

INVITATION

BÖLL LUNCH DEBATE

Eurozone 2013: Is the Existential Crisis really Over?

The eurozone has survived the year 2012. The Grexit did not happen; Eurogeddon could be avoided – just about. But is the “existential crisis” really over as Commission President Barroso claimed in the beginning of this year? Complacency seems to be a little premature. Certainly, the eurozone leaders have taken first steps to make the architecture more sustainable and to develop effective tools to deal with urgent problems. The ECB's outright monetary transactions (OTM) bond-buying programme, even though it has not yet been used, has helped to reduce the risks of a collapse of the eurozone, and the operational start of the European Stability Mechanism has been successful. But we should not forget that the eurozone still suffers from a double-dip recession. There is no noteworthy economic growth and unemployment is still rising. Recovery for most of the eurozone cannot be expected until the second half of 2013; according to the Organisation for Economic Co-operation and Development growth will not occur until 2015. Unemployment in the eurozone has reached a record high of 11.7% with worrying differences between northern and southern member states; youth unemployment has risen to 23.9% with a hair-raising 56% in Spain. Also, the year will start and end with elections in two important eurozone countries. Italy will go to the ballot box on the 24th of February; the Germans will elect a new parliament in September. In Italy, Mario Monti in his role as caretaker prime minister, had helped to stabilise the situation, but the outcome of the Italian elections could easily send the country back into turmoil with serious implications for the rest of the eurozone. In Germany, Angela Merkel cannot be sure to be re-elected. Whether this would be good or bad for the eurozone is very much in the eye of the beholder. Where the old French-German motor known as Merkozy ran smoothly, but not necessarily in the direction preferred by many and, its Horkel-version spluttered to a halt, a brand-new Holbrück-variant run on green fuel could perhaps do miracles for the eurozone. But, in the meantime, much work needs to be done and fast. The banking union is a top priority, but can only be the beginning of further economic and political integration. Will the eurozone under the leadership of its new president, Dutch Minister of Finance Jeroen Dijsselbloem, survive 2013 and what steps have to be taken to close the dangerous north-south divide?

Date **Tuesday, 26 February 2013, 13.00 – 14.30**

(a sandwich lunch will be provided at 12.30)

Venue **SOFITEL BRUSSELS EUROPE**
Place Jourdan, 1
1040 BRUSSELS

Speakers **Dr Alexandre Abreu**, Lecturer Institute of Economics and Business Administration (University of Lisbon) and researcher Centre of African and Development Studies (University of Lisbon)
Sven Giegold, Member of European Parliament (Greens/EFA)
Dr Adriaan Schout, Deputy Director Research/ Europe Clingendael Netherlands Institute of International Relations

Moderator **Bastian Hermissen**, director Heinrich-Böll-Stiftung European Union

**The meeting is held under Chatham House Rule.
Conference language English – no translation.**

No admittance without confirmed registration. E-Mail registration only. Please send the attached reply form to:

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