



EU Strategic Sovereignty and Industrial Policy after Versailles

29th March 17h30

Venue : Egmont Palace,

Orange room, Place du Petit Sablon 8, B-1000 Brussels

**A panel of academic experts chaired by Francois Roux
(Senior Advisor on European Affairs at Egmont)**

Speakers :

Jean-Louis de Brouwer (Egmont)

Jean-Christophe Defraigne (IEE UCLouvain Saint Louis)

Patricia Nouveau (CEFIR ULg & UCLouvain)

Edoardo Traversa (UCLouvain)

Jan Wouters (GGs KULeuven)

Dimitri Zurstrassen (Sorbonne University & UCLouvain)

EU Strategic Sovereignty and Industrial Policy after Versailles

Two weeks after the start of Russia's invasion of Ukraine, the heads of state and government of the EU gathered in Versailles on 10-11 March 2022 for an informal meeting. On this occasion, EU leaders engaged in 'bolstering their defence capabilities, reducing their energy dependencies and building a more robust economic base'. They agreed to significantly increase defence expenditures (without however specifying an amount) and to bolster defence joint-projects and procurement schemes in order to develop the necessary and sometimes missing strategic capabilities. They also set the objective to 'phase out European dependency on Russian gas, oil and coal imports as soon as possible' by increasing imports of LNG from other markets, improving energy efficiency and accelerating investments in renewable energy. Finally, the Versailles Declaration reiterates the need for reducing strategic dependencies on critical raw materials, semi-conductors, digital technologies, and essential medical products and foodstuff. However, EU leaders remained divided on the implementation of a new resilience scheme (on the model of the Covid-19 pandemic recovery plan NextGenerationEU) to boost new investments in renewable energy and defence projects.

The search for strategic autonomy and sovereignty has gained momentum at the EU level with the deterioration of US-China relations. The Covid-19 pandemic and now the war in Ukraine have made EU strategic autonomy even more compelling, as the Versailles Declaration emphasizes. However these objectives raise significant challenges because of numerous structural weaknesses of the EU, notably the reluctance of Member States to transfer industrial policy tools to a supranational level, but also the absence of an esprit de corps among industrialists in light of the rivalries between national business elites, the lack of centralized power over the internal market and Europe's technological dependence on the US.

To discuss these challenges faced by the EU, Egmont, the Leuven Centre for Global Governance Studies of KU Leuven, the Institute for European Studies of UCLouvain Saint-Louis have gathered a panel of academics that have been analysing these challenges in recent research projects. The panel will assess to what extent the new EU strategies to serve the Union's sovereignty and economic robustness goals depart from the EU's traditional industrial policy approach, such as the Lisbon Strategy or Europe 2020. The panel will also discuss the structural differences between EU, China and US industrial and technological policy schemes as well as attempt to present various scenarios regarding the future of Europe's strategic sovereignty.

The arguments presented by the panel have been developed in two publications:

Jean-Christophe Defraigne, Jan Wouters, Edoardo Traversa and Dimitri Zurstrassen eds, EU Industrial Policy in the Multipolar Economy, Leuven Centre for Global Governance Studies Series, Edward Elgar publishing, forthcoming.

Jean Christophe Defraigne & Patricia Nouveau, Introduction à l'économie européenne, Ouvertures économiques, De Boeck, 3ème édition, 2022.

Francois Roux is Senior Advisor on European Affairs at Egmont. He has been Chief of staff in the cabinet of the President of the European Council in 2019-2020 and the Permanent Representative of Belgium to the European Union from September 1st 2016 to 2019. Between April 2012 and August 2016, Ambassador Roux was Director General for European Affairs at the Belgian Ministry of Foreign Affairs. Since 2014 Mr. Roux is the European affairs advisor or Sherpa of Prime Minister Charles Michel. Ambassador Roux holds a master degree in Economics from the University of Paris. And a master degree in Public Affairs and International Relations from the University of Louvain.

Jan Wouters is a Full Professor of International Law and International Organizations, Jean Monnet Chair ad personam, Director of the Institute for International Law and of the Leuven Centre for Global Governance Studies (a Jean Monnet Centre of Excellence and University Centre of Excellence) at KU Leuven, President of the University's International Policy Council, and Administrator of the America Europe Fund. He is Adjunct Professor at Columbia University (New York), and Visiting Professor at Sciences Po (Paris), LUISS (Rome), and the College of Europe (Bruges). A Member of the Belgian Royal Academy and Of Counsel at Linklaters, Brussels, he has published widely on international and EU law, international organizations and global governance, and corporate and financial law. He is currently Coordinator of a large Horizon 2020 Project, RECONNECT. He advises and trains regularly international organizations and governments, and is often asked to comment on international events in national and international media.

Jean-Christophe Defraigne holds a MSc in Economic History at the London School of Economics in and a PhD in Economics at the University of Brussels. He is currently professor in International and European Economics at the Institute for European Studies of the UCLouvain Saint-Louis Bruxelles and at the Louvain School of Management of the UCLouvain. He is also a research fellow at the Leuven Centre for Global Governance Studies of the KU Leuven University. He has been visiting scholar and professor at UIBE Beijing (對外經濟貿易大學) and Zhejiang Da Xue (浙江大学). As an academic expert, he has participated to numerous international research projects for various international institutions such as the European Commission, the European Parliament, the Japan External Trade Organization (日本貿易振興機構) or the Jacques Delors Institute.

Edoardo Traversa is Full professor of Tax Law and European Law at the Faculty of Law and criminology and at the Institute of European Studies at UCLouvain. He is also a visiting professor at KU Leuven, WU Vienna and Oxford. His research interests include European tax integration, international taxation, fiscal and financial federalism, EU indirect taxation (VAT) and interaction between taxation and public policies, in particular as regards the EU and constitutional constraints to domestic tax policies. He is a member of several advisory committees for EU and Belgian institutions (EU VAT Expert Group, EU Platform for Good tax governance). He also practices law at the Brussels Bar. More information at www.uclouvain.be/edoardo.traversa.

Dimitri Zurstrassen holds a degree in Contemporary history from the Free University of Brussels (Belgium) and a Master's degree in Contemporary History from the Complutense University of Madrid (Spain). He is currently a doctoral researcher in Contemporary History at the Sorbonne University (France) and the UCLouvain (Belgium). His doctoral thesis project focuses on the study of the evolution of EU industrial policy from 1974 to 2002 through the analysis of European Commission interventions in the steel sector (<http://www.theses.fr/s159027>). He has been involved in several research projects on the history of European integration such as the European Commission's oral history project (1986-2000) coordinated by UCLouvain or the oral history of the European Court of Justice, a pilot research project coordinated by the Max Planck Institute for Legal History and Legal Theory in Frankfurt (Germany).

Patricia Nouveau teaches Global and European Economic governance at UCLouvain and at the international Business department of EPHEC University College, Brussels, Belgium. In addition, she is a researcher at the Centre For International Relations Studies at the University of Liege focusing on EU, US and Chinese economic policies and digital policies. Previously, she had been as a consultant in EU Public Affairs specialising in trade, transport, and regional policies for various business clients and institutions. Among recent publications are “Introduction à l'économie européenne”, De Boeck, 2022, 3rd edition ; “European Union's digital governance versus United States' digital dominance”, Revue de la faculté de droit de l'Université de Liège, Larcier 2020/2 ; “La politique de concurrence européenne : une politique industrielle par défaut”, Outre-Terre, 2016/1 (N° 46).