BELGO BRITISH CONFERENCE '03 REPORT

Changing Europe in a Changing World

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CONTENTS

- 5 Foreword
- 7 Introduction
- 8 Working Groups
- 10 Report
- 27 Programme
- 32 Participants



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Foreword

Scotland's historical capital Edinburgh was the setting for this year's 2003 Belgo-British Conference, the fourth and arguably most successful Conference that we have seen yet. Bringing together Belgian and British experts from an enormous range of professional backgrounds, the two days of informal debate produced high level discussion on key European issues affecting both countries.

Following a year of dramatic European change, the fourth Belgo-British Conference entitled Changing Europe in a Changing World took place at the Royal Society of Edinburgh. The two days of discussion provided a unique opportunity to analyse and debate European issues of major importance to both Belgium and the UK, within the context of recent social, political and economic events.

The success of the Conference was due to the hard work and dedication of many people and we would like to take the opportunity to express our thanks here. First to our two eminent patrons. HRH The Prince of Wales and HRH Prince Philippe of Belgium, whose continued support and confidence in the value and future of this enterprise is of the greatest importance to us all. Secondly our thanks go out to the two Chairs: Paul Buysse and David Simon, and with them the Conference Board: Kate Arthurs, Zeinab Badawi, Robin Berkeley, Martin Conway, Etienne Davignon, Thierry de Gruben, Francois de Kerchove, Mia Doornaert, Gavin Hewitt, George Jacobs, Renilde Loeckx, Sharon Memis, Peter Roberts, Philippe Roland, Matthew Rous and Piet Vanden Abeele. Their commitment and dedication over the past months is enormously appreciated and has ensured the strengthening of Belgo-British relations.

We would also like to express our sincere gratitude to all our sponsors, without whose generous support this Conference would not have been possible. We were delighted to be able to benefit from the continued sponsorship from BP, Bekaert NV, UCB, who supported the Conference for a fourth consecutive year and from GlaxoSmithKline and British Vita who have both now sponsored the Conference for a second year. We were also delighted to welcome new sponsorship from Scottish and Newcastle Plc, Accenture and bmi.

Finally, we would like to take the opportunity to express our thanks to Mia Doornaert for writing such an excellent report which stands as an accurate and extremely apt testament to the discussions which took place over the two days. Although the Conference took place under Chatham House rules we would like to thank those participants who kindly gave their permission to be quoted in the report.

EBWiger

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Introduction

It seems to us that at its 4th meeting the Belgo-British Conference came of age and had the promise to go from strength to strength. The opportunity to reflect on past events was more welcome than ever this year, when wars, conventions and elections have dominated the headlines in both countries. The clincher that made Belgo-British 2003 enjoyable and informative was the growing number, quality and diversity of our participants, who produced a series of enthralling debates. The discussion on the European Defence initiative was only one of many memorable exchanges, and Mia Doornaert's excellent report captures some of the excitement we both felt. The City of Edinburgh was a magnificent host, as good a venue for the event as we could have hoped. If this trend continues, Belgo-British 2004 will be an event to put in the diary as soon as you can.



Baron Buysse CBE Chairman of the Board, Bekaert

Lord Simon Adviser Cabinet Office

WORKING GROUPS Changing Europe in a Changing World

The Fourth Belgo-British Conference took place following a year of dramatic change in both European and world affairs. The world order was changing rapidly, with uncertain consequences. In Europe, the absence of a common policy on external relations was all too clear; Enlargement was about to become a reality; and a constitution for the EU had been drafted. While transatlantic relations remained of acute importance, political rhetoric had turned to the language of 'values' both in Europe and abroad. As the separate debates around asylum and terror had become conflated, so both Belgium and Britain struggled to harness the benefits of their diverse societies. In our status as Brits or Belgians, Flemish, Walloon or Scots, or as Europeans, issues of identity and location were taking on a new complexity in a world of insecurity, uncertainty and risk.

In this context, both Britain and Belgium faced challenging political, social and economic agendas. As we agonised over the tough task of reconstruction in the Middle East, long-term public diplomacy took on a heightened importance. The economic pressures of conflict simultaneous with recession made the need to tackle problems of growth ever more pressing. For both our countries, it had never been of greater importance to keep talking, to continue to exchange ideas, and to examine which aspects of Europe and the World were best viewed from a common perspective.



These are the issues that the Conference focused on in the four Working Groups

Working Group 1

The Regions and Europe: Partners or Rivals?

What should have been the relationship between European and regional political structures? Should they have sought to involve the intermediate nation-state or simply bypassed it? How could, or indeed should, the regions contribute to a European identity?

Our Europe remains one in which regional political structures, within and beyond the nation-state, are becoming the norm. The citizens of Europe, consequently, are becoming accustomed to living with multiple identities. In this new political culture, what is the best means of achieving the goals of good governance, democratic accountability and an active civic society? We wanted to examine how different levels of government (European, nation-state, nation-region, local) should relate to each other. In this multilayered structure, should regions seek to assume more responsibilities or recognise instead the natural limits to their power?

Working Group 2 The EU Economic Future: Competitiveness

or Complacency?

