



THE STATE OF THE UNION: 10-12 May 2018, Florence.

SOLIDARITY IN EUROPE - #SoU2018

The State of the Union conference, organised by the European University Institute, is an annual event for high-level reflection on the European Union. Now in its 8th year, The State of the Union has become a reference point for European policy-makers, civil society representatives, business and opinion leaders, and academics. Presidents of the European Institutions have taken part in the event over the years, alongside leaders of EU member states and beyond.

The 2018 edition will have a special emphasis on **Solidarity in Europe**, an overarching theme relevant to European economic, monetary and fiscal policies, social investment, strategies of EU defence and security, migration, climate change and energy programmes.

On **10 May**, the conference will take place at the Badia Fiesolana, the EUI's main building. Participating speakers will discuss how 'solidarity' informs specific policy areas. The interventions will take place across several parallel sessions, each chaired by a member of the EUI with relevant scientific expertise. On **11 May**, participants will reconvene in the historic surroundings of Palazzo Vecchio, the seat of Florence's city council. Representatives of the EU and national institutions will contribute their views on the conference's theme. The event will conclude on **12 May**, with a public Open Day of cultural activities at the Historical Archives of the European Union at Villa Salviati.

Topics of the 8th edition:

- Economic, monetary and fiscal policies
- Social investment
- European defence and security
- Migration
- Climate change and energy

The 2018 State of the Union will take place in Florence:

Thursday, 10 May
Friday, 11 May
Conference at the Badia Fiesolana
Conference at Palazzo Vecchio
Open Day at Villa Salviati

The **Scientific Committee** for The State of the Union 2018 is composed of:

- Renaud Dehousse, President, EUI
- Andrew Geddes, Director, Migration Policy Centre, EUI
- **Jean-Michel Glachant**, Director, Florence School of Regulation, and Director, Loyola de Palacio Energy Policy Programme, EUI
- Vincenzo Grassi, Secretary-General, EUI
- Anton Hemerijck, Professor, Political and Social Sciences Department, EUI
- Marco Incerti, Director, Communications Service, EUI
- Miguel Maduro, Director, School of Transnational Governance, EUI
- Ramon Marimon, Professor, Economics Department, and Pierre Werner Chair, EUI
- Joanne Scott, Professor, Law Department, EUI
- Corinna Unger, Professor, History and Civilization Department, EUI



Thursday 10 May 2018: BADIA FIESOLANA

The event will take place in English.

8.00 - 9.30 Registration and welcome coffee

9.30 - 10.00 Plenary Session

Welcome by Renaud Dehousse, President of the EUI

Opening Address by **Sergio Mattarella**, President of the Italian Republic "Solidarity in Europe"

This address will be delivered in Italian, with translation into English

10.00 – 11.30 Parallel Session I

Reassessing the Fiscal and Monetary Framework of EMU in 2018

In 2012, in the middle of the euro crisis, the *Four Presidents' Report* outlined a roadmap for the development of the EMU. Since then, Europe has changed. The leading role of the European Central Bank, the creation of the European Stability Mechanism, the development of the European Banking Union, and the *2015 Five Presidents' Report* calling for a further development of the Financial Union and the Fiscal Union, can all be seen as signs of Europe's capacity to follow a roadmap and grow out of its crises. Yet, the scars of the euro crisis in 'peripheral countries', the migration crisis and Brexit have called this roadmap into question, as the European Commission reflected in its *2017 White Paper on the future of Europe*. In this session, members of the Steering and Advisory Committees of the three-year, eight-partner Horizon 2020 <u>ADEMU Project</u> will present their findings on the sustainability of the EMU, resilience to economic shocks and the interdependence of the euro area.

Chair: Claire Kilpatrick, Professor of International European and Social Law, EUI

Speakers:

Thomas Beukers, Senior Legal Advisor, Ministry of Foreign Affairs, The Netherlands

Thomas Cooley, Paganelli-Bull Professor of Economics, NYU Stern and Professor of Economics, NYU

Giancarlo Corsetti, Professor of Macroeconomics, University of Cambridge **Ramon Marimon**, Professor of Economics and Pierre Werner Chair, EUI

0&A

10.00 – 11.30 Parallel Session II

Platforms and Communities: New Forms of Markets and Solidarity Emerging in the EU Energy World

A new wave of energy platforms and communities are challenging the ideals and practice of European solidarity. Solidarity is a by-product of functioning markets, which naturally make citizens mutually interdependent. It is also a by-product of social rules or norms, the preferences citizens make about how they live, which in turn shape how markets function. However, these processes could change with the emergence of new platforms and energy communities, having both new rules and addressing new people, in the European energy world. This panel will ask how the European energy world should respond and what the changes mean for what the current European "XX-large" legislative package proposes.

