



CENTRO STUDI SUL FEDERALISMO

Appeal to European leaders: for the Euro and the European stability and development

The international economic and financial crisis and the problem of European sovereign debt is seriously undermining the foundations of the Eurozone: the European Union could disintegrate.

The decision-makers of the Union and its Member States are being called upon to show fortitude, courage and vision by immediately putting measures in place able to stave off the hugely serious worldwide risks that the credibility crisis in the Eurozone can engender.

Only by combining rigour with development, the present urgency with future opportunities, will it be possible to provide a coordinated and credible response to the crisis.

It is necessary for European leaders to be able to give a concrete, factual response to the expectations of the markets and, above all, to the fears and hopes of millions of European citizens.

This can only happen if the members of the European Council work as one in concert at the meeting of 9 December in order to take three coordinated and unequivocally announced steps:

- **keeping control over the public finances of the Member States in the Eurozone**
- **a credible Europe-wide action for stabilising the public debt of Member States in the Eurozone**
- **the launch of a European plan for sustainable development.**

A package of measures needs to be defined for strengthening – overseen by the European Commission – the budgetary discipline of Member States by means of binding measures in terms of control, sanctions and constitutionalisation of the commitments undertaken. This must come with the necessary internal reforms, particularly in those Member States where the burden of public debt is highest.

It is the guarantee of national discipline that can and must pave the way to a European response to the problem of debt. This should take the form of stability bonds and a reinforcing of the EFSF, including its capability for rapidly funding on the market. The European Central Bank's mandate allows it to take the necessary steps to ensure the liquidity indispensable for the financial system.

But it is essential that, on 9 December, there is also announced the launch of a “European plan for sustainable development”, to be implemented as of 2012. “To the Member States, rigour; to the Union, development”. Support must be given to the position of the European Commission and the European Parliament for a budget of the European Union funded by independent own resources instead of national ones, which could be the basis for an investment plan focused on infrastructures, research and common goods, financed by project bonds.

To consolidate the Eurozone's ability to deal with future crises – and to benefit from the growth opportunities in a changing world – it will be necessary to reform the Treaties, also aiming to the final objective of a European federal financial plan. However, the EU leaders and the Member States of the Eurozone can begin straight away by acting as a “**Provisional Government of the European economy**”.

Only if we are able to build a bridge between the present and the future will it be possible to overcome the limitations of our project of unity, which still continues to be a formidable and irreplaceable achievement for the whole of Europe, and which has ensured peace, stability and growth. A European Union able to rise to the challenge of the crisis requires an immediate show of **leadership and vision**.

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