

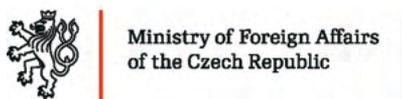


Prague European Summit Summary
6 – 8 June 2016

Organizers



Partners



Office of the Government of the Czech Republic



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"Thanks to the organizers Prague has become the epicentre of the strategic reflection on Europe."



Lubomír Zaorálek
Minister of Foreign Affairs of the Czech Republic

*“Why better together?
The longer and political
answer is that global
and European challenges
cannot be solved by
national solution.
But there is also a shorter
and more personal
answer – because it is
who we are!”*

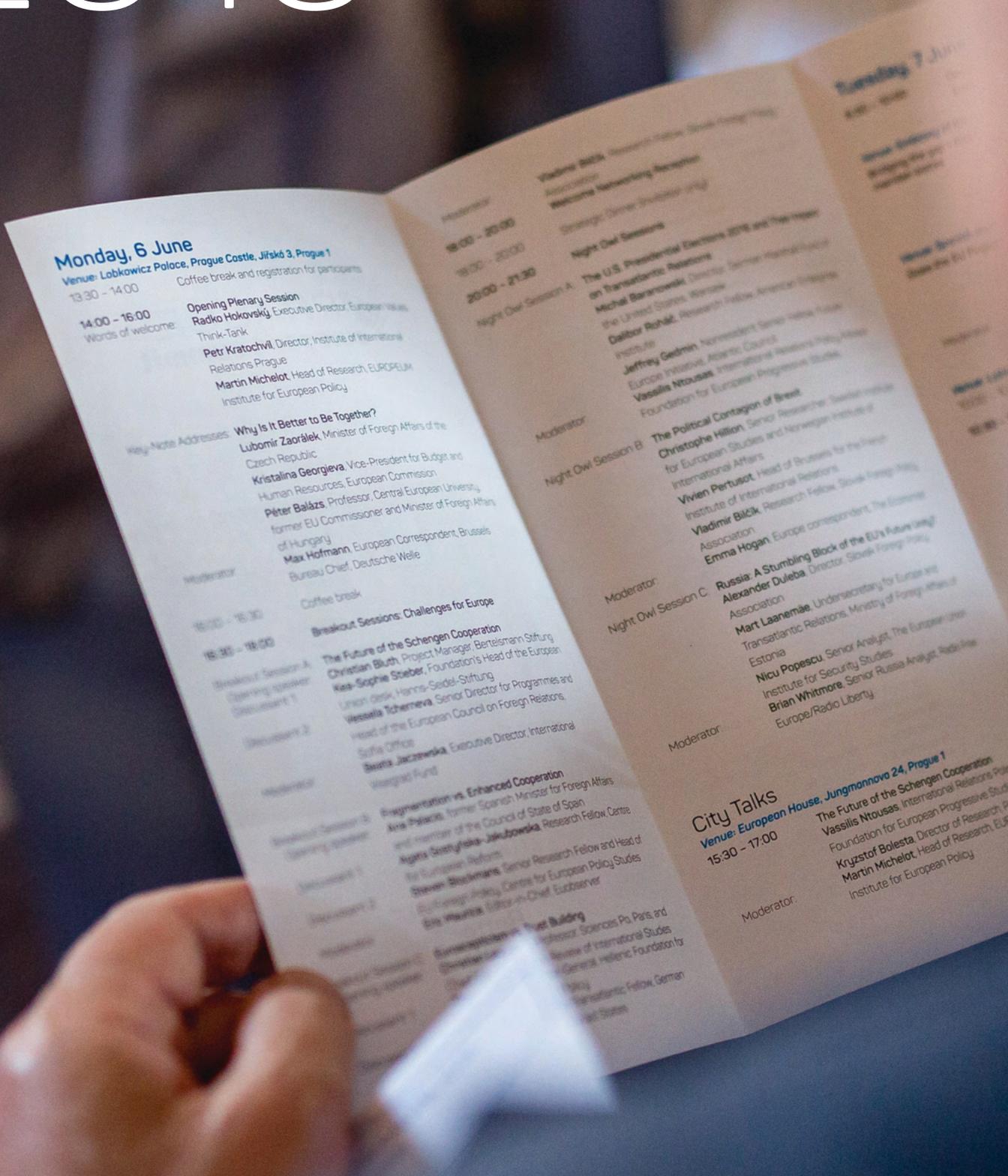


Lubomír Zaorálek
Minister of Foreign Affairs of the Czech Republic

Summary

Prague European Summit

2016



Monday, 6 June

Venue: Lobkowicz Palace, Prague Castle, Jiřské 3, Prague 1
13:30 - 14:00

14:00 - 16:00
Words of welcome:

Coffee break and registration for participants
Opening Plenary Session
Radko Holkovský, Executive Director, European Values Think-Tank
Petr Kratochvíl, Director, Institute of International Relations Prague
Martin Michelot, Head of Research, EUROPEUM Institute for European Policy

Key-Note Addresses: **Why Is It Better to Be Together?**
Lubomír Zaorálek, Minister of Foreign Affairs of the Czech Republic
Kristalina Georgieva, Vice-President for Budget and Human Resources, European Commission
Péter Balázs, Professor, Central European University, former EU Commissioner and Minister of Foreign Affairs of Hungary
Max Hofmann, European Correspondent, Brussels Bureau Chief, Deutsche Welle

Moderator:

16:00 - 16:30
Coffee break

16:30 - 18:00

Breakout Sessions: Challenges for Europe

Moderator Session A
Opening Speaker
Discussion 1

The Future of the Schengen Cooperation
Christian Bluth, Project Manager, Bertelsmann Stiftung
Kriszta-Sophie Steiber, Foundation's Head of the European Union desk, Hanns-Seidel-Stiftung
Vessela Tchervenka, Senior Director for Programmes and Head of the European Council on Foreign Relations, Sofia Office
Beata Jacewska, Executive Director, International Visegrad Fund

Moderator:

