, Conny Reuter, president of the Social Platform of European NGOs told Euractiv (5.2.2010) that he saw a clear contradiction within the Commission’s statement and their contribution: "*We represent 42 pan-European social NGO networks, and find that the overview of the responses to the EU 2020 consultation totally mischaracterises the position of our sector. It claims that we 'broadly support the Commission's proposed*

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<sup>4</sup> Marcela Linkova, Hana Tenglerova and Alice Cervinkova, National Contact Centre for Women and Science, Institute of Sociology of the Academy of Sciences, Czech Republic.

<sup>5</sup> The EU Commission launched the 2010 European year : Stop poverty now! on 20.1.2010 making of it one of the main priorities for the Barroso commission:  
<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/10/36&format=HTML&aged=0&language=EN&guiLanguage=en>.

*priorities,' yet our response to the consultation explicitly said the opposite: that the proposed text represented a step back for social cohesion and social inclusion in Europe," he said. Furthermore, he stated that the overview paper contradicts itself: "How could social NGOs 'broadly support' a text while considering it to have a 'weak, if not absent' social dimension as the paper states."*

The lack of a social dimension has been criticized by many other stakeholders, too. The European Trade Union Confederation (ETUC) calls the Lisbon strategy *"too liberal an approach"* and wishes this to be changed by reinforcing the EU's "social profile" with the development of a social programme built around deepening the social *acquis* and demand-side labour market policies, the Commission states in its first synthesis. In its contribution, the ETUC is harsh on the Commission's paper. It states that the immediate priority is not 2020, but the present and the implementation at European level of a bigger recovery plan. According to the ETUC, the Commission paper does not take into account that *"unemployment is likely to remain higher than pre-crisis levels up to at least 2015/16; and taxation will be higher and public spending lower as have debts to be repaid."* No progressive vision of the social dimension and social policy, ETUC says.

In the same context, Philippe Herzog (Euractiv, 16.12.2009) claims that to achieve a genuine EU-wide 'flexicurity' model, *"we need co-operation to be built between schools and enterprises, and also improved cross-border co-operation – for example, between national unemployment services."*

On its side, **BusinessEurope** pleads for removing remaining internal market barriers, further reducing administrative burden and "thinking small first" when designing regulation, access to finance, and "flexicurity". BusinessEurope advocates far-reaching structural reforms to secure growth, jobs and viable public finances.

The **Austrian Federal Chamber of Labor** (AK) puts forward the lack of commitment to full employment and to the reference to quantitative goals in order to underpin the new strategic objective target. Whereas "structural reform" was essential to the Lisbon strategy, the new Commission paper only states it at the final pages. AK labels the new strategy as one without substance.

According to the Commission's first synthesis of the consultation, many ordinary citizens express support for the social dimension of the strategy, arguing in favor of a more social Europe.

### **3. Creating a competitive, connected and greener economy**

- **The new strategy cannot just be a “greener Lisbon agenda”, environmental issues should not just be viewed from the perspective of competitiveness**

While the Lisbon Agenda stated an ambitious goal to make the EU economy the most competitive in 10 years time, the EU 2020 strategy aims to create a more competitive, connected and greener economy. This would be enforced through a more productive economy, an up-graded transport and energy infrastructures as well as a real industrial policy, plans the EU Commission.

In its Letter to the Chamber, the Dutch government emphasized “green innovation” and human capital as central to the success of the Strategy. The CEMR maintains that instead of insisting too much on the current crisis, the strategy should look towards the future and should be valid for a decade. The policy response should indeed be bold, and not just “greening” the Lisbon strategy. According to the JEF, the strategy requires a better definition of the objectives. Indeed, despite repeated use of the terms “green” and “sustainable”, the goals of the strategy in terms of climate, environment and biodiversity protection are not clearly defined, the organization maintains. (JEF, 15.1.2010) The federation claims that the proposed measures seem too weak to remove legal and regulatory barriers in order to the businesses to enjoy the five freedoms of the EU.

#### **Environmental dimension of the EU 2020 strategy**

As with the contributions on social issues of the strategy, the first conclusions of the Commission seem to draw too positive a picture on environmental dimension. According to the document, “there is broad agreement regarding the proposed objectives and governance arrangements. A consistent message running through many, if not all, of the contributions is that their role in the strategy needs to be increased to secure a full and equal partnership between different levels of government (multi-level governance).” Indeed, the first results stated “environmental stakeholders support the priorities identified by the Commission while calling for better integrated environmental issues in other policies.” The economic relevance of protecting the environment and eco-systems, as well as eco-efficiency, sustainable development, social cohesion, health and well-being are mentioned as additional priorities in the Commission’s paper.