Chair: **Enrico Letta**, President, Jacques Delors Institute and former Prime Minister of Italy

Speakers:

Simona Bonafè, Member of the European Parliament, Committee on the Environment, Public Health and Food Safety

Laurent Schmitt, Secretary-General, European Network of Transmission System Operators – Electricity (ENTSO-E), Brussels

Frauke Thies, Executive Director, Smart Energy Europe, Brussels **Nicola Pochettino**, Head of Division, Electricity Networks, European Investment Bank

Q&A

11.45 – 13.15 Parallel Session III

Social Investment in the Balance

A quiet social investment (r)evolution is underway. Over the past two decades, national and EU policy makers, think-tanks, and economic and social scientists have articulated a 'social investment' welfare state edifice for the 21st century. In 2013, the European Commission published its most assertive endorsement, the *Social Investment Package for Growth and Social Cohesion*. More recently at the Social Summit in Gothenborg in November 2017, the heads of state introduced the *European Pillar of Social Rights*, setting key principles for resilient and fair welfare states and labour markets, many of which are related to social investments in early childhood, activation support, gender equality and work-life balance provision. Meanwhile, a growing number of EU member states have pursued social investment reforms with good outcomes on growth, employment and equity. For the panel, we take stock of the emergence, functional merits and political pitfalls of social investment reform, including its relevance for 21st century E(M)U integration.

Chair: Anton Hemerijck, Professor of Political Science and Sociology, EUI

Speakers:

László Andor, Former European Commissioner for Employment, Social Affairs and Inclusion and Senior Fellow, Hertie School of Governance

Maurizio Ferrera, Professor of Political Science, University of Milan **Silja Hausermann**, Professor of Political Science, University of Zurich

Maria João Rodrigues, Member of the European Parliament and former Portuguese Minister of Employment

Frank Vandenbroucke, Professor, University of Amsterdam

Q&A

11.45 – 13.15 Parallel Session IV

Solidarity in Development? Historical Experiences and Present Concerns with Economic Stability and Political Security across Borders

Historically, various interventions to tackle poverty and 'underdevelopment' have been motivated as much by concern about the social and political effects of inequality as by the existence of inequality itself. Over the course of the twentieth century, development aid became the most popular instrument intended to prevent possible radical social and political responses to 'underdevelopment'. Whether inspired by notions of transnational solidarity or by political, ideological, or strategic motivations,

European and international development assistance has generally pursued two goals. First, increasing economic productivity. Second, establishing the administrative structures considered necessary for a stable social and political order along the norms embraced by the providers of technology, expertise, and financial resources. Today, the European Union's development efforts abroad are increasingly tied to security concerns. This panel will consider the historical experiences of development cooperation within Europe and globally and will explore how various interests – from solidarity to humanitarianism to strategic concerns – affect the formulation, implementation, and the effects of development assistance programs.

Chair: Corinna Unger, Professor of Global and Colonial History, EUI

Speakers:

Patricia Clavin, Professor of International History, University of Oxford **Michaël Neuman,** Director of Studies, Centre de Réflexion sur l'Action et les Savoirs Humanitaires (CRASH), Médecins sans Frontières, Paris **Heiko Nitzschke,** Research Commissioner, Policy Planning Unit, German Foreign Office

Davide Rodogno, Professor of International History, Graduate Institute, Geneva

Q&A

13.15 – 14.15 Lunch Break – Lower Loggia

14.30 – 15.00 Plenary Session

Address by Michael D. Higgins, President of Ireland

15.00 – 16.30 Parallel Session V

Climate Change Solidarity within the EU

In response to climate change, the European Union initiated two ambitious policies: an emission trading scheme, and an energy transition which combines a push for renewables and energy efficiency. The Lisbon Treaty explicitly calls for solidarity, and a number of 'burden sharing' agreements have indeed been made in the EU Emissions Trading System and, for renewables and energy efficiency goals, in the "20-20-20 in 2020" policies. Yet to what extent do the Lisbon Treaty commitments to solidarity underpin these policies? This panel will examine the relevance of solidarity in European climate change commitments and will ask, in the world beyond 2020 and shaped by the Paris Agreement for the governance of the Energy Union, what will solidarity become?

