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# UK Should Restore Solidarity in EU Budget Talks

Recommendation to the  
Presidency of the European Union

by Jean-Michel Rousseau

“This is a union of values, of solidarity between nations and people, of not just a common market in which we trade but a common political space in which we live as citizens.” Such were the words of Tony Blair in June of this year when introducing the policies of the British Presidency to the European Parliament. Its recent proposals regarding the EU budget however underline once again the sad state of intra-European solidarity these days.

With a chutzpah rarely seen throughout the history of European integration, Tony Blair has negated his duty as President of the EU – to act in a more objective way than his counterparts for 6 months – in favor of purely national gains. The British Prime Minister seems ready to lose the political majority he enjoys inside the EU – and most notably the fact that up to now London was regarded by many Eastern European

## MAIN POINTS

The UK presidency should keep up structural aid from the rich West to the poor East, boost R&D spending, and scrap the unjustified British rebate to secure an EU budget that respects solidarity and promotes welfare for all. This will increase the likelihood that France will agree to reform the CAP.

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member states as the only thing that stood between them and an increasingly arrogant Franco-German couple – in order to save not only in appearance but also in substance, an anachronistic rebate mechanism. Indeed, the insistence on the “British check” underlines how much the EU has shifted to more assertive national stances when it comes to budget issues. The same can be said of French defence of the Common Agricultural Policy (CAP) and of the Dutch iron fist approach to reducing its contribution that is the highest per capita.

Besides a common market and the rule of peace on the continent through common institutions and norms, one of the aims behind the European integration process was always that richer member states would financially assist poorer member states in their economic development. While lately the impression has been given that the amount of structural aid is massive, one ought to remember that Germany alone transfers more than the twice the total of European structural funds to its new Länder each year. In addition, richer member states have profited from the opening of new markets and the cheap labor force in the new member states, and one can thus only contemplate the argument of a zero-sum game going on within the European Union with incredulity.

On the issue of structural and indeed agricultural funds, the European Union should re-focus on its core values – channeling a small percentage of the wealth of richer member states to assist in the economic development of poorer member states. An enlargement on the cheap is both morally wrong and a signal to other potential accession countries that the EU is not willing to assist them in their transition. The British rebate has lost its right of existence; the same holds true for an outdated CAP. Europe needs to turn its budget towards the future (and indeed the proposed 50% increase in the R&D budget is to be welcomed) – but this should not lead to a cut in EU spending. What we indeed need is a more ambitious budget that, while assisting the poorer member states in their modernization efforts, will propel the Union as a whole into the globalized world. As Tony Blair told the European Parliament: “Ideals survive through change. They die through inertia in the face of challenge.” Solidarity used to be an idea cherished in Europe. Let us hope it has not said its last word.

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