Moderator Session B
Opening Speaker

Fragmentation vs. Enhanced Cooperation
Ana Palacio, former Spanish Minister for Foreign Affairs and member of the Council of State of Spain
Agata Gozdyńska-Jakubowska, Research Fellow, Centre for European Reform
Stavros Stavroulakis, Senior Research Fellow and Head of EU Foreign Policy Centre for European Policy Studies
Elio Invernizzi, Editor-in-Chief, Euzbaiser

Moderator:

Moderator Session C
Opening Speaker

European Values Think Building
Professor, Sciences Po, Paris, and Director of the Centre for European Studies, Harvard University
General, Hellenic Foundation for Strategy and European Foreign Policy, Athens
Transatlantic Fellow, German Marshall Fund of the United States

Moderator:

Moderator:

18:00 - 20:00

19:00 - 20:00

20:00 - 21:30
Night Owl Session A

Vladimir Balak, Research Fellow, Slovak Foreign Policy Institute
Association
Welcome Networking Reception
Strategic Dinner (invitation only)
Night Owl Sessions
The U.S. Presidential Elections 2016 and the Impact on Transatlantic Relations
Michel Baranowski, Director, German Marshall Fund of the United States, Warsaw
Dailbor Rohat, Research Fellow, American Enterprise Institute
Jeffrey Gedmin, Nonresident Senior Fellow, Brookings Europe Initiative, Atlantic Council
Vassilis Ntousas, International Relations Policy Fellow, Foundation for European Progressive Studies

Moderator:

Night Owl Session B

The Political Contagion of Brexit
Christophe Hillion, Senior Researcher, Swedish Institute for European Studies and Norwegian Institute of International Affairs
Vivien Pertusot, Head of Brussels for the French Institute of International Relations
Vladimir Blážík, Research Fellow, Slovak Foreign Policy Institute
Emma Hogan, Europe correspondent, The Economist Association

Moderator:

Night Owl Session C

Russia: A Stumbling Block of the EU's Future (cont.)
Alexander Duleba, Director, Slovak Foreign Policy Institute
Mart Laanemäe, Undersecretary for External and Transatlantic Relations, Ministry of Foreign Affairs, Estonia
Nicu Popescu, Senior Analyst, The European Council Institute for Security Studies
Brian Whitmore, Senior Russia Analyst, Radio Free Europe/Radio Liberty

Moderator:

City Talks

Venue: European House, Jungmannova 24, Prague 1
15:30 - 17:00

Moderator:

The Future of the Schengen Cooperation
Vassilis Ntousas, International Relations Policy Fellow, Foundation for European Progressive Studies
Krzysztof Bolesta, Director of Research, EUROPEUM Institute for European Policy

Tuesday, 7 June

18:00 - 19:00
Welcome Reception
19:00 - 20:00
Dinner and Entertainment



DAY I

Opening Plenary Session

The opening speech of the Prague European Summit 2016 was, as it has become a tradition, delivered by directors of the three organizing institutions: Petr Kratochvíl representing the Institute of International Relations, Radko Hokovský in the name of the European Values think-tank and Martin Michelot representing EUROPEUM Institute for European Policy. The speakers welcomed all the participants and highlighted the importance of the Summit in times when the multifaceted crises drift us apart. Hence, the main aim of the Summit was to discover the answer to the fundamental question – “Better together?” At the same time, they expressed a belief that the first fully-fledged summit after the pilot conference last year would bring Prague to the intellectual forefront of the debate about the future of the European Union. Max Hoffmann (European Correspondent at Deutsche Welle) in the role of moderator of the Opening Plenary Session highlighted the importance of the Summit due to its accurate timing as the

EU is facing unforeseen challenges (such as Brexit, migration crisis, populism and the rising support of extremist political parties).

The first key-note speech was delivered by the Minister of Foreign Affairs of the Czech Republic, Lubomír Zaorálek. The overall message of his speech emphasized the fact that despite facing numerous crises, being together still makes Europe stronger. “Pooling our sovereignty makes us stronger”, in words of the Minister, and neither unilateral nor bilateral but only collective European solutions can help us solve these crises. However, the British referendum on the EU membership weakens these efforts. “If Britain decided to leave it would be a very sad moment and the EU would not be the same as before,” he stated. The Minister pointed out that crises caused a widening of the West-East gap and an increase of support for far-right political parties, which both endanger European unity. Nevertheless, he provided a clear answer to the question of why we are better off together: simply because it constitutes who we are.



Kristalina Georgieva, European Commission Vice-President for Budget and Human Resources, focused on the speed of change in global terms and on the achieved progress. She, nevertheless, expressed awareness of the negative results of globalization, mainly in the increased sensitivity to shocks caused by economic fluctuations and new threats like violent extremism and conflicts that tend to damage the way of European living and challenge the European institutions. Therefore, such shocks and threats need to be understood and learnt to be dealt with. Ms Georgieva urged to remain united, because if broken apart, we would not remain the world's strongest economy and would not enhance the security of Europe. "We need to remember that we can be an old continent but we are a young Union, hence, we have to learn to live with both ups and downs", she stated.



Professor Péter Balász from the Central European University, former EU Commissioner and Minister of Foreign Affairs of Hungary focused on the identity aspect of the whole debate. According to Mr Balász we are witnessing the re-emergence of nationalism within the European Union. Simultaneously, he emphasized that the times of permissive consensus were obsolete and what was accepted in Brussels was afterwards not automatically accepted in the member states. In this regard he stated that "the EU is part of an old system and behaves as a good old styled institution, hence, let's refresh the engine, let's make a general revision to maintain this project in a way to benefit the countries."

Breakout Session A:

The Future of the Schengen Cooperation

The Breakout Session A was kicked off by the opening speech of Christian Bluth (Project Manager at Bertelsmann Stiftung). As he was the only economist in the discussion, he opened the discussion by explaining the economic importance of Schengen. Mr Bluth also stressed that Schengen "is not merely a symbol, it's a functioning body" within EU structures. He furthermore elaborated on the possible costs associated with the reintroduction of border security as well as the everyday economic benefits the Schengen initiative brings to the people. He concluded his opening statement with Schengen being one of the most popular policies, which was simply forced to unveil its flaws due to the migration crisis.

