



Newsletter

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Can shale gas transform Europe's energy landscape?

by David Buchan

Shale gas is a far more divisive issue in Europe than it is in the US. In 'Can shale gas transform Europe's energy landscape?' David Buchan argues that shale gas could be a valuable ingredient in the region's low carbon strategy. It is unlikely, however, to be the game changer that it has been in the US, not least because resistance to what is an intensive industrial operation is bound to be higher on a continent that is much more densely populated. Moreover, while shale gas production might make a difference to the energy security of individual EU member-states, it is unlikely to do so for the region as a whole. At best, it will slow the increase in Europe's dependence on imported gas. More [here](#).

David Buchan is a senior research fellow at the Oxford Institute for Energy Studies.

Nexus website

Dear Nexus member

Just a reminder to send our way anything you think is relevant to the new Nexus website;

- Any articles written by members possible for publication on the website are appreciated.
- Information on interesting events or opportunities that may be of interest to

Call for papers

The European Union in International Affairs IV, Brussels, 22-24 May 2014

The Institute for European Studies at the Vrije Universiteit Brussel (IES-VUB), the Institut d'Études Européennes at the Université Libre de Bruxelles (IEE-ULB), the United Nations University Institute on Comparative Regional Integration Studies (UNU-CRIS) and Egmont, the Royal Institute for International Relations invite papers for the fourth 'European Union in International Affairs' (EUIA) Conference.

The EUIA Conference provides a multidisciplinary forum for discussion and exchange of ideas amongst scholars engaged in understanding the role of the EU in the world. This broad theme encompasses the dynamic interplay between the EU, its member states and external partners. Debates may focus on topical issues such as the European elections and the quest for democratic accountability, the transatlantic trade and investment partnership, European responses to the instability in the wider neighbourhood, the external implications of the Eurozone crisis, and the evolution of the post-Lisbon European foreign policy system. As such, the EUIA Conference integrates 'inside out, outside in' perspectives covering different policy fields.

The EUIA Conference is open to all relevant disciplines and sub-disciplines. Through keynote addresses and policy link panels it fosters exchange between the scientific and the policy communities. Limited solidarity grants are available to cover part of the cost of participation of junior researchers from disadvantaged countries.

Please submit your paper abstract (300 words maximum) according to instructions on the conference website: www.ies.be/conference/euia2014.

Deadline for paper proposals: 30 September 2013. Notification of acceptance: 17 January 2014
Submission of full papers: 9 May 2014.

We look forward to welcoming you to the fourth EUIA Conference!

Don't let England's poujadists kill London's golden goose

By Simon Tilford

One of the UK's key economic advantages is its success at attracting skilled immigrants. In particular, the ability of London to generate the wealth that Britain depends on to finance its public services is inextricably linked to the city's openness to ideas, capital and immigrants. But Britain's immigration debate is now all about how to make it harder for newcomers rather than making the country more attractive to them. To a large extent, this is being driven by the concerns and fears of suburban and rural voters, especially older ones. The readiness of politicians from across the political spectrum to pander to these fears is damaging the economy, feeding euroscepticism and with it the possibility of the UK quitting the EU.

The government wants to reduce net immigration to less than 100,000 a year. To this end it has tightened up the regime for student visas and for skilled immigration into the UK from outside the EU (non-EU countries account for two-thirds of the net immigration: the EU the remainder). There is little the government can do about EU immigrants, which explains the increasingly hysterical campaign to reduce their access to benefits. The government argues that the scale of immigration is prejudicing the employment prospects of lower-skilled British workers (over the last year more than half of new jobs went to immigrants, and youth unemployment is at a record high, ergo they are taking British jobs); placing a further burden on an already overwhelmed National Health Service (NHS) and school system; and leading to abuse of the country's welfare system.

These claims are either wrong or misleading. Net immigration into the UK is not particularly high. It certainly rose following the opening up of the UK labour market to the new eastern European members of the EU in 2004. Over the 8 years to 2011 net immigration averaged 214,000 a year, before falling to 165,000 in 2012. In the context of a country as populous as the UK, this is a relatively modest inflow, adding about 0.3 per cent to population each year. And it is not especially high in a European context: over the last ten years, net immigration in Britain has been higher than France and Germany, but lower than in Italy or Spain. Talk of 'mass immigration' is well wide of the mark.

The UK is also very good at attracting skilled immigrants: almost 40 per cent of first generation immigrants have a university degree; the comparable figures for France and Germany are half that, and even lower for Spain and Italy. Indeed, the south-east of England is home to the biggest concentration of foreign professionals anywhere on earth. The reasons for this success range from the English language to the greater readiness of UK employers to recognise foreign qualifications. Many other first generation immigrants have vocational qualifications in skills like construction, which are in short supply in the UK. Even those in unskilled work are probably not displacing many local workers: these jobs tend to pay at or near the minimum wage, if employers hire immigrants, whose English is sometimes patchy and who often move on quickly, it must be partly because the locals are unwilling to take these jobs.