Yet, the European Environmental Bureau (EEB) Secretary-General John Hontelez described the Commission's summary as giving “too rosy a picture” of the environmental responses to the consultation: “*Environmental organisations appreciate the Commission's recognition that in the next decade 'conserving energy, natural resources and raw materials' have to be central in the EU 2020 strategy. However, the Commission puts this entirely in the context of 'the future competitiveness of our industry and our economies'. This is a narrow and dangerous approach, making us the hostage of business lobbies who will insist that only those measures which bring immediate profits are acceptable.*” (Euractiv, 4.2.2010)

The EEB implored EU leaders to “not rely on the Commission's summary but study the full contributions” to gain a clearer, less distorted understanding of what social and environmental stakeholders really think: “*Environmental organisations appreciate the Commission's recognition that in the next decade 'conserving energy, natural resources and raw materials' have to be central in the EU 2020 strategy. However, the Commission puts this entirely in the context of 'the future competitiveness of our industry and our economies'. This is a narrow and dangerous approach, making us the hostage of business lobbies who will insist that only those measures which bring immediate profits are acceptable.*” (Euractiv 5.2.2010)

## **Governance**

### **Articulating between the EU institutions**

According to several critics, such as the JEF, the proposed governance framework does not ensure a clear division of competences between different political stakeholders at the EU and national level. In the first place, there is a doubt about the division between the Commission, the Council, and member states. The Commission proposal highlights the importance of establishing clear governance to make the new strategy effective, but seems to give weight to all but itself. It seems to put the initiative on the side of the Council.

Among the EU Council members, most highlight their prime role in implementing the strategy, small and big countries alike. France, for example, insisted that national leaders have a key role to play in defining and driving the new strategy forward. (Euractiv 1.2.2010) The Dutch government, for example, called EU member states to “appropriate” the strategy. According to Estonian Prime Minister Ansip, for example, in order to successfully shape and implement the new strategy, it is important to increase the role of the European Council: “*In the management of the new strategy, the role of the Council should be considerably bigger,*” he said. “*The European Council could be the main supervisor of the strategy and direct the work of various constitutions of the Council of the European Union.*”<sup>6</sup>

According to an analysis by the Politicalreform from Ireland, the ambitious tone and content of the new strategy do not match the manner of delivering the agenda proposed in this document. Indeed, the proposed strategy does not appear to signal any substantial shift in the

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<sup>6</sup> Press release of the Estonian Government, <http://www.valitsus.ee/?id=9917>.

competence or capability of the EU. Emphasizing the role of member states as the key drivers of change, the 2020 strategy “*is not overtly designed to be a means by which to further develop the nature and character of the European project.*” Finding it curious that even after the “events of last year present an opportunity for the EU and national leaders to at least consider more elaborate and innovative responses”, the emphasis on national governments reinforces the intergovernmental features of the EU and thus fall short of the ambition of the strategy. Indeed, the Commission fails to present, according to the Politicalreform, any clear vision as to how these pressing policy priorities might be delivered in new and creative ways –ways which may lessen the past mistakes to be repeated in the future.

Equally, the balance between the Commission, the Council, and the Parliaments (national and European alike) is seen to be flawed from the very start. For example, the JEF states that “the designation of the EU Commission and the Council as responsible bodies in charge of the implementation of the strategy, as responsible bodies to monitor the process, creates a huge conflict of interest.” The lack of a mention of the role of national parliaments is thus a major lack. Moreover, the EU Parliament should be better involved in the procedure, as stated in the NGO:s critics of the Commissions initial conclusions.

The new economic team at the Commission seems convinced of the emergence of a European economic governance. Guy Verhofstadt, the ALDE leader, asked the Lisbon strategy coordination method to be abandoned. And what comes to the Eurozone, Claude Juncker would like to coordinate the economic policies of its member states. He requests for a procedure to analyse and analogues to the one of the Growth and Stability Pact. Zapatero is in favor of it, too, and could convene a euro-summit.<sup>7</sup>

Within the EU Parliament, the Socialists and Democrats-party does not share the view that the European Council be given a central role. Instead, it argues that sectoral Councils, the EU Parliament and national parliaments should be better involved. What comes to the liberals, ALDE calls giving the Commission a central role which should use a “carrots and sticks” approach: rewarding strong performers with additional structural funds and applying financial penalties to those not providing declarations on correct spending of EU Funds for EU 2020 priorities.

## **Accountability**

The critics of the previous point lead to the question of accountability. Several contributions criticize the lack of any ways to measure the objectives, and to keep the member states accountable for its implementation.

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<sup>7</sup> <http://www.nouvellesdeurope.com/article-europe-quelle-strategie--43875805.html>

According to the media, a letter from Van Rompuy to the EU leaders reckons that the Lisbon Strategy had clear shortcomings: “Without accountability or incentives, implementation is weak,” he wrote. Indeed, he argues that governments that persistently fail to implement Europe 2020 reforms should be subjected to “surveillance instruments” introduced by the Lisbon treaty in December. These allow the Commission to send warnings to countries whose economic policies are not consistent with those agreed at EU level. Van Rompuy's paper says that Europe 2020 should concentrate on a maximum of five quantitative targets, with “differentiated” goals for each member state. In the paper, Van Rompuy says that the Lisbon Strategy had a “one-size-fits-all approach” with which “nobody feels comfortable” (European Voice, 9.2.2010)

While the Czech contribution maintains that the high degree of “reporting burden” placed upon member states by the draft strategy is in itself already too heavy, most critics see that the strategy lacks effective methods to measure, as well as sticks and carrots.