At the Lisbon European Council in 2001 Member States agreed to an economic and social reform programme to transform the EU into "the world's most competitive knowledge-based economy by 2010". We asked whether subsequent and currently planned actions - in particular economic, labour market and social security measures - indicated that this target remained realistic. Also whether there was still real enthusiasm among a majority of Member States to achieve what was clearly a "stretch target". We recognised that present EU economic prospects seem disappointing and asked how appropriate the constraints of the stability pact remain and whether European Central Bank policy should be more flexible. Could European technological innovation and entrepreneurship flourish against this uncertain background? The challenge of managing this economic and social process post-Enlargement was also considered, taking into account the problems of delocalisation and risks of a two-tier EU economy developing.

Working Group 3

European Security in Flux: Is Partnership Possible?

What were the political hurdles to developing a Common Foreign and Security Policy for the EU? What about its essential defence aspects? How could we balance civil liberties against security considerations?

In the wake of the war in Iraq and its impact on not just the content but the very existence of European foreign policy, we asked whether it was possible, or desirable, for the EU to present a common voice on the world stage. Recent events had dramatically shed light on the issue of European security. Its very existence and content needed to be discussed. Also critical to that question was the transatlantic partnership. We wanted to examine our different attitudes to war and peace, and where lay the real mutual interests of Europe and the US. Following the Convention, we asked what issues were raised for the Inter-Governmental Conference.

Working Group 4

Ethnic and Religious Diversity in Europe

In a secular expanding Europe how can we co-exist with European citizens who prefer to espouse religious values? Does this not involve a conflict of values?

Both Britain and Belgium have large ethnic minority communities and contribute to the debate about how diverse communities could forge a sense of common identity and citizenship. In particular in the aftermath of the war in Iraq and September 11th we wanted to examine if the role of Britain and Belgium's Muslim communities had changed or should change in any way. We also wanted to look at how all our ethnic minorities could assert themselves better in the social and political agendas of Europe, and whether states should fund faith schools. Report of the Belgo-British Conference, Edinburgh, 16-18 October 2003

by Mia Doornaert

One belongs, in the world view of Donald Rumsfeld, to the "old Europe", the other to the "new Europe". One is in the eurozone and the other is not. One is "continental" and the other "Atlantic".

Belgium and the United Kingdom would seem to be far apart on European matters. Nevertheless, the fourth Belgo-British conference, which took place in Edinburgh, showed markedly more agreement than division on Europe between the Belgian and British participants.





Group 2 The EU Economic Future: Competitiveness or Complacency?

Chair Introducer Rapporteur Jean-Louis Six David Wright Geert Noels This was certainly the case in working group 2: **"The EU Economic Future: Competitiveness or Complacency?"** "We did a brainstorm in the group on what we saw as achievements and failures of the European Union and European economic policy. And what struck me was that we spoke the same language on most of these points", said rapporteur Geert Noels.

The common language was that of the private sector and its assessment of European achievements and shortcomings in economic competitiveness.

The overall success of the European Union in strengthening peace and stability and enhancing prosperity was considered a great strength by the group. One member said that we must forgive the EU for many of its failures in the light of this single achievement.

There was a unanimously positive view of the euro. The single currency, it was said, has not only a positive economic but also psychological impact. The euro has moreover served as a Trojan horse for a wide series of measures and policies that brought about convergence between the member states at a higher and more efficient level.

Other achievements that have enhanced competitiveness were highlighted, e.g. trade and competition policy, liberalisation in various sectors and industries, recognition of stakeholders interests, and initiatives in technology-related industries that would never have succeeded without an EU stimulus.

EU enlargement was seen by everybody as a huge growth opportunity, with the caveat that it should not lead to speedy enlargement of the monetary union, lest it undermine the economic stability.

But, the group warned that these successes could be endangered by complacency. Participants said that the main impediments for growth in Europe are mostly cultural and institutional. They spoke of economic mediocrity and muddling through. Some pointed out that, because of the welfare state, there is less cultural need for growth in Europe. It was also said that a certain hyperactivity from policymakers to ratchet up economic performance showed little focus and efficiency.

The "priorities" of the European Union, as set out in the Lisbon declaration, are so vast and varied that, in fact, they sound like a shopping list, not a policy, one of the members said.

EU enlargement is seen as a huge growth opportunity...



The blame was not only directed at the EU policy bodies. The goals of the member states are so fragmented that this necessarily dilutes EU policy. And the persistence of large state aids, state bailouts, and rescue plans, which in particular larger EU member states such as France, Germany and Italy make a habit of granting, make it more difficult for more healthy competing companies to survive while at the same time delay necessary restructuring in the particular sector.

So, where should the EU priorities lie? The group had an intensive discussion in which research and development, education, and financial markets' reform were frequently quoted. Government inefficiency, labour inflexibility, and even demographic imbalance were seen as factors that limit European competitiveness.

But the group did not come up with a clear consensus on what the focus of European economic policy should be. "The best way to summarise the discussion was that we felt that the focus should be on more focus", the rapporteur said.

This was not meant simply as a play on words, members of the group explained.

The message is that the EU really has no clear economic policy as such, just a series of policies without any prioritisation. Furthermore, the economy is just one EU concern amongst many, sometimes conflicting, priorities. The EU needs to demonstrate recognition of the central importance of a successful thriving economy so as not to "stumble forwards towards mediocrity", as one of the members said. Unless the EU can achieve a marked improvement in its economic performance, it will be unable to fulfil many of its other aspirations and ambitions. So "giving more focus to focus" means giving a central role to a thriving economy in the overall EU policy.

One of the ways of bringing this about is through benchmarking and quantitative goals, the group recommended. Those methods have been quite successful in pushing necessary policy changes. One such instance is the "Maastricht norm", another the Stability Pact, although that needs fine-tuning to adapt to current circumstances in a low/no growth economic climate.