The session then continued with an interaction between Mr Bluth, Ms Kea-Sophie Stieber (Foundation's Head of the European Union desk at Hanns-Seidel-Stiftung) and the moderator Ms Beata Jaczewska (Executive Director of the Visegrad Fund) on both political and economic levels. The main focus was on the importance of protecting external borders rather than imposing more restrictions on the borders within the EU. Mr Bluth stated that countries, especially the V4 members, would be particularly badly affected by border control, as it would lead to considerable loss of annual growth. Moreover, he further discussed the issue of the single market, which would not function properly with strict border controls. Ms Stieber then suggested managing external borders before focusing on the internal ones. Ms Jaczewska agreed with her fellow speakers by saying that "we need to remind ourselves that Schengen is the best EU idea ever". She nevertheless also pinpointed that the current crises could have been foreseen. The discussion also touched the problem of the Dublin Regulation system and the lack of trust and solidarity within the Union.



All three participants agreed that the Schengen was indeed very important for the future development of the EU and stressed the importance of a deepening cooperation within this field. The discussants also mentioned the necessity of short-term investment that would turn into long-term benefit for all EU members. The participants concluded with enthusiastic remarks about believing in the EU and its abilities.

“We need to remember that we may be an old continent but we are a young Union, and as a young Union we have to be prepared for ups and downs on a road ahead.”



Kristalina Georgieva
*European Commission Vice-President
for Budget and Human Resources*

Breakout Session B: Fragmentation vs. Enhanced Cooperation

The first speaker of the Breakout Session B, Ana Palacio (Member of the Council of State of Spain), set out to clarify some of the myths surrounding the perception of the EU today – that the internal market is complete, that a closer union is a policy goal rather than a path to a peaceful Europe and that a diversity of opinions directly translates into disintegration. She believes that the taciturn Europe-wide agreement on integration which was present in the past was replaced by a wider array of opinions and that these divisions need to be addressed.



According to the second speaker, Agata Gostyńska-Jakubowska (Research Fellow at the Centre for European Reform), we should think of more than one path for integration. She introduced the idea of differentiated integration and flexible approach to member states, which is more attentive to their individual needs. In the case of Brexit, the greatest danger would be a possible domino effect – we would see a rise of Euroscepticism, with other countries also considering leaving. Furthermore, EU Treaties might be opened for re-negotiation, which would be a dangerous step.

Steven Blockmans (Head of EU Foreign Policy at the Centre for European Policy Studies) observed that the flexible approach to member states suggested by Ms Gostyńska-Jakubowska might be hard to get guaranteed institution-wise, as it could make the system too complex to understand and to gain legitimacy among ordinary citizens. The so-called populist parties cannot be excluded from the debate, because such approach only reinforces the divides. All speakers ultimately agreed that in order to prevent the fragmentation of the EU, mutual cooperation needed a fitting narrative for the 21st century, which could not be as simple as the promise to bring peace after World War II.

Breakout Session C: Euroscepticism vs. Trust Building

Breakout Session C touched upon various questions, among which the ways of combatting the increasing omnipresent eurosceptic movements across Europe, the ways of rebuilding

trust in the EU and whether we can make the EU strong again were the most prominent. Christian Lequesne, professor of European Politics at Sciences Po, stressed that euroscepticism was not a marginal problem and was being discussed in the member states on a daily basis. Although it is difficult to speak about a general theory of euroscepticism, Mr Lequesne came with five observations on euroscepticism. First of all, he underlined that euroscepticism is strongly related to national identity. Second, euroscepticism is a general phenomenon that can be perceived across the EU. Third, it has increased the use of referenda across the member states and divided both the member states and the political forces inside the European Union. Fourth, it is part of a more general movement of populism for which he employs a more appropriate notion of “anti-establishment” and “anti-globalization” movement. The fifth element is the negative impact of euroscepticism on the development of the EU project, especially in terms of legitimacy and solidarity.



Among the solutions to it, Mr Lequesne highlighted the importance of perceiving not only the costs but also the benefits of EU policies. According to Mr Lequesne this is “a huge responsibility for mainstream political parties which still believe in the future of Europe to re-engage themselves and have a new positive discourse on what Europe is”. Thanos Dokos, general director at the Hellenic Foundation for European & Foreign Policy reminded that the EU had been the most ambitious political project of our history, unique in its nature and effort to transform a continent into a community. He mentioned that if euroscepticism had not existed, it should have been invented: from his point of view, it is a useful tool. He accepted and recognized the importance of discussions, which remain necessary, but stressed that compromises between Eurosceptics and pro-Europeans were limited. Calling upon the creation of a common European identity with a particular accent on youth Europeans, he noted that “we often overestimate the achievements and underestimate the difficulties within the EU”.

Hans Kundnani, senior transatlantic fellow at The German Marshall Fund of the United States, defined euroscepticism as a heterogeneous concept and pointed out the difficulty to

categorize the different Eurosceptic political parties across Europe. In reaction to Mr Dokos, Mr Kundnani noted that the use of qualified majority could be potentially problematic in the context of the refugee crisis and the division between member states. He reminded that the role of Germany, as since the beginning of the EU, was crucial. Above all, he pointed out that some solutions to euroscepticism could potentially destroy the Union. Last but not least, from his point of view “we cannot deny national or at least geographical interests of the member states”.

DAY II

Discussion Breakfast at the German Embassy

Following the opening remarks of the German ambassador, professor Wolfgang Wessels (University of Cologne) discussed the idea that previous crises had generally strengthened European integration, with crises of a global character playing a larger role. Constitutional crises did not end up being so large in the end. But when EU crises were a result of external conditions, such as the economic crisis or migration crisis, they impacted the EU to a greater degree.



The speaker also touched upon the issue of security and immigration, observing that the developing security strategy in the EU will lead to a further debate on the national level. Populist parties, which gain popularity over these issues, offer no viable alternative according to professor Wessels, as they merely suggest that going a few steps will solve everything. Due to the refugee crisis, Germany suddenly became the country dependent on a help of others, and therefore this on-going crisis is changing long-established patterns in relations between the V4 countries and Germany. Amidst these crises, professor Wessels considers it important for us to remember that a defining advantage of the EU is that it is a union of law. At the same time, steps going against particular laws must be sometimes made to protect smaller countries, according to his opinion.