Chair: **Leigh Hancher**, Professor of European Law, University of Tilburg and Director, Energy Law & Policy Area, Florence School of Regulation, EUI

Speakers:

Jos Delbeke, Senior Adviser, European Political Strategy Centre **Teresa Ribera**, Director, Institute for Sustainable Development and International Relations, Paris

Monica Scatasta, Head of Environment, Climate and Social Policy, European Investment Bank

Claude Turmes, Member of the European Parliament, Committee on Industry, Research and Energy

Q&A

15.00 – 16.30 Parallel Session VI

Cities and Asylum Seeker Integration: Innovative Practices and (Trans)national Approaches

The aim of this panel is to illustrate innovative practices for asylum seekers' reception and integration. The panel focuses on programmes that take an unconventional approach to facilitate the transition of asylum seekers from first and secondary reception to integration by means of recognition of a certain level of autonomy to them. Some of the speakers are personally in charge of the design of integration programmes in public institutions at different levels, from local to the European level. Their experiences will provide a unique insight into the everyday dynamics of European multilevel governance in the area of asylum seekers' integration. In particular, the speakers will examine the role of city networks, both national and transnational, in supporting asylum seekers' reception and integration at the local level. City-networks contribute to the development of technical know-how and to the exchange of good practices. The role of such national and European networks is particularly important for small and medium size towns, which may not be able to compete for national or European level funding for implementing integration programmes.

Chair: **Jasper Chalcraft**, Jean Monnet Fellow, Robert Schuman Centre for Advanced Studies, EUI

Speakers:

Brando Benifei, Member of the European Parliament, Committee on Employment and Social Affairs

Matteo Biffoni, Mayor of Prato and Migration Delegate at the National Association of Italian Municipalities (ANCI)

Michael O'Flaherty, Director, European Union Agency for Fundamental Rights Virginia Passalacqua, PhD Researcher, EUI Refugee Initiative, EUI

0&A

16.45 – 18.15 Parallel Session VII

Limits of Solidarity? Narratives and Attitudes towards Migration

Migration in its many forms is and will remain salient in social and political debate in Europe. It is important to know more about the formation and drivers of attitudes to migration and their relation to public debate. This session will draw from state of the art evidence and practical experience to assess not only the structure of attitudes but also to think through the implications of these attitudes for public debates about migration. By thinking about both the aggregate, country-level and the individual level, the session will facilitate greater awareness not only of how attitudes are shaped but also key elements of variation within and between EU member states. The session will also consider how better understanding of attitudes can translate into more effective messaging on migration.

Chair: Andrew Geddes, Director, Migration Policy Centre, EUI

Speakers:

Muna Duzdar, Member of the National Council, Austria Chiara Ferrari, Group Director International, IPSOS Italy, Rome Lia Quartapelle, Member of the Italian Chamber of Deputies György Schöpflin, Member of the European Parliament, Committee on Constitutional Affairs **Astrid Ziebarth**, Senior Migration Fellow, Europe Program, German Marshall Fund of the United States, Washington D.C

Q&A

16.45 – 18.15 Parallel Session VIII

European Union Foreign, Security, and Defence Policies: Solidarity or Separation?

Today the EU faces the most complicated and uncertain security environment it has seen in decades: a newly assertive Russia looms to the east, an arc of instability extends across the EU's periphery from North Africa to the Middle East, and the United States seems to be retreating from its global leadership role, including in the defence of Europe. This session reviews how the EU has responded to this complex set of challenges, both at the national and the regional level. It examines to what extent the principle of solidarity has influenced EU foreign and security policy, and whether the current security environment has led to more solidarity or produced greater division among EU member states. The session also evaluates the prospects for building more effective foreign policy and defence instruments and capabilities, especially in the wake of the recent French and German national elections.

Chair: Ulrich Krotz, Professor of International Relations, EUI

Speakers:

Federica Bicchi, Associate Professor of International Relations, London School of Economics and Part-Time Professor, EUI

Ivan Krastev, Chairman, Centre for Liberal Strategies, Sofia and Permanent Fellow, Institute for Human Sciences, Vienna

Michael E. Smith, Chair in International Relations, University of Aberdeen Nathalie Tocci, Director, Istituto Affari Internazionali, Rome

Q&A

18.30 – 19.00 Plenary Session

A conversation between **Marcelo Rebelo de Sousa**, President of the Portuguese Republic and **Tony Barber**, Europe Editor, Financial Times

19.00 – 22.00 Tuscan Buffet – Lower Loggia and Library Garden

A shuttle service will be available from 19.00 – 23.00 to transport conference participants between Badia Fiesolana Parking and Piazza Santa Maria Novella.

Friday 11 May 2018: PALAZZO VECCHIO

Simultaneous translation into English and Italian will be available.