As one possible goal, the group recommended setting a norm for the wage wedge, which, according to the OECD definition, is the difference between the net earnings and gross earnings of a single employee without children, i.e. the income tax and the employer and employee contributions. ...but we need to give a central role to a thriving economy within overall EU policy.



Figures from the OECD Employment Outlook 2001 show a significant difference between the continental model, of which Belgium is an exponent, and the UK. The wedge as a percentage of gross earnings is 30% in the UK but 56% in Belgium, "and perhaps this could explain why UK growth has been much higher than that on the continent".

The group launched the idea of following the example of the Maastricht norm and setting an "Edinburgh norm" on the wage wedge, as one of the areas where quantitative goals can push necessary reforms so that the social solidarity does not work at the expense of job growth and wealth creation.

As was to be expected, more sparks were flying in the discussion in Group 3 on "European Security in Flux: Is Partnership Possible?" And there might have been an even stronger confrontation of views had members of the British foreign policy and security establishment been present, which regrettably was not the case.

As rapporteur Karel Lannoo pointed out, part of the discussion on the relationship between NATO and the European Security and Defence Policy (ESDP) is about semantics. Basically, he said, all participants saw both as being complementary, not mutually exclusive. This complementarity, he said, is also clear in the definition of ESDP he brought with him from Brussels. It is "a project to confer upon the EU the ability to take collective decisions relating to regional and international security, and to deploy a range of instruments, including military instruments, in operations of crisis management, peace keeping, and if necessary, peace enforcement, as a distinctive European contribution to the overall objectives of the Atlantic alliance and in close consultation with both non EU European members of NATO and non allied EU accession candidates."

Several participants said that the mini-summit of April 29th, 2003 in Brussels had needlessly envenomed the debate. At that summit, the leaders of Belgium, France, Germany, and Luxemburg decided to cooperate more closely on defence matters in seven ways. Six of these were not particularly controversial. But the seventh, the Belgian idea for the establishment of an EU operational planning staff at Tervuren, was very controversial. This had as much or more to do with the timing than with the idea itself. The summit took place at the time when the European Union was deeply divided over the war in Iraq. The four governments involved were the same four which had blocked NATO aid for Turkey in January and February. That the "ring-leaders" of the EU's antiwar camp should try to set up a core European defence organisation, with its own planning staff, conveyed an obvious message in the eyes of the

Group 3 European Security in Flux: Is Partnership Possible?

Chair Introducer Rapporteur Baron de Schoutheete de Tervarent Charles Grant Karel Lannoo

Much of the discussion about European Security is about semantics



Americans, British, Spanish, Italians and East Europeans, they said. Time for a break, or rather a meeting! It was seen as an initiative to undermine NATO, and to exclude the British from the one area where they are able to play a leading role in European organisation.

There was agreement in the group that the Tervuren initiative was badly timed. But several Belgian participants said that this does not invalidate the idea of European defence itself, and that the Brussels initiative was never meant to be exclusive. They compared it to earlier initiatives which had brought about significant progress in European integration, a major example being the single currency which is exclusive, but which does only include those member states wishing to participate.

The group stressed that security is much more than just a military matter, and requires a toolbox with a large range of instruments, for not all threats require a military response. There was agreement that the toolbox is incomplete without a military instrument, because a foreign policy that is not backed by the threat of force will carry little weight.

The question posed was how the foreign policy should be related to NATO and how needless duplication can be prevented.

NATO, it was said, has changed dramatically since the threat against which it was founded has collapsed. But it remains an important organisation, the group agreed, to foster transatlantic relations and to act as a tool, as the French president Jacques Chirac said, against American unilateralism. However, several participants said that NATO is too strongly influenced, not to say dominated, by the United States.

Members of the group also felt it to be important that the EU should have the means to intervene in a crisis or conflict where the US and NATO would not want to be involved. And the way forward there, they said, is reinforced cooperation, which means that on the one hand no EU member state is excluded from cooperation, but that on the other hand no member state should be in the position to block every kind of joint operation.

As one of the first examples of this modus operandi, there were many references to Bunia, the EU operation led by France in the troubled city in Congo. It was referred to as a success. But one of the participants made the point that, in view of the continued killings in Congo, the operation could only be called a success in view of its very limited goal. Security is much more than just a military matter.



European Security and Defence Policy is not hostile to NATO: it is complementary to it There was a discussion on the necessity of a form of autonomous defence planning in an integrated European structure. Some participants said this would create needless duplication on top of "Berlin Plus". Under this agreement in NATO, the EU can rely on planners at SHAPE when it decides to work with NATO. Alternatively, it can use national headquarters, duly modified to reflect the nationalities of those taking part in the mission, as was the case in Bunia where a French HQ was in charge.

Some participants said it would create a new form of duplication if the EU creates still another planning centre. But others replied that three or four national planning centres could just as well be seen as a duplication of a joint planning centre. Moreover, several participants said, only the larger EU countries have suitable national headquarters. Many smaller members would like to be able to participate in an EU planning group, rather than second staff on an ad hoc basis to a headquarters run by a big country.

Several Belgian participants somewhat heatedly made the point that there was no earthly reason why the EU should not have its own planning capacities. And they just as firmly rejected suggestions that this endeavour was an attempt to undermine NATO or smacked of "anti-Americanism".