Discussion Breakfast at the Spanish Embassy

The discussion breakfast at the Spanish residence started with Ana Palacio and Michael Žantovský (Director of the Václav Havel Library & President of the Aspen Institute Prague) debating if the EU project has a future, with Martin Ehl (Chief International Editor at *Hospodářské noviny*) moderating the discussion.



Even though the speakers recognized the future of the EU project, they stressed several gaps in it. Ana Palacio noted a common responsibility in politics and remarked that “we need clarity, honesty and political will” to beat euroscepticism. Michael Žantovský does not consider the current situation as the bottom of the European integration and highlighted the need to keep on paddling. Both of the speakers agreed on the necessity of change in mainstream political parties: according to both Ms Palacio and Mr Žantovský these political parties should innovate their narratives and adapt to the current situation. Ana Palacio closed the discussion with a clear message: “We are better together”.

Business Panel:

A More Competitive Europe:

How to Enhance the Internal Market?

The Business Panel, as the topic suggests, brought a lively debate on competitiveness and related issues such as digitalization of the European economy. Ivan Hodač (Vice-President of Aspen Institute Prague) challenged his guests with a figure showing that non-tariff barriers in Europe are still very high and sought a solution for decreasing them.

Kristian Hedberg (Deputy Head of the Cabinet of the EU Commissioner for Internal Market) focused on the issue of EU’s frozen investment activity and productivity, which is currently falling behind the US level. Our approach to the bottom 25 % of companies is the main difference between the US and the EU: in the US economy, the least productive companies are eliminated by the competition and their resources are reallocated into more dynamic industries, while in Europe the general tendency is to preserve these companies. Therefore, to increase the productivity we should set a framework for faster reallocation of resources within the EU.



Tania Le Moigne (Country Director at Google Czech Republic & Slovakia) commented on the leading role of digital single market, which could contribute to EU's GDP by an additional €250 billion. She praised the efforts of the European Commission in this area, saying that one rulebook is clearly needed instead of 28 different systems. She, however, believes that EU citizens still need to acquire an advanced digital skillset.

According to Tomáš Prouza (State Secretary for European Affairs and Digital Agenda Coordinator), the internal market of the EU was an important force behind the convergence of the Czech Republic towards the older EU members. Unfortunately, the progress of convergence nearly stopped in the last years and the Czech Republic is now depending on the Commission to be more active in removing the obstacles for modernization. He also mentioned a greater need for lifelong learning which requires both a change in the people's mind-set as well as greater attention of policymakers. An easier sharing of knowledge and R&D progress will decide whether Europe becomes a technological leader or a mere follower. Mr Prouza also remarked that in a digital age the strategic issue will be the ability of people over the age of 50 to gain jobs.

Peter Stračár (General Director for Central and Eastern Europe at General Electric) observes that we now face a backlash against globalization, a growing distrust towards large corporations and a growing skills gap among different groups of people. He views the allure of protectionism as a natural result of this skills gap and lack of growth in Europe.

But at the same time he believes we should be mindful of our strengths – namely in industry. Such strengths give us an enormous chance to play a large role in the upcoming industrial transformation, provided that we learn to innovate in a more efficient way and change the regulatory environment which is hindering this process.

Altogether, the speakers agreed that a transformation of education towards life-long learning and support of labour mobility across the EU should be our key objective to overcome impending challenges. Crucial skills for the future will include: greater adaptability to a constantly changing environment, creativity, innovation and the ability to build relationships in a complex environment.

Workshop A - Identity: European Togetherness, Values and Nationalism

The first workshop offered a discussion between Dalibor Roháč, Research Fellow at the American Enterprise Institute, Wojciech Przybylski, Editor-in-chief of the Eurozine and the audience. During the workshop, the speakers focused on issues of nationalism, European identity and togetherness. The panel commenced with opening remarks of Mr Roháč who talked about the common criticism of the EU project stating that "for political democracy to function it needs to be accompanied by political identity", and stressing that "the political identity is not something that can be just constructed and handed over, it is designed by battles of different

“A huge responsibility for mainstream political parties which still believe in the future of Europe is to re-engage themselves and have a new positive discourse on what Europe is.”



Christian Lequesne
*Professor, Sciences Po & Chief Editor,
European Review of International Studies*

narratives". Mr Roháč also asked: "what comes first, a joint political institution or a shared political identity?"

The panellists then discussed the issue of rising nationalism across Europe. As Mr Przybylski pointed out, despite the current wave of nationalism being different from the one crossing Europe during the 19th century, it is based on the same idea of strong states. Consequently, Mr Roháč mentioned that the biggest problem was the disconnection between ambitions and the actual tools available. That leads to the rising level of dissatisfaction with the EU structures and results in a decline of the European togetherness. The speakers described the current situation as a battle between nationalism and globalization, in which the latter seems to be winning. Mr Roháč further elaborated on this thought saying that "people very often project their domestic grievances against these large distant projects such as the EU", which feeds the Eurosceptic movements.



Based on the involvement of the audience, the workshop then discussed the current signs of declining European togetherness such as Brexit and the refugee crisis. On the other hand, it also looked at the phenomenon of Euromaidan, which showed that some people still believe in the European values and are eager to fight for them. The audience reacted with different opinions on the question of what the sources of today's nationalism were. The panel was concluded with Mr Roháč's encouraging statement: "The EU is not perfect, but we need to work together to reconstruct it because it still plays irreplaceable role."

Workshop B - Security:

Can Anyone Face the Current Threats Alone? And Can We Face Them Together?

The second workshop started with Elisabeth Braw (Correspondent at Christian Science Monitor and Non-resident Senior Fellow at Atlantic Council) and Steven Blockmans leading the discussion and mainly acting as moderators, who introduced their initial inputs. While the European Union started as a peace project, defence cooperation among its members took a specific form. In other words, there has been

a profound lack of will to accompany the talk and match the increasing needs for security cooperation and collective responses to external dangers.



