

Open letter to Herman Van Rompuy - II

René Smits

donderdag 27 december 2012, 14:47



René Smits

Perhaps the holiday season gives you the space to reflect on these ideas. And to recuperate ahead of 2013.

Dear Mr. Van Rompuy,

Gathered to fix problems in a cold capital

leaders have trouble finding unity

- pathway towards genuine [compassion](#).

Congratulations on your efforts

You deserve to be congratulated on your efforts at steering the EU, together with other leaders, through turbulent times and arriving safely, although not unscathed, at the end of 2012. Nevertheless, the title [Person of the Year](#) goes to ECB President [Mario Draghi](#). He understood citizens and markets when he [said](#), halfway 2012, that the ECB stands ready to do “whatever it takes” within its mandate to preserve the euro. I wish you every success in 2013 in strengthening the economic, political and legal underpinnings of the single currency. Frankly, I even have a bit of advice. That’s why I venture to write [another open letter](#) to you.

Essential elements in genuine EMU

First, the process of building Economic and Monetary Union (EMU) is not yet finished. As you yourself acknowledge by using the term “[genuine EMU](#)” in your plans of [June](#), [October](#) and [December](#) 2012, there is much work to do. Completing “banking union” with a truly

European resolution authority, introducing EU-wide, or Euro Area-wide deposit insurance, furthering economic policy-making at EU and Euro Area level, and progress towards some kind of mutualisation of public debt and a common budget to help absorb cyclical shocks in the monetary union. Here's my first piece of advice: don't give in to ever prudent Angela Merkel but stick to your vision. Follow Mario Draghi to the German parliament and try and convince the people in Europe's largest economy that joint debt issuance and a federal budget should accompany the single currency that has brought so many benefits to Germany.

Connecting with the people

Second, please, don't forget the people on the ground. Your elevated position may hinder a clear view on what is happening in families, at workplaces and in health centres across Europe. Why don't you visit a Portuguese family struggling to make ends meet when they lose a heavy chunk of income as their public salary, 13 month or Christmas bonus is taken away? Why don't you go and see with your own eyes the misery at a soup kitchen, a hospital without sufficient medicines or a refugee shelter in Greece? And, do bring your fellow President, Manuel Barroso, with you. The Commission President may translate from Portuguese and allow his heart to be touched when confronted with these consequences of steep austerity. And do report back, in personal terms, to your colleagues on what you have seen. It is time European Council meetings are infused with some reality on the ground instead of hollow phrases at the end. When will the people in the 'periphery' see the benefits of spending promised in June 2012, [when you announced](#) "We will boost the financing of the economy by mobilising around 120 billion euro for immediate growth measures"?

It's the culture, as well

Third, don't forget the cultural ingredient in the solution to Europe's travails. The lack of unity felt among its citizens is due to a variety of causes, some of which you have no way to influence. But there are issues for which you and fellow leaders are responsible. A truly working labour market, with mobility unhampered by lack of pension portability and with transparent, bureaucracy-free access to jobs across the continent, should be top of your list. Encouraging a common media space and language learning should come second. Don't tell us culture is no business for the Council: only a few weeks ago, it issued a [resolution on cultural governance](#). Speaking about culture: your own gift is that of a poet who writes haikus, probably far better than the one I opened with.

Applying troika procedure in other fields

Finally, why don't you propose your fellow leaders to adopt the troika procedure to other areas of EU policy enforcement? How about a Finnish-Greek-Italian team to descend on the Dutch to see how they deal with fellow EU citizens who make use of their rights as workers or students to come to the Netherlands? Or a French-Estonian-Irish team to look at how Germany respects EU environmental law? Of course, always accompanied by the Commission and perhaps by representatives from global organisations in the relevant area. This might seem incursive but that's exactly what the EU/IMF programmes for Ireland, Portugal and Greece are: far-reaching prescriptions, applied for very good reasons and effective, but: incursive. Applying the troika method to other areas and across the board instead of just for economic policies, would give southern citizens a feeling of fairness instead of being singled out as the 'sick men' of Europe. And it might enhance compliance with EU

law, also because such visits make for dialogue with European partners and a rising of consciousness on other elements of European cooperation.

Happy New Year!

Perhaps the holiday season gives you the space to reflect on these ideas. And to recuperate ahead of 2013. I wish you Happy New Year! A year in which I intend to follow the path you pursue with critical interest. A path on which I wish light will shine for you and your fellow leaders of Europe.

27 December 2012

René Smits

Professor of the Law of Economic and Monetary Union, University of Amsterdam

Source: <http://fd.nl/beurs/columns/rene-smits/227614-1212/open-letter-to-herman-van-rompuy---ii>