The group finally concluded that the European governments involved in ESDP should do everything possible to explain to the US administration that a European defence is not an initiative that is hostile to NATO but that is complementary to it.

In this regard, it was felt that the conference, and Belgo-British cooperation in general, are set to be very important. The UK would have the major role of "selling" the European defence cooperation to its American partner, given the close relation between the governments. But there was also a role seen for the Belgian government to try every means available to involve the UK as much as possible in the initiative. Because, the group said, in all issues related to defence, the UK is *incontournable* as a partner in a credible ESDP.





"Am I the only fan of Belgium left?" This heartfelt cry from a British participant, was indicative of the discussions in Group 1: **"The Regions and Europe: Partners or Rivals?"**

Before the group addressed the theme, the Belgian and British participants exchanged information and experience regarding their forms of federalisation or devolution. And it became clear that not much "Belgium" remains after the successive reforms of the state.

Referring to an article on Kim Clijsters in Flanders' Magazine, a publication of the Flemish Executive, it was noted that there was not one word on her Belgian "tennis twin", Justine Henin. "Remarkably, Belgium had the top two tennis players in the world, remarkably one of them gets no single mention. For the surprised reader of Flanders' Magazine this is a metaphor for the state of Belgium today: divided into regions so greedy to extend their powers, so self referenced that there is not much left of the Belgian common state that overarches them."

The discussion showed how central the regionalisation process has been since the 1960's, with the parts pulling in different directions. The political parties compete within language communities, none speak for a Belgium-wide community anymore. And successive state reforms have taken away great chunks of the powers of the Belgian federal government, eating away the capacity of that government to express and underpin Belgium-wide solidarity.

"Disagreements on the federal level get resolved by regionalising even more powers, even where the effect is nothing short of bizarre. The last example was the regionalisation of the power to issue licenses for the export of weapons, and even regionalisation of the Highway Code and speed limitations have been mentioned. In either case images of terrible carnage come to mind", the rapporteur said.

Several Belgian participants said that Flanders and Wallonia now get on much better than they used to. As one member of the group put it, they used to hate each other without trying to know each other. But now they have become cleverer in developing new forms of dialogue and partnership, learning from one another.

But again that's not very good for Belgium, others said. If the regions can now sort things out bilaterally, then it takes away another of the remaining reasons for having a Belgium, a Belgian state. Group 1 The Regions and Europe: Partners or Rivals?

Chair E Introducer E Rapporteur F

Dr Martin Conway Dr Martin Hinoul Prof Charlie Jeffery



This discussion led one of the Belgians to mount a passionate plea for setting limits to this disintegrative process which is lumbering on without a clear sense of direction, and might lead to an accidental break up of the state, which a majority of Belgians do not want. He also pointed out that in this slide towards separatism nobody has any idea what to do about Brussels, the bilingual capital in the heart of the country.

These issues, British participants said, have a real resonance in the UK where the idea of devolution has always been associated with the risk, albeit it a very calculated one, that the Scots would use devolution as a stepping stone to independence.

And there are of course tensions. As one Scot put it, it's not very difficult to tell the difference between a ray of sunshine and a Scot with a grievance.

A lot of these grievances are about the English and their typical failure to recognise that the UK is a multination state. The British participants also had their sporting metaphor: the instinct of Scots to support any team in any sport which happens to be playing against an English team.

But, it was said, there is a counterbalance in the United Kingdom which Belgium doesn't seem to have in the same measure. The member who suggested Belgium was unloved by the Belgians, professed in vigorous terms his love not only for his part of the UK, Wales, but also for the United Kingdom as a whole.

And any number of opinion surveys show the same. Scots feel Scottish **and** British, the English English **and** British and so on.

But, members of the group believed that there are perhaps some rocks under the surface which could land devolution in some difficulties. For example, when different political parties lead the UK and devolved governments, which may have different visions of the scope and the purpose of devolution. Or when the economy falters which might focus the attention of the nations or regions on whether they get a fair share of state spending.

And then there's England. As one of the British members put it, Scotland is the easy bit. What happens in England will be the real test of devolution: what to do with a nation of the UK which has over three quarters of the total population, and of the economic clout. In many ways Scotland, Wales and Northern Ireland are now privileged because of devolution. So will there, as one of the British members put it, be a day of reckoning, when the English begin to seek their own privileges?



Most participants seemed to doubt this, because, as the rapporteur, professor Charlie Jeffery, said, "arguably the UK political system is set up to pursue the interests of the South East portion of England, the most populous and powerful part. Only in a doubly disadvantaged north of England, which doesn't have devolution yet and which is ignored by the pampered metropolitan politics of the South East are there signs of real demand for English regional devolution."

After this discussion of the different forms of regionalisation the group got to the real purpose of the discussion, the relation of regions with the EU.

What did Europe ever do for the regions? Quite a lot of the answers referred back to the domestic regional tensions the group discussed earlier. The EU has, for example, provided incentives for regions to learn from each other and benchmark and share good practice. It was this experience of inter-regional cooperation in a wider EU context that led Flanders and Wallonia to build a more productive dialogue at home. They found experiences abroad which they imported to Belgium.

Similarly in the UK, European integration provided access to role models, to successful regions like Flanders, Bavaria and Catalonia which inspired ideas and confidence in the devolution project at home. The EU structural funds were also important, especially in the Thatcher era, where otherwise there were few stabilisation mechanisms for UK regions in economic trouble.