During the interaction with the audience, issues of security, defence spending and the role of the main contributors (i.e. UK, France and Germany) aroused due to the possibility of Brexit. Furthermore, concerns about the threat of terrorism and the necessity of intelligence cooperation were expressed. However, the legitimacy of such supra-national cooperation was questioned.

Mr Blockmans provided the audience with the conclusion that defence is the last realm of national sovereignty and a large range of issues is preventing greater integration in this field. The speakers seemed to believe that building resilience capacity and enforcing structures are the most important steps to the future. Trust between the Member States is a significant element required in order to achieve common goals with regards to security. Moreover, it is necessary to increase the mobility among the Member States to react and foster cooperation with each other. Intelligence sharing nowadays works mainly between some selected countries that have had long-term relationships built on mutual trust and prevention of leaks. Thus it is the time for the Member States to play their role, as the EU does not have the competences here.

Workshop C - Prosperity:

How to Translate Economic Growth into Social Cohesion?

The last workshop welcomed Ernst Stetter (Secretary General of the Foundation for European Progressive Studies) and Richard Cockett (Business Editor of The Economist). The speakers lively discussed with the audience the possibilities of translating economic growth into social cohesion and touched upon issues such as unemployment (especially youth unemployment), the guarantee of a first job, minimum wage and education.

The debate started by stressing the importance of economic growth in the EU. Mr Stetter stated that "the basis for all is for sure economic growth". However, achieving social cohesion is not possible with rising inequalities, as we are witnessing the tendency in the EU that richer get richer and poorer get

poorer. In this regard Mr Stetter thinks that the minimum income should be guaranteed for everyone. Therefore, the EU should look how to bring back the ideas of a social model. On the other hand, a common European key to solving unemployment seems to be unrealistic, as people would not like to give up their national sovereignty in such sensitive area. A predominant part of the discussion revolved around the youth. Mr Stetter stressed that nowadays young people in Europe were the most concerned about healthcare. And this basic need will not be accessible to them without jobs and adequate minimum wages. The audience mentioned that education is one of the roots for current employment issue. According to Mr Stetter that is the responsibility of national governments, and he mentioned the need for an implementation of professional training as part of education in many countries. In Spain “the educational system was not adapted to the needs of the labour market”, he opined. The audience reached a consensus that diversification in education is desirable.



Mr Stetter highlighted that the EU needed to act more decisively on these issues. Also, it must be much more consistent and not go back to nationalistic ideas. That applies also for the migration crisis, where the whole EU should provide help to people in need as it is a fundamental right. In the long run, that can kick-start the much-needed economic growth.

PES Oxford Debate A: Greece Should Stay in the Eurozone

The first PES Oxford Debate was held on the question of whether Greece should remain or leave the Eurozone. The two opposing sides were represented by Dimitri Sotiropoulos (Associate Professor at University of Athens, Senior Research Fellow at ELIAMEP) and Sony Kapoor (Managing Director at Re-Define) arguing in favour, and by Frances Coppola (freelance journalist) and Tim Worstall (Fellow at the Adam Smith Institute) arguing against. The discussion was moderated by Simon Nixon (Chief European Commentator at Wall Street Journal). Mr Sotiropoulos supported the argument of Greece staying in the Eurozone, stating that given the financial aid of 230 billion euro which has already been provided to Greece for

reconstruction, “it is not advisable to leave”. Furthermore, maintaining the reputation of a “stable tourist destination” can offset the country’s weak export sector. Meanwhile, Mr Kapoor raised three important questions: Whose fault is the current situation in Greece? What can be the alternative for a membership in the Eurozone? Whose interests should be considered? In order to reply to these questions, Mr Kapoor emphasized the necessity of “serious changes on the ground” in governmental, regional and educational structures. Regarding the responsibility for the economic crisis, policy makers are to be blamed, according to Mr Kapoor.



Looking at the other side, Ms Coppola used an example of the prisoner’s dilemma in order to demonstrate the situation in Greece, pointing out that “there is no incentive and no trust to collaborate”. She also stated that Greece is not able “to survive and cannot recover”. In addition, Mr Worstall highly criticized the creation of the Eurozone, saying it was an “idiot idea”. Moreover, he proclaimed that there was no place for the euro in Greece. Furthermore, he reminded of the asymmetry of economic shocks’ distribution across the EU and the problematic use of the “optimal currency area theory”. Overall, the debate resulted in intense discussions and provoked strong arguments between the opposing sides.

PES Oxford Debate B: EU Member States Should Transfer Their Sovereignty to the European Army

In the second PES Oxford Debate, Anton Shekhovtsov (Visiting Fellow at the Institute for Human Sciences) defended the proposal for transferring sovereignty to the European Army, while Martin Michelot (Head of Research at EUROPEUM Institute for European Policy) spoke against the motion. Mr Shekhovtsov claimed that without NATO the EU did not have a relevant defence structure of its own. With a common army, the EU would become a more proactive co-creator of foreign affairs and a trusted security partner to the US. Currently, armies of various EU members might be conflicting with their goals, but the integration into a common structure would lead to an improvement of efficiency. The EU Army in his

*“We need clarity,
honesty and political
will. We are better
together.”*



Ana Palacio

*Former Spanish Minister for Foreign Affairs
& Member of the Council of State of Spain*

perspective does not have to be in conflict with NATO, but it rather could be a chance of strengthening our commitments to the Alliance.



Mr Michelot, on the other hand, reminded the audience that NATO had managed to re-focus on global issues after the end of the Cold War and to integrate Eastern European countries. According to him, the creation of a European Army would pose a danger of duplication and would lack the US pressure on defence spending. Mr Michelot was relatively sceptical concerning the ability of already disagreeing European countries to arrange a coordinated security response and to devise an effective organization, which could guarantee such a response. In his perspective we should focus on strengthening the European branch of NATO instead of aiming at the creation of a separate EU Army.

Overall, the core of the discussion revolved around the ability of Europe to respond to newly emerging threats such as ISIS or more aggressive Russia. According to a final poll, 58% of the audience agreed that a European Army would enhance Europe's security.