First generation immigrants tend to live in the most economically dynamic parts of the UK. This is inevitable, immigrants are drawn to where the work and opportunities are. But these areas are also wealthy and dynamic because of their openness. Contrary to popular myth, the areas of greatest immigration are not the ones with the greatest hostility to migration. London, for example, is easily the most tolerant region of the UK. The areas where there is most hostility to immigrants tend to be those where there are fewest immigrants, or where cultural and religious differences are pronounced, as in some northern English towns.

Openness largely explains London's long renaissance and emergence as the only world city in Europe. It is perhaps the UK's most precious economic asset. Huge amounts of tax revenue are redistributed from London to the rest of the country. According to the Centre for Economics and Business Research, one in every five pounds earned in London goes to subsidise other regions of the UK. Without this redistribution (and a smaller but still very large one from the rest of south-east England), the bleak economic prospects of swaths of Britain would be even bleaker. Of course London should be supporting the rest of the UK; it is easily the wealthiest region of the country. But the British government needs to resist popular pressures for controls which would erode London's ability to generate that wealth.

British politicians need to think about what policies are needed to help London and its environs exploit its unique position. First, they should reverse the cap on student visas. This ill-thought out step has already damaged British universities – one of the country's most successful export-industries – by making it harder for people to study in the UK. The number of foreign students in Britain is a much envied source of soft power (many either stay or retain long-term links with the country) and export earnings. While other European countries urgently try and attract more foreign students, Britain fashions ways of deterring them.

Second, the government should lift or scrap the caps placed on non-EU skilled immigrants. Given the increasingly fierce global competition for such workers, it is self-defeating to limit the number allowed into the country.

Third, the government should stop stigmatising EU immigrants. There is no evidence of benefit tourism or health tourism. If anything, the reverse is the case; EU immigrants in the UK are on average much younger than UK ones living elsewhere in the EU, and more likely to be in work than the native population. If there is a country in the EU with legitimate cause to resent benefit tourism, it is Spain, which must cope with large numbers of elderly Britons.

Fourth, it needs to open the way for more construction. The crippling cost of property is now a serious threat to the prosperity of London and the south of England generally; unless action is taken firms will find it increasingly hard to entice people to work there. It will, in turn, be impossible to build these houses unless contractors can rely on imported labour. Britain has an acute shortage of skilled construction workers and there is little indication that the unemployed elsewhere in the country have any desire to do this kind of work in London. There is a reason why London's building sites are full of Poles rather than Liverpudlians.

How should the government address the rising anti-immigrant feeling that threatens the UK's economic vibrancy and even its membership of the EU? It can do little about ignorance, other than to stop legitimising it by playing up to it. Instead of scape-goating the migrants that Britain needs, the government should concentrate on addressing the underlying cause of the popular frustration: an acute shortage of affordable housing, even in many economically depressed parts of the country; a lack of vocational training for those that do not go to university, and over-burdened public services. If there is a shortage of primary school places in London, the answer is to build more primary schools. Most countries in Europe would do anything for this problem: with the populations ageing rapidly, European countries (including Britain) need all the young people they can get. If the NHS lacks capacity in London, expand that capacity. After all, immigrants pay tax. Indeed, the OECD calculates that in the UK they pay more into the pot than they take out.

Britons, especially those living outside London, will all be much the poorer if politicians fail to challenge the widespread belief that immigration is a burden rather than a boon.

Simon Tilford is deputy director of the Centre for European Reform.

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More papers from the Centre for European Reform:

What is wrong with the European Commission? by Charles Grant, 27 June 2013

(<http://cer.us2.list-manage.com/track/click?u=e5ac52c2f8bd1b249ef1a8d18&id=5ad975e9b6&e=ba8869b585>)

Turkey's Twitter generation is its European future? by Heather Grabbe, 19 June 2013

(<http://cer.us2.list-manage.com/track/click?u=e5ac52c2f8bd1b249ef1a8d18&id=66352a0b84&e=ba8869b585>)

Can national parliaments make the EU more legitimate? by Charles Grant, 10 June 2013

(<http://cer.us2.list-manage2.com/track/click?u=e5ac52c2f8bd1b249ef1a8d18&id=f15c029e61&e=ba8869b585>)

The CER commission on the UK and the single market, by John Springford, 7 June 2013

(<http://cer.us2.list-manage.com/track/click?u=e5ac52c2f8bd1b249ef1a8d18&id=1d8c853199&e=ba8869b585>)