And, it was said, the experience of running such structural funding programmes in, for instance, the Highlands and Islands of Scotland, has ratcheted up policy capacity and experience so that even after funding flows have run out, the region is better placed to meet future challenges.

The group was less sure that EU decision making more generally is amenable terrain for regions and regional governments. Around 80 percent of the policy fields of the Scottish parliament also fall under the competence of the European Union. Is Scotland, and are other powerful legislative regions like those in Belgium, capable of making their voices heard in Brussels in policy fields they have the responsibility for at home?

The answer was, well, it all depends. It depends on the attitude of the Member State's central government, on how far it wishes to let regions into the process. Because regions can't get much done by direct lobbying of the Commission or the European Parliament. And the EU's Committee of the Regions, one of the members said, is the most useless, lame, pathetic institution he had seen and observed in politics over the last 25 years.



Regions generally have no guaranteed right of access to EU decision making processes.

So working through the central governments is the best way to get things done. That, the group agreed, works well enough in Belgium, it works perhaps surprisingly well at the moment in the UK, but it doesn't work well, for example, in Spain. And that's the problem. Regions generally have no guaranteed rights of access to EU decision making processes, because the EU is an organisation of member states and not of regions.

And the EU will never be an organisation of regions because Europe's regions are too diverse and too large a group ever to build up sufficient pan-European clout and consensus to actually change things.

One of the members of the group, who amidst his declarations of love for the United Kingdom, seemed also inclined to periods of melancholy, conjured up a vision that UK nations, faced by an uncongenial UK central government on EU matters, might feel so entrapped by the framework of the member state that they would seek independence. That sounded like an extreme view, but it suggests that one cannot talk about fairly straightforward relations of partnership and rivalry between regions and the EU. These depend rather on the position of the member state as an intermediary.

The variables that come into play in that kind of three level game are, as one member put it, more like multidimensional chess than conventional government.

Finally, the rapporteur mentioned "two things we didn't talk about much but should have talked about more."

"First we set out with the very good intention of establishing just where it is that regional government can add value and do things better than national government. In the end, we failed to spend any significant time on that discussion."

"But our chair did his best to get us to focus right to the end by asking the Belgians in the group to give advice drawn from their experience of regional government which Brits embarking on devolution might make use of."

"There followed what is called, I think, a pregnant silence, broken only when one member threw in a rather lame one liner: I hope it will be less complex."

"The second omission was the people. We had hoped to explore how far regions are better placed to mobilise and engage citizens than national or European institutions and to explain and explore the often rather extravagant claims regions make about their



capacity to connect citizens to the EU. We didn't make a lot of progress on this. Evidently, it was not a sufficient priority or sufficiently of interest to us in our working group, and I think in that we just exemplified why we have the problem in the first place."

Is the EU in any way relevant to the complex and sensitive issue of "Ethnic and Religious Diversity" the subject matter of Group 4? Interestingly, this group, like the group on the economic future, also warned that Europe could become a continent of "mediocrity" if it does not develop a fresh approach.

The group kick started the discussion on the idea of the western nation state. Is there in a real sense a western nation state? How is the social cohesion of a state affected by issues of current migration? And, as the rapporteur, Dr. Mona Siddiqui, said, "perhaps most importantly, how do the European states in particular view the multiplication of identities in their territories?"

Identity is intrinsically bound up with religious affiliation, cultural heritages, language and race. Untying the different strands is very difficult but it became apparent early in the discussion that religion, and particularly Islam, was going to be a major focus of identity.

It was pointed out that it is a fallacy to talk of "Islam" and the "West" as if these two are separate or antagonistic entities in a bipolar world. The West has for centuries had a Muslim presence in its borders and many Muslims recognise themselves as Muslim and western. Furthermore, Muslims are not a monolithic group, one undifferentiated mass of people who all think in the same way. Nevertheless, Dr. Siddiqui said, there is now a focus on "Islam" in the western world, "maybe because Islam has become so politically visible now that it is a source of discomfort in a largely Christian and secular Europe, maybe also because the fall out of 9/11 which has skewed the debate out of all proportion."

Social integration is a concept riddled with problems, the group said. What is the litmus test for integration, who decides on paths to integration, is it a one way or a two way street? What about settlement policies? Can countries realise a more harmonious sense of identity by dispersing immigrant communities in mixed settings? Or will people always gravitate to those whom they regard as similar because this is human nature and because it decreases the sense of alienation?

Some in the group felt frustrated that the real issues of social and economic deprivation, racism and institutional racism, as has been formally acknowledged to exist in police forces and other institutions, were being ignored at the expense of idealistic shop

Group 4 Ethnic and Religious Diversity in Europe

Chair Introducer Rapporteur Claude Moraes MEP Dr Christiane Timmerman Dr Mona Siddiqui

It is a fallacy to talk of 'Islam' and 'the West' as if these two are separate or antagonistic entities in a bipolar world.



Ethnic and religious diversity are central in the debate over EU enlargement. talk about a possible future Europe. They raised the objection that without tackling fundamental injustices that kept large chunks of the population behind, as well as undervaluing their contribution and disempowering them, one could not genuinely refer to social diversity as a positive reality. "Quite simply", the rapporteur said, "is colour always going to be a disadvantage in a largely white Europe, is it going to override all achievements and legislation, and if so, how can we bring about a cultural and mental change that does not discriminate on the grounds of colour or race?"