PES Oxford Debate C: TTIP is Contrary to EU Interests

The third PES Oxford Debate focused on whether the Transatlantic Trade and Investment Partnership, known as TTIP, is in EU's best interests. The side in favour of the treaty was represented by Nicholas Hodac (Government & Regulatory Affairs Executive, IBM) and Marcin Korolec (Polish

civil servant & lawyer, former Minister of Environment of the Republic of Poland); the opponents of the treaty were Gabriel Siles-Brügge (Lecturer in Politics, University of Manchester) and Eric Maurice (Editor-in-Chief, EUobserver). The panel was moderated by Ivan Hodač (Vice-President, Aspen Institute Prague).

According to Mr Siles-Brügge not only there is not much to gain, but he also warned that the suggested partnership is dangerous and might undermine the EU agenda. He added that once it got to the stage of implementation, it would be too late to change it. He furthermore stressed that it did not have any political benefits, but on the contrary, it decreased the trust of citizens in EU institutions with lack of transparency being one of the chief reasons. Mr Korolec, on the other hand, emphasized that TTIP was about "more than trade" as it had wide political implications. He would like to see a real cooperation between the EU and the US, however, he also pinpointed that the former was nowadays "too closed and too protectionist".

Nevertheless, Mr Maurice posited that in the short term the deal would in fact increase the EU-US gap. He also asked whether we were ready to accept an agreement that the US sees as a tool for setting the rules of the world market. He identified the problem in the EU as the missing definition of interests, which led to "starting a negotiation without knowing what the EU wants to achieve". Mr Hodac described TTIP as an opportunity to influence the global economy with the US and the EU working together. According to Mr Hodac it is very important to explain the benefits, such as the lowering of tariffs, to the public. Finally, he is convinced that no bad agreement can pass the EU institutions due to the close monitoring of the civil society, further supporting his conviction that "what we are seeing now is a more realistic TTIP than it was at the beginning."



“The lack of trust within the EU can only be overcome by finding a better way to explain the EU to the people and restoring confidence of young people towards our political system!”



Ernst Stetter

*Secretary-General of the Foundation
for European Progressive Studies, Brussels*



“Vision for Europe” Award

Vision for Europe is the annually bestowed award for distinguished personalities who have, in the course of their lives, devoted substantial energies to the establishment and development of European ideals such as strengthening peaceful cooperation among European nations, developing a fair institutional arrangement of European integration, making European integration more accessible to European publics, and overcoming prejudices and misconceptions related to the integration process.

The awarding ceremony is part of the annual Prague European Summit, and it is accompanied by the European Vision speech, which is delivered by the awardee. Mr. Lubomír Zaorálek, Minister for Foreign Affairs of the Czech Republic and Mr. Petr Kratochvíl, Director, Institute of International Relations Prague had the honor to give this award to Mr. Prof. Dr. Wolfgang Wessels, Professor & Jean-Monnet-Chair, University of Cologne.

Prof. Dr. Wolfgang Wessels holds a Jean Monnet Chair ad personam for Political Science and is Director of the Centre for Turkey and European Union Studies (CETEUS) at the

University of Cologne. He has a Master Degree in Economic and Political Science, a doctorate in political science from the University of Cologne and he received the Venia legendi in Political Science of the University of Bonn in 1990. Since summer 1994, he is chairholder and since 2011, is honored ad personam of the Jean Monnet Chair for Political Science at the University of Cologne. In 2011 he was awarded for ‘Lifetime Achievement in Contemporary European Studies’ by the University Association for Contemporary European Studies (UACES). In 2015 he was awarded with the “Universitätspreis Forschung” by the University of Cologne for his excellence in research. He is the Chairperson of the Executive Board of the Institut für Europäische Politik (IEP, Berlin) and of the Executive Board of the Trans European Policy Studies Association (TEPSA, Brussels). Since 2010 he is Vice-President of the German consortium for the foundation of the Turkish-German University, Istanbul. Since 1981 he is Visiting Professor at the College of Europe, Brugge and Natolin. His areas of research include the political system of the European Union, the role of the EU in the international system, the deepening and widening of the EU, modes of governance as well as theories and strategies of European integration.

DAY III

Opening Address

At the beginning of the final day of the Summit, Péter Balázs recapitulated the crises that were discussed throughout the panels, providing comments from the point of view of a former EU Commissioner and addressing three main questions: Are the crises new or old? Are they internal or external? Which of the EU member states are included?



The crisis of the Eurozone was mentioned as a typical self-made problem by the EU, resulting from the creation of a monetary area in a form of a “half-cooked dish”, without the supporting fiscal structures. Reactions to this crisis were relatively slow and the necessity to act together was acknowledged only over time, which led to unnecessary costs. Mr Balázs further views the Ukraine crisis as the deepest security crisis since the collapse of the Soviet Union, with the EU not being ready to face such a crisis at the time where the Eastern Neighbourhood Policy was incomplete. It revealed that there was still a deep gap between expectations and political reality.

The current migration crisis poses the biggest, most immediate challenge to the EU, which fully reveals its internal weaknesses. Schengen external borders do not fulfil their function and, as Mr Balázs remarked, the EU frontier countries decided to “close their eyes instead of closing their borders”. The Dublin system, meanwhile, was not designed for cases of mass influxes of people and can hardly be successful in managing mass migration.

The crisis of Brexit was highlighted as a EU family affair, not a single country issue. The concluding remarks of Mr Balázs earned a big round of applause: “It will be painful, but none of [the crises] is a tragedy, it will be a wake up call! Jump out of bed and take action. Good morning European Union!”

Final Plenary Session: Better Together?

The final plenary session offered a summary of the three workshops from the previous day about values, security, and prosperity, featuring Dalibor Roháč, Steven Blockmans and Ernst Stetter. Each of the participants shared the most interesting ideas and issues from their workshops and brought them to the broader framework of today’s EU. The discussion was facilitated by Richard Cockett (Business Editor, The Economist).

Mr Roháč talked about the importance of political allegiance and the battle between national identity and the emerging European identity, while describing the current situation as a “backlash against globalization”. As a solution he stated that the EU should focus on the roots of the nationalist backlash and “patiently and firmly show people that the EU is indeed the engine for prosperity and one of the organs granting peace between the nations”. He further mentioned that this could be done firstly through domestic reforms before building trust on the European level.