Indeed, this was also a matter of debate at the highest level of the EU. The Spanish prime minister Zapatero, whose country holds the rotating six-month EU presidency, proposed the EU should consider “corrective measures” against countries that failed to meet their obligations under the EU 2020 strategy (Financial Times, 11.1.2010) Proposing thus punitive measures that were lacking from the Lisbon strategy his proposition was seen as a step further towards a more federal EU. Indeed, no sanction has ever been imposed on a European state in Stability and Growth pact, or the Lisbon agenda. Thus, equipping the EU 2020 strategy with such mechanisms is essential. Yet, the German economy minister, was rapid to shoot this initiative down, and the proposition caused a stir between the two governments.

Among the stakeholders, Businesseurope calls for clear numerical targets, new ways of fostering a benchmarking culture at the national level and a more robust monitoring process by the Commission without yet detailing these propositions. The JEF, among others, stresses that accountability needs both incentives and penalties for non-compliance in order the strategy to be effective. Moreover, the role of the EU Parliament should also be enhanced, believes the CEMR.

### **Articulating local, regional, national and European levels**

As a reaction to the Lisbon strategy, considered to be too focused on a macro-level approach, the new EU 2020 strategy is required to be more local than proposed by the Commission, which even in its synthesis does not seem to recognize this criticism. Indeed, one of the largest group of contributions came from regional and local authorities which submitted around 120 contributions from some two thirds of the member states, according to the Commission.

Luc Van den Brande, the out-going president of the Committee of Regions, said “*The success of the new strategy depends on its capacity to enhance a real responsibility to the regions while keeping the structural funds at their current level.*” (Euractiv, 12.2.2010) Highlighting the importance of several levels of governance, he said the strategy could not work unless the

regions should no longer be considered as outsourcing or intermediaries, but fully integrated to the preparation and implementation of this strategy. Calling the after-Lisbon to be “more local”, the strategy does not seem to reflect these concerns.

One of the fiercest critics is the CEMR. Stressing the role of local and regional authorities for achieving the objectives of the strategy, the organization is concerned that “the entire document does not have any reference to local authorities, the level closes to the citizens and where the different policies are delivered on the ground.” The organization further highlights that the strategy fully lacks any territorial references. A “place-based approach” would allow a better flexibility to achieve both European and local objectives.

Indeed, the CEMR highlights its possible contribution in fighting climate change, not enough included to the strategy. Indeed, as local transport is often in their purview, and as the White paper on the future of transport policy, “which will cover the same timeframe and share the same objective of sustainability”, the new EU 2020 strategy should more clearly make the case.

### **Financial needs**

The issue of financial needs is mentioned in several contributions, but at a time of budgetary restraints it is difficult to go beyond words, and many statements remind each other. Before the new budget is put in place, it is hard to go beyond words and to call for these priorities to reflect in the financial instruments. The S&D calls for a stronger link between the multi-annual financial framework and the Europe 2020 strategy. It also suggests using the European Investment Bank, European Bank for Reconstruction and Development, Public-Private Partnerships as well as eurobonds and green taxes to finance the new strategy. ALDE has called for the EU budget be better aligned with EU 2020 priorities. The JEF proposes that part of the agriculture budget could be reallocated to research.

### **Fully exploit the single market**

The single market provides the size and scale necessary to achieve these objectives; it is a central tool in many of the contributions. Its potential is not fully used, the Commission believes. Empowering people also means that the market must work for the people and citizens must be able to fully exploit the market. Emergence of the internet, and through it of new services (e-health) have huge potential, and should be one of the priorities.

Many different perspectives are highlighted in the contributions. BEUC (consumer organization) supports the proposed Europe 2020 objectives, whilst advocating a stronger focus on social inclusion and consumer rights. In its view, the single market should be deepened and consumer protection made a cross-cutting priority in the new strategy.

## **Conclusion**

The EU2020 strategy is built on the failed Lisbon agenda. In order for it not to become yet another EU strategy, it should be better articulated with other long-term papers (Innovation strategy, expected to be public by the summer 2010), maybe even becoming an over-arching initiative. One of the ideas, promoted by the Socialists and Democrats, is to merge the Lisbon strategy, the Sustainable Development Strategy and the Stability and Growth Pact into a single strategy giving it more coherence.

What is the over-arching philosophy of this strategy? The conceptual basis seems to be quite weak. In both practical and theoretical terms, the EU 2020 strategy does not have any clearly defined set of values or measures how it could be implemented.

One of the issues raised in several contributions is the perspective of the strategy. While it is making the case in the backlash of the world financial and economic crisis, and especially the “exit strategy”, one of the critics made by the Socialforum was that this should be a visionary strategy looking a decade ahead, hopefully even the shadow of the crisis is already behind us. However, BusinessEurope claims that “what is missing in the vision set out by the Commission in its EU 2020 strategy paper is a sense of urgency”. What is the exact time-frame of the EU 2020 strategy?

While Europe is entering an age of “deep transformation”, the language used in the EU Commission’s document is optimistic and forward-looking. Yet, as we have seen, one might ask how well this consensual and ‘broadly agreeing’ stakeholders does reflect reality. The debate on the strategy is far from being over.