7.30 - 9.00 Registration and welcome coffee

09.00 - 09.15 Welcome

Dario Nardella, Mayor, Municipality of Florence Enrico Rossi, President, Tuscany Region Leonardo Bassilichi, President, Chamber of Commerce, Florence Androulla Vassilliou, President, EUI High Council Renaud Dehousse, President, EUI

09.15 – 09.45 Keynote Speech by **Antonio Tajani**, President, European Parliament

09.45 – 10.15 Keynote Speech by **Jean Claude Juncker**, President, European Commission

10.15 – 11.00 Morning Session I

Climate Change and Energy Transition: is our 'Energy Union' Challenged by New Needs of Burden-sharing Solidarity?

The EU is committed to achieving significant decarbonisation of its economy by 2050. Hard choices need to be made about how much individual Member States and sectors should be required to contribute to the attainment of this. These issues come to the fore both in relation to the EU's pioneering emissions trading scheme and in respect of its effort-sharing decision. This panel will examine the nature of the EU's mitigation ambitions and the ways in which the 'burden' (or opportunities) are and should be distributed between Member States and sectors.

Chair: **Jean-Michel Glachant**, Director, Florence School of Regulation, and Director of Loyola de Palacio Energy Policy Programme, EUI

Address by Maroš Šefčovič, Vice President, European Commission in charge of Energy Union, followed by a conversation with Catia Bastioli, Chairwoman, Terna and Laurence Tubiana, CEO, European Climate Foundation, Paris and moderated by Pilita Clark, Associate Editor and Business Columnist, Financial Times

Q&A

11.00 – 11.30 The State of the Union Address - Welfare State Futures: What Role for Solidarity? Ellen M. Immergut, Professor of Political Sciences, EUI

11.30 – 12.00 Address by **Prokopios Pavlopoulos**, President of the Hellenic Republic

12.00 – 13.15 Morning Session II

Solidarity and the EU Budget

The EU budget is funded by member state contributions and EU own resources, supporting EU policies and national projects across the European Union. Many competing demands, not least those of migration, security, innovation and growth, as well as challenges in the Brexit and Euro area, will impact on the next multi-annual financial perspectives. The EU budget goes to the heart of solidarity within the EU by raising difficult questions about the origin of those resources and how to spend them. This session will review how the principle of solidarity has, in the past, related to the nature and scope of EU budget and resources. The

panel will also discuss the impact of proposals on the creation of a Euro budget, and reform of EU budget own resources and EU structural funds.

Chair: Miguel Maduro, Director, School of Transnational Governance, EUI

Speakers:

Corina Crețu, European Commissioner for Regional Policy, European Commission Nathalie Loiseau, French Minister for European Affairs (tbc)

Karl-Heinz Lambertz, President of the European Committee of the Regions **Brigid Laffan**, Director and Professor, Robert Schuman Centre for Advanced Studies, EUI

Mario Monti, President, Bocconi University and former Prime Minister of Italy

Q&A

13.15 – 14.30 Lunch Break – Sala d'Arme

14.45 – 15.15 EU Defence and Security Policies

Address by **Federica Mogherini**, High Representative of the European Union for Foreign Affairs and Security Policy and Vice-President of the European Commission

15.15 – 15.45 Introduction by **Ramon Marimon**, Professor, Economics Department and Pierre Werner Chair, EUI

Address by Mario Draghi, President, European Central Bank

15.45 - 17.00 Afternoon Session I

It's Time to Get the House in Order! How to Strengthen the Current EMU?

In the aftermath of the euro crisis there has been a call for strengthening the capacity of Economic and Monetary Union (EMU) to share risks, prevent and resolve crises, reduce the burden of debts, and strengthen its fiscal dimension. In December 2017, the European Commission proposed transforming the European Stability Mechanism (ESM) into a European Monetary Fund, as well as creating a European Minister of Economy and Finance. At a moment of resurging support for the European Union, when the economic and political conditions for reforming EMU also appear favourable, which reforms should have priority? How, if at all, should ESM be transformed or an EMU fiscal authority created? What is necessary and what can be discarded in the house of EMU?

Moderator: Martin Sandbu, Economics Commentator, Financial Times

Speakers:

Marco Buti, Director-General for Economic and Financial Affairs, European Commission

Lars Peter Feld, Director, Walter Eucken Institut, Professor of Economic Policy, University of Freiburg

Jean Pisani-Ferry, Tommaso Padoa-Schioppa Chair, EUI Lucrezia Reichlin, Professor of Economics, London Business School Rolf Strauch, Chief Economist, European Stability Mechanism Poul Thomsen, Director, European Department, International Monetary Fund

Q&A

17.00 – 17.30 Closing Address – Prime Minister of Italy (tbc)

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