Mr Blockmans shared the output of his workshop about security, where he pointed out that cooperation in the field of security needed to be both internal (on national level) and external (through the Common Security and Defence Policy), in order to successfully tackle today’s security threats such as radical islamisation and terrorism. He identified the UN and NATO as key organizations and specified that the much-needed cooperation is best to be achieved as “minilateral”, meaning to include a couple of parties at a time. Furthermore, he mentioned the lack of trust, lack of solidarity and poor regional cooperation as the biggest challenges in the field, which ultimately result in “the member states often not possessing the needed willingness to provide the troops for the CSDP”.



Mr Stetter analysed Europe from the economic perspective, initially stating that “we have to re-establish growth that can bring us employment and bring down the trends in the southern [European] countries”. He identified unemployment and insufficient education as the main problems of today and asked for reforms to ameliorate the situation on the labour

“It will be painful, but none of the crises is a tragedy, it will be a wake up call! Jump out of bed and take action. Good morning European Union!”



Péter Balázs

*Professor, Central European University,
former EU Commissioner & Minister of Foreign Affairs of Hungary*

market. Moreover, he pinpointed that the young generation was the key to translating growth into future European social cohesion. Similarly, to Mr Blockmans, Mr Stetter also mentioned the lack of trust within the EU, which can only be overcome by “finding a better way to explain the EU to the people” and “restoring confidence of young people towards our political system”, starting from the national level.

The speakers concluded this panel with a resolute “yes” to the underlying question: “Better together?”. They all agreed that rebuilding trust is the way forward. The key to the future success is starting at the national level and including the young generation, which will later bring the EU closer to its people.

The European Union in a Time of Crisis: Better Together?

The closing panel of this year’s Prague European Summit featured the Prime Ministers of the V4 countries: Bohuslav Sobotka of the Czech Republic, Beata Szydlo of Poland, Robert Fico of Slovakia, and Viktor Orbán of Hungary.

Bohuslav Sobotka opened the discussion by delivering a speech highlighting many of the contemporary challenges facing the European Union; migration crisis, the possible Brexit, rising nationalism, extremism and populism. The latter was emphasized by PM Sobotka as the primary threat to the EU, more so than an unprecedented flow of migrants, as populism offers easy solutions to distorted situations rather than actually engaging people in meaningful dialogue on how to solve the issues. In order to preserve the many accomplishments of the EU – such as Schengen and the internal market – populism has to be countered by deeper cooperation and dialogue.

Polish PM Beata Szydlo emphasized the merits of the V4 cooperation, citing that “the V4 is a group of friends, who understand very well what politics is all about and know how to compete in politics in a healthy way. Our countries have different conditions and objectives, but as a whole, V4 brings a unique added value to the EU.” Juxtaposed with lauding the merits of the V4 countries, Ms Szydlo criticized the EU for creating problems for itself, due to which many member

states have begun seeking alternatives, referring to both the possible Brexit but also to the V4 countries, which, according to Ms Szydlo, in many ways have begun to “lead the way.” Lastly, Ms Szydlo emphasized that the Polish V4 presidency would strive to be a force for positive change and that despite budding Euroscepticism, Poland sees great opportunity in a successful EU project, provided it is founded on solidarity, responsibility and sovereignty.

Hungarian PM Viktor Orbán started out by adding what he perceived to be three additional crises to the ones Mr Sobotka outlined. Firstly, an economic legitimacy crisis borne out of the financial crisis of 2008, which has led to a fundamental questioning of the elites’ ability to ensure economic prosperity across Europe. This crisis is further exacerbated by a democratic deficit crisis of the EU, whose distance from the populations is becoming increasingly profound. The third additional crisis is a failed foreign policy crisis aimed at institutionalizing democracy in the Middle East through military interventions. The solution to all of these, according to Mr Orbán, is a fundamental reconsideration and potential recalibration of what we want the EU to be, and abandoning the Pavlovian reflex of always wanting “more Europe”.

Slovak PM Robert Fico closed the debate, focusing mainly on the priorities of the Slovak EU presidency: an economically strong EU, making use of areas of potential such as the energy union and employing a sustainable and realistic migration and asylum policy. Echoing sentiments from his colleagues, Mr Fico emphasized the dangers of fragmentation within the EU, warning that fragmentation currently seems more likely than deeper integration. Mr Fico furthermore warned of the dangers of trying to tackle this complex issue with simple, empty words, stating instead that it merits serious studying and consideration, since the EU cannot be a strong global actor if it is unable to resolve its internal disputes. Hence it will also be a priority of the Slovak EU presidency to make sure all voices are heard.

Overall, all the four Prime Ministers repeatedly acknowledged the initiative of the Prague European Summit and highlighted its importance as an intellectual platform for a much-needed pan-European dialogue.





LOBKOWICZ
LOBKOWICZ EVENTS MANAGEMENT

The Lobkowitz Palace, the only privately owned building in the Prague Castle complex, is home to the highly acclaimed The Lobkowitz Collections, The Lobkowitz Palace Café, Middyay Classic Concert and Museum Shop, as well as numerous elegant venues for private functions.

The Museum offers visitors the opportunity to explore the history of Europe through the unique perspective of The Lobkowitz Collections and the Lobkowitz family. Set in 22 beautifully appointed galleries, the Museum displays a selection of some of the finest pieces from The Collections, including many of international significance.

Highlights from the Museum include works by masters such as Canaletto, Brueghel the Elder, Cranach, and Velázquez; an impressive display of family and royal portraits; fine porcelain, ceramics and rare decorative arts dating from the 16th to 20th centuries; an extensive collection of military and sporting rifles from the 16th to 18th centuries; and musical instruments and original scores and manuscripts by Beethoven and Mozart, including Beethoven's 4th and 5th symphonies and Mozart's re-orchestration of Handel's Messiah.

Visitors are ushered through the galleries by the museum's very popular audio guide, which explains important details of European history and the seven-hundred-year history of the Lobkowitz family, including the dramatic story of how the family lost everything twice and got it back - twice. Narrated by two generations of the Lobkowitz family and the Chief Curator of The Collections, this engaging and informative free audio guide in 8 languages is always highly recommended by visitors from all over the world.