Another session concentrated on the idea of citizenship and the tension between nationality and citizenship. This was not just about the process of acquiring nationality. But what did it mean to be a citizen of a European country? Could there be a common European citizenship, a European nationality, a common European passport? "However fantastic that idea may seem, it is an important avenue to explore if only for the sake of Europeans really coming to terms with defining areas of agreement and common values", the rapporteur said. "With the present trend of migration all over Europe, the question is if Europe can cope psychologically with the numbers coming into its territories, or whether the policy of most countries will remain that of not having a policy on immigration and seeing the whole process as a social and economic problem."

"And yet Europe needs migration to sustain its industries and it needs to import particular skills (...). It is essentially shooting itself in the foot by not tackling this whole area and watching many skilled communities being targeted by the United States, Australia and Canada. Perhaps Europe undersells itself to the world as opposed to the United States overselling itself. But if it's not careful, it will become a continent of mediocrity as opposed to being a continent of opportunity."

Dr. Siddiqui introduced the concrete issue of "Turkey's relentless knocking on Europe's door" to the debate. The group did not discuss this in great detail. But the question remains whether the issue of Turkey's membership of the EU is just a matter of objective requirements, or whether it has essentially to do with religion and race. This question illustrated, the group said, that ethnic and religious diversity were not peripheral to the other three workshops, but are central in the debate of EU enlargement.



After some initial misgivings, all conference participants agreed that the old Scottish capital was a great venue for the conference. Coming to Edinburgh gave the Belgian participants a better insight into the diversity of the United Kingdom. And all members of the Conference enjoyed the warm and stylish Scottish hospitality, jokes on rays of sunshine and Scots with a grievance notwithstanding. They did not in any way experience the latter, but got plenty of the former in two days of marvelous autumn sun on the lovely city.

And, remarkably, "Brussels" felt closer in the Scottish capital than it tends to feel in London. Clearly, EU regional policy has played a role in the new political affirmation of the identity of what was one of the oldest kingdoms of Europe.

The Belgo-British conference also made clear, once again, that Belgians have a specific rapport with the EU because it has its main seat in the Belgian capital. This makes the EU Commission seem "part of the family", rather than as the faceless gathering of autocratic, non-elected bureaucrats which the British so often complain about. The Belgian participants realised once again that the words "Brussels had decided" resound quite differently outside the Belgian borders and certainly across the Channel.

This is not the main reason for the difference in attitudes between Belgians and Brits towards the EU. But it does help to explain the difference in tone between the speeches of the Belgian Minister for Foreign Affairs, the Hon. Annemie Neyts, and of the Hon. Helen Liddell, MP at the conference .

In her keynote speech to the conference, Mrs. Liddell said she is a committed pro-European and has "the bruises to show for it".

"Just because of that commitment to Europe", she laid out the areas where Europe needs to change if it is to be a strong player in the changing world. Her main criticism is that Brussels is, or has become, totally disconnected from the citizens of the EU countries.

Out of the elite which the founding fathers of the Common Market put in place "has developed a culture of rule by experts", she said. "The bureaucrats have created an insatiable demand for new laws and regulations, building a complex matrix of central dictation that has lost the great mass of the population along the way and has been the breeding ground, certainly in the UK, for Euroscepticism."

She criticised the tension that is frequently created between the Council of Ministers and the Commission, and is frequently unnecessary, and said: "Add to that a Parliament with legislative processes that provide a bonanza for lawyers and are impenetrable to the citizen."

"What is it about the air in Brussels", she asked, "that numbs the political nous of those whose mission should be to engage the citizens, not to enrage them?"

The EU has to change, and it has to change in a way that "the citizen can recognise. That usually means an improvement in the standard and quality of life, and we thought that was what we were going to do with the Lisbon Process."

"But three and a half years later on, are we any closer to Europe being the leading knowledge based economy of the world?"

"Have the member states really embraced transparency and benchmarking as a substitute for heavy handed and sluggish rule making?"

"The buzz word of the moment", she said, "is that we must 're-connect' but that is a bit strong, we haven't been too good at connecting in the first place, after we had all these experts to tell us what is good for us. So we have to enter into a new pact with the European citizen."

In her speech at the dinner in the splendid Edinburgh Castle, Minister Annemie Neyts put up a spirited defense of the European Commission. The Commissioners, she said, are the advocates of the European common interest against the national interests defended by the political leaders of the member states. The Union is not simply a large free trade zone, it is also a political project of ever-closer integration, and therefore it needs a body which represents this European aspiration and interest.

One of the responsibilities of the Commission, Mrs. Neyts said, is to create a level playing field in the Common Market, and to see to it that all members play according to the rules and do not distort the competition. That makes the Commission frequently unpopular with national or regional politicians, who try to favour their national enterprises. Too often, they choose the easy way out by not admitting that they were at fault and blaming the "Brussels bureaucrats".

Moreover, many of the rules and regulations of the Commission are written at the request of (the) member states, the minister said. But when these regulations are unpopular with their electorate, those same governments will hide behind the skirts of the Commission, and blame "Europe" or "Brussels". If "Europe" has to (re)connect with the citizens, the national governments will have to do their bit by explaining to their citizens that the Commission implements the decisions of democratic governments elected by those same citizens, she said.

There also, the differences in approach were far from unbridgeable. Mrs. Liddell also admitted that "the member states have to stop hiding behind the petticoats of Brussels when hard decisions have to be taken on the route to a modern competitive Europe".