Tilting at European windmills, by Katinka Barysch, 29 May 2013

(<http://cer.us2.list-manage.com/track/click?u=e5ac52c2f8bd1b249ef1a8d18&id=90a32213c5&e=ba8869b585>)

A dose of inflation would help the eurozone medicine go down, by Simon Tilford, 16 May 2013

(<http://cer.us2.list-manage.com/track/click?u=e5ac52c2f8bd1b249ef1a8d18&id=d375c37a48&e=ba8869b585>)

Commission should move to structural reform of the ETS, by Stephen Tindale, 9 May 2013

(<http://cer.us2.list-manage1.com/track/click?u=e5ac52c2f8bd1b249ef1a8d18&id=fa8627bbb5&e=ba8869b585>)

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IAI Working Papers

The series includes policy papers published by the Istituto Affari Internazionali

The Democratic Legitimacy of the EU's Economic Governance and National Parliaments, by C.Heffler and W.Wessels

The Euro crisis is having a major impact on the EU as such and on its member states. A key dimension of it concerns the democratic legitimation by national parliaments of the measures taken to face the crisis. The role of the European Council and policy coordination in the European Semester challenge the ability of national parliaments to stay in control of national budgets and economic policy. This paper, which draws on comparative data concerning all 27 EU member states, considers whether national parliaments are further sidelined in the EU decision-making process or try to “fight back” against their loss of traditional competences.

EU Engagement with Local Civil Society in the Great Lakes Region, by M.Martín de Almagro Iniesta

The EU aspires to use a new generation, bottom-up framework for peacebuilding, in which respect for local identities, culture and rights trump national security, the market and law and order. However, this normative commitment has not materialized in EU peace operations in practice. These shortcomings derive from a gap between the definition of what constitutes local civil society and the practices concerning its involvement in EU policies. Improving the understanding of how local civil society can be a partner for peace for the EU is critical for the success of EU missions in countries such as the Democratic Republic of Congo (DRC) and EU Delegation tasks in countries such as Burundi.

Juggling Security, Democracy and Development in the Caucasus: What Role for the EU?, by N.Mikhelidze

The EU's premise in its engagement in the various conflicts besetting the South Caucasus has been its endorsement of the metropolitan state's territorial integrity and thus its non-recognition of the de facto independence of Abkhazia, South Ossetia and Nagorno-Karabakh. Within this framework, the EU's governance initiatives in the South Caucasus have focused on the promotion of democracy. In the EU's view, conflict resolution will come about in the long-run if Georgia and Azerbaijan become more attractive for the separatist entities. However, instead of real democracy promotion, what we have observed from the EU's side has been the accommodation of local forms of governance.

Azerbaijan's Foreign Policy and the Nagorno-Karabakh Conflict, by E.Fuller

Azerbaijan's foreign policy is focused primarily on strengthening ties with those states and organizations that are perceived as willing and able to help it secure a solution to the conflict over Nagorno-Karabakh on Azeri terms. The fundamental constraints Azerbaijan faces in pursuing this objective result from its geographical location, between the Caspian and the Black Sea, bordering on Russia to the north and Iran to the south. Azerbaijan's geopolitical environment has impelled Azerbaijan to pursue a maximally balanced and pragmatic foreign policy necessitating a “compartmentalization” of bilateral relations with its neighbours and global partners.

Presidential Elections in Armenia and the Opposition's Long March, by M.Lorusso

On 18 February 2013, presidential elections were held in Armenia. According to the official results, the incumbent president, Serzh Sargsyan, who was first elected in 2008, won the elections with 58.64 percent of the votes, while his closest rival, Raffi Hovannisian, received 36.75 percent of the votes. Hovannisian disputed the election results and launched a long protest action. The presidential inauguration on April 9 legally bestowed full legitimacy on the second mandate of the incumbent Armenian president, Serzh Sargsyan, but it hardly put an end to the so-called BaRevolution, the opposition movement that took shape after the elections.

TWO NEW ISSUE ALERTS BY EU INSTITUTE FOR SECURITY STUDIES

Afghanistan: enter 2014

by Eva Gross.

As the twelfth year of military engagement in Afghanistan draws to a close, NATO troop numbers are set to be significantly reduced and reoriented to training Afghan forces rather than carrying out executive security functions. But how will international actors (including the EU) recalibrate their approach in order to ensure stability in both Afghanistan and the wider region?

Click [here](#) to read more

The Georgian succession

by Ondrej Ditrych

The brief offers an evaluation of the ongoing political transition in Georgia explaining that, although the risk of major social unrest remains low, and that there is no geopolitical drift away from the West, there are a number of issues of concern for the international community: the transparency of the judicial process, the lack of political vision currently demonstrated by the government, and the rising influence of traditionalist forces in Georgian society.

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