There is unique 5* luxury boutique **Hotel Savoy** in the heart of historical centre of Prague, situated in neighbourhood of Prague Castle, only few steps from charming Loreta with its carillon, the biggest one in Europe, phenomenal Strahov Monastery and in sight of Petřín lookout tower. The main sights are easily accessible by short walk or several minutes by tram, which stops right in front of the hotel.

History of luxury Hotel Savoy dates back to year 1911. The hotel has undergone an extensive reconstruction in early 2015 leading to the reconciliation of its original elegance with the modern equipment. Accommodation is provided in 49 spacious and elegant rooms with a minimum size of 32 sqm and 7 stylishly furnished luxurious suites. One room is adapted to the needs of disabled guests. High speed internet access via Wi-Fi is available in all the spaces. Secured parking is available in the underground garage, in near city parking or in adjacent streets.





Eventival is a Prague-based technology company that rose to prominence in the film industry as the creator of the world's most widespread film festival management software. Founded by a group of film industry professionals with experience from film and music festivals around the world, Eventival initially aimed merely at the creation of a "Swiss army knife" for festivals – an online database tool with an attractive interface, useful features and reasonable cost. Years of continuous development and feedback from users all over the world have contributed to making Eventival far more – a universal solution for organisers of regular and sporadic events who prefer transparency over chaos, and want to dedicate more time and space to creative work and decrease mechanical, tedious and repetitive activities.

Today, Eventival is active in a wide range of industries, and its clients include entertainment companies (film, music, theatre and literary festivals, film centres and clubs), conferences, cultural, social and business events, NGO's, casting and travel agencies, galleries and event companies in general.

Eventival has clients in over 55 countries and its services are used by over 200,000 people all over the world.



Slido is an audience interaction platform for meetings and events. It allows event organizers to crowd-source the best audience questions, get instant feedback via live polls and share presentations with their audience in real-time.

Slido's focus is on simplicity, allowing organizers to create an event in less than a minute, while participants can join from any device with just one simple code.

Since its foundation in 2012, Slido has helped to transform over 12,000 events in 100 countries by engaging tens of thousands of participants. Slido has been adopted by a number of renowned conferences such as SXSWedu, LeWeb or Pioneers Festival and has worked with high-profile clients including SAP, Eventbrite, Tesco, KPMG, UBM or Cisco.

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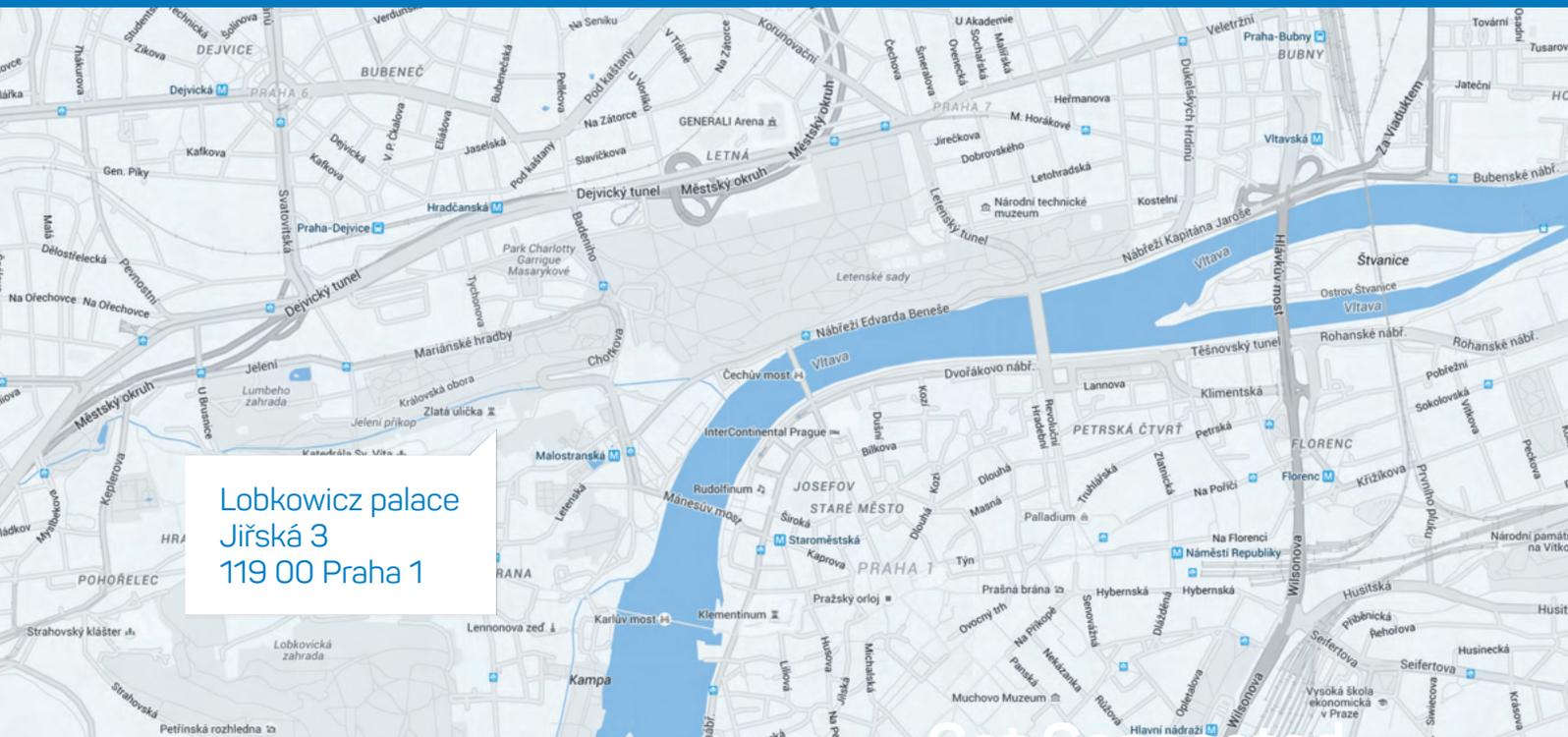
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