And the MP for Airdrie and Shotts, and former Secretary of State for Scotland, is the living proof that political will is stronger than bureaucratic zeal. It took her time and energy, she said, but when some European bureaucrat felt the need to change the definition of industrial jam, she did manage to save a much loved British biscuit, the Jammy Dodger, from falling prey to this new dictate.

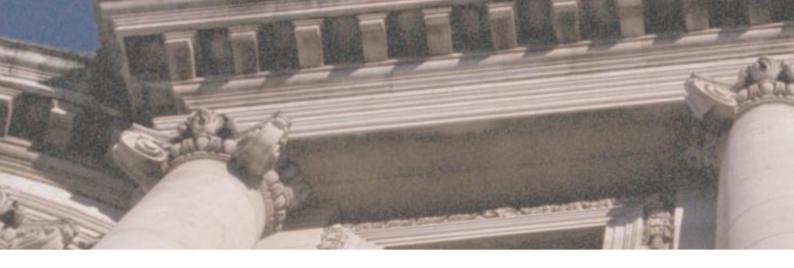
For her part, Mrs. Neyts totally agreed that this kind of obsessive regulatory passion had nothing to do with the central role she ascribed to the Commission in the theme of the Conference: Changing Europe in a Changing World.



Thursday 16 October

Royal Society of Edinburgh

13:50	Transport to take participants arriving on bmi flight from Brussels to the <mark>George Hotel</mark>
16:00	Transport to take participants arriving on bmi flight from London to the George Hotel
17:30	Welcome drink and Registration Royal Society of Edinburgh
18:00	Opening Plenary Wellcome West
Chairs Speakers	Baron Buysse CBE Chair of the Board, Bekaert and Co-Chair, Belgo-British Conference Lord Simon of Highbury CBE Director, Unilever and Co-Chair, Belgo-British Conference The Rt Hon Helen Liddell MP
<u> Ξμεακει 5</u>	Labour MP for Airdrie and Shotts and Former Secretary of State for Scotland Bart Somers Flemish Minister President
19:00	Transport to Edinburgh Castle
19:10	Whisky Reception Scotch Whisky Heritage Centre
19:45	Dinner Edinburgh Castle
Hosted by	The Rt Hon Patricia Ferguson MSP Minister for Parliamentary Business
Keynote Address	Serge Kubla Vice-President Walloon Government
22:45	Transport to the George Hotel



Friday 17 October

Royal Society of Edinburgh

9:00 Welcome Coffee

9:15

9:15 Chairs

Opening Plenary Lord Simon of Highbury CBE Director, Unilever and Co-Chair, Belgo-British Conference

Baron Buysse CBE Chair of the Board, Bekaert and Co-Chair, Belgo-British Conference

Presentations by the Introducers of the Working Group themes:

Group 1

The Regions and Europe: Partners or Rivals? Dr Martin Hinoul

Business and Development Manager Research and Development Department Catholic University of Leuven (KUL)

Group 2

The EU Economic Future: Competitiveness or Complacency? David Wright Director Financial Markets DG Internal Market European Commission

Group 3

European Security in Flux: Is Partnership Possible? Charles Grant Director Centre for European Reform

Group 4

Ethnic and Religious Diversity in Europe Dr Christiane Timmerman

Department of Politics and Social Sciences University of Antwerp

10:30	Coffee

28|29 **11:00** Conference breaks into four Working Groups:

Group 1

The Regions and Europe: Partners or Rivals?			
Chair	r Dr Martin Conway		
	Fellow and Tutor in Modern History		
	Balliol College		
	University of Oxford		
Introducer	Dr Martin Hinoul		
	Business and Development Manager		
	Research and Development Department		
	Catholic University of Leuven (KUL)		
Rapporteur	Prof Charlie Jeffery		
	Director		
	ESRC Research Programme on Devolution		
	and Constitutional Change		

Group 2

The EU Economic Future: Competitiveness or Complacency?

Jean-Louis Six

Chair Introducer Rapporteur

European Bank for Reconstruction and Development **David Wright** Director Financial Markets DG Internal Market European Commission **Geert Noels**

Director Belgium, Luxembourg and Slovenia

Chief Economist Petercam

Group 3

European Security in Flux: Is Partnership Possible? Chair Baron de Schoutheete de Tervarent

 Chain
 Dation de Schoutheete de l'érve

 Special Advisor
 European Commission

 Introducer
 Charles Grant

 Director
 Centre for European Reform

 Rapporteur
 Karel Lannoo

 Chief Executive
 Centre for European Policy Studies



19:30

Group 4

Ethnic and Relig	ious Diversity in Europe	Speakers
Chair	Sunder Katwala	opeaners
	Labour Member of the European Parliament	
	for London	
Introducer	Dr Christiane Timmerman	
	Department of Politics and Social Sciences	
	University of Antwerp	
Rapporteur	Dr Mona Siddiqui	
	Director	
	Centre for the Study of Islam	
	University of Glasgow	
13:00	Lunch: George Hotel	23:00
14:15	Working Groups resume	
16:00	Session ends	
	Participants walk to Theatre Workshop, 34 Hamilton Place, Edinburgh for private view of New Young Europeans exhibition	
17:15	Transport to return to George Hotel	
17:45	Participants walk from the George Hotel to Royal Society of Art	
18:00	Private view of Monet: The Seine and the Sea	
18:50	Participants walk from the Royal Society of Art to the National Gallery of Scotland	
19:00	Reception in National Gallery of Scotland	

Dinner in National Gallery of Scotland HE Baron Thierry de Gruben Belgian Ambassador to the United Kingdom

Gavin Hewitt Chief Executive (Designate) Scotch Whisky Association and Former HM Ambassador to Belgium

Sir Timothy Clifford FRSE Director National Galleries of Scotland

Participants walk from the National Gallery of Scotland to the George Hotel

Saturday 18 October

Royal Society of Edinburgh

9:00	Welcome coffee	10:15	Debate
9:15	Plenary Session	10:45	Closing comments from the two Chairs
Chairs	Baron Buysse CBE Chair of the Board, Bekaert and Co-Chair, Belgo-British Conference	11:00	Transport to take participants leaving on bmi flight to Brussels to airport
	Lord Simon of Highbury CBE Director, Unilever and	12:45	Group flight to Brussels
Speakers	Co-Chair, Belgo-British Conference Group Rapporteurs	13:00	Drinks and Lunch for those remaining at the Royal Society of Edinburgh
Group 1 Prof Charlie Jeff	ery	16:45	Transport to take participants leaving on bmi flight to London to airport
Director ESRC Research Pro and Constitutional	ogramme on Devolution Change	18:30	Group flight to London

Group 2

Geert Noels Chief Economist Petercam

Group 3

Karel Lannoo Chief Executive Centre for European Policy Studies

Group 4

Dr Mona Siddiqui Director Centre for the Study of Islam University of Glasgow



Participants

Maïté Abram Director European Movement Belgium

Jean-Marie Agarkow Deputy Director General, Division of Economic Policy, at the Ministry of Wallonia region

Yunis Alam University Teacher, Researcher and Novelist

Kate Arthurs Project Officer British Council Brussels

Zeinab Badawi BBC

Louise Baker Project Assistant British Council Brussels

Robin Berkeley OBE EU Advisor

Sven Biscop Senior Researcher, IRRI Department of Security and Global Governance

Jeremy Blood Director Corporate Affairs S & N plc

Jan Bohets Senior Writer De Standaard

Beth Breeze Social Market Foundation

Baron Paul Buysse CBE Chairman of the Board S.A. Bekaert N.V.

George Calder



Yunis Alam



Robin Berkeley

Head of Office, Scottish Executive EU Office

Dominick Chilcott Director for bilateral relations with European Countries and policy on Cyprus and Gibraltar, Foreign and Commonwealth Office

Desmond Clifford Head Welsh Assembly Government EU Office

Sir Timothy Clifford, FRSE Director, National Galleries of Scotland

Jo Coelmont Military Representative to the Military Committee to the European Union

Joachim Coens Chairman-Managing Director of the Port Authority Bruges-Zeebrugge

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Marina Cruysmans Head of Public Relations, IRRI- KIIB

James Currie Non-executive Director of the Royal Bank of Scotland

Koert Debeuf Advisor to the Belgian Prime Minister Philip de Buck van Overstraeten Secretary General UNICE

HE Baron Thierry de Gruben Belgian Ambassador to the UK

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Professor Philippe de Schoutheete de Tervarent Special Advisor, European Commission

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Yesim Deveci Trinity Community Centre

Baroness Mia Doornaert De Standaard

Eric Drossart Chairman, IMG Europe

John Edward Head, European Parliament Office, Scotland







Patricia Ferguson MSP

Minister for Parliamentary Business

Richard Gowan Foreign Policy Centre, London

Charles Grant Centre for European Reform

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Gavin Hewitt Chief Executive, Scotch Whiskey Association

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Dr Kirsty Hughes Senior Fellow, Centre for European Policy Studies

Jamal Iweida Belfast Islamic Centre

Dr Charlie Jeffery Director, ESRC Research Programme on Devolution and Constitutional Change

Richard Kinchen Richard Kinchen is Her Majesty's Ambassador to Belgium

Philippe Lachapelle Head of the Partnerships and Intelligence Unit, Office of Foreign Investors (OFI), Walloon Region



Gavin Hewitt

Christophe Lamfalussy Foreign Affairs Editor, La Libre Belgique

Karel Lannoo Chief Executive, Centre for European Policy Studies

Raymond Lefèvre President, Belgian Defence and Security Industry Group

The Rt. Hon. Helen Liddell MP MP for Airdrie and Shotts and Former Secretary of State for Scotland

Dr Ching Lin Pang Centre for Equal Opportunities and Opposition to Racism

Renilde Loeckx Director West Europe Department of the Belgian Federal Public service –(FPS) Foreign Affairs, Foreign Trade and Development

William Lowther, CBE JP DL Chairman of Surface Specialties PLC, UCB S.A.

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Naz Malik Chief Executive, All Wales Ethnic Minority Association

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Giles Merritt Director, Forum Europe

Viscount Montgomery of Alamein House of Lords

Alasdair Murray Centre for European Reform

Annemie Neyts- Uyttebroeck President of the House of Commons Commission for Foreign Affairs

Geert Noels Chief Economist, Petercam

Senator Luc Paque European Commission

Prof Simon Petermann Professor, Free University of Brussels (ULB)

The Rt Hon Joyce Quin MP Member of Parliament for Gateshead East and Washington West

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Kirsty Hughes



Catherine Stewart

Matthew Rous Chargé d'Affaires, British Embassy Brussels

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Lord Simon of Highbury CBE Member of the House of Lords and Director Unilever

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Lord Simon of Highbury

