ECONOMY AND CONVICTIONS

JANUARY -JULY 2023

TRIBUTE TO TENACITY



From Tchouang Tseu to Diogenes, from Seneca to Nāgārjuna, what the Taoists, the Cynics, the Stoics and the Buddhists sought, despite their many differences, was to always become insensitive to the vagaries of the world. In other words, to drive away the uncertainty that throws strategies off course and has a bearing on discourse and decision-making.

While the different teachings of these philosophers are widely accepted in times of peace, war, whether military or economic; or both, as in this case, it is taking place in a different time that calls for unwavering tenacity. And a strategic vision that can lead to daring, yet relevant, choices.

Russia's invasion of Ukraine was deemed to be the biggest military operation in Europe since the end of the Second World War. From the outset, Russia has been accused by the West, most notably the European Union (EU), the United Kingdom, the United States, Canada and Australia, as well as by the G7, of waging a war of aggression against Ukraine. This has been condemned across the board by the vast majority of the international community, with widespread uncertainty as to the duration, scale and consequences thereof.

In fact, what would the international condemnation of Russia have been without the perseverance, resistance and unparalleled willingness of the Ukrainian people to fight? To the astonishment of Western nations, Ukraine has stood firm, fought fiercely and defended itself right from the get-go, with a military budget for 2022 of roughly \$5 billion, 10 times less than Russia's. However, despite its notable weaknesses, Ukraine's military strategy has been highly effective; the communications strategy put in place by President Zelensky is highly original and hitherto unseen in times of war.

Nevertheless, it is no wonder people are asking whether this tenacity and the constant risk-taking that it underpins will lead to coming out on top? Nothing could be less certain.

This is all the more true given that this war could go on for years, or perhaps even longer, just like the Israeli-Palestinian conflict, even if the foundations thereof are worlds apart. It's one thing to put up a fight for a few months, or perhaps even two or three years, but sticking it out for years on end is another thing altogether. It also calls for other qualities such as endurance and stamina.

The hyper-presence of President Volodymyr Zelensky, on the front lines as well as in Brussels and Washington, is keeping the world engaged with Ukraine. Yet the country's tenacity is most evident in its relentlessly consistent actions and risk-taking, which have done more than anything else.

Unlike time, with its existential uncertainty, weight or distance, tenacity in a complex environment cannot be measured or simulated. It is a force. An emotion. A feeling. It's the result of dogged, non-stop effort and concentration and determination day in, day out. It's the will to never give up, while taking the necessary risks and getting out of your comfort zone.

However, putting up a fight comes at a price; the price we set ourselves to live up to an ideal or ambition. In this instance, we need to be aware that the stakes of this war, the outcome of which no one can predict, also play a part in the unwavering support of our European democratic values.



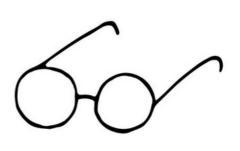
ANNE MAZOYER-JANKOWSKA FOUNDER, PRESIDENT OF THE PUBLICATION

PATIENCE AND TENACITY : The Polish example

Has patience become a flaw? It certainly looks like everything is being done to encourage us to believe this. Posts on social networks have taken on huge importance not because they are relevant, but because they are immediate. All too often, political decisions are dictated by events or public opinion, and the laws that are passed are either poorly drafted or inapplicable. Media pressure is pushing towards commenting on everything, right away, even if we don't have all information.

The latest case in point is the two Ukrainian anti-missile missiles that accidentally fell in Poland, killing two people. Polish politicians and the Ukrainian President reacted immediately, blaming Russia for the tragedy. Time, however, proved that the truth was in fact rather different, despite being on the brink of an unprecedented crisis that could have had serious consequences.

Let's make no mistake: patience, when combined with tenacity, does not mean inaction and blissfully waiting for a stroke of luck or destiny to show up out of nowhere. It helps to avoid a false start that could disqualify the favourite right from the outset.



Overthrowing the Communist regime can be attributed to the patience of the Poles. It certainly took time, but another action at a less opportune moment would probably not have had the consequences we are all aware of. Today, Poland is arming itself with patience too. This patience may be the result of political tactics (the release of European funds), a quest for the right momentum (the fight for LGBT and abortion rights), electioneering (negotiations on an opposition coalition to defeat the PiS in the October 2023 parliamentary elections).

Nevertheless, when it came to the war in Ukraine, the Poles did not condemn the patience but rather the fence-sitting and even complacency of Europe's major powers towards Russia over the years. Despite NATO, despite the European Union, Poland, whose scars from the near past are still raw, is resigned to relying solely on itself.

Just in case. Just in case the past, which is so fond of repeating itself, does so once again. A patience-threat that goes hand in hand with strong and costly actions in terms of weaponry and taking a stance alike. Patience that foresees so that you don't have to react to situations that really don't call for improvisation when you're unprepared and under pressure.

To end on a lighter metaphor that speaks for itself; in one of his poems, the Polish poet Julian Tuwim described Mister Hilary who turned his whole house upside down looking for his glasses before realising, when he looked in the mirror, that they were on his nose. Shouldn't this tenacity have made him go about looking for them with a little more patience?

WIKTOR ZAMOJSKI

PUBLIC AND POLITICAL AFFAIRS SENIOR CONSULTANT, HEAD OF POLAND OFFICE



EUROPE'S SILENT ELECTORAL MOVEMENTS

In one year's time, from 6 to 9 June 2024, the 10th European elections will be held across the continent, when 450 million European citizens will be called upon to cast their vote. This major European political event is already raising serious questions at a time when, according to the latest Eurobarometer poll, 56% of European citizens say they are interested in the forthcoming European elections. This represents a 6-point increase on the last poll conducted in 2018, when the participation rate was already on the rise. Despite the lateness of the European elections, there are already signs of movement in Brussels.



What is at stake for the current political make-up of the European bubble?

There has been a lot of political upheaval in the European bubble recently, reflecting the building tension in the run-up to the forthcoming elections. European political groups are moving closer to a historic realignment, with the European People's Party giving thought to alliances with the far right, undermining its tacit pro-EU coalition with the centre left. While the classical right has always ruled the European Parliament, its position is steadily weakening and the steady rise of extremist parties at every election threatens to gradually reshuffle the cards on the European political landscape.

This weakened right has also recently come under fire for calling for a regulatory pause on environmental issues, a tactic that looks like a real political faux pas. Furthermore, there are already a number of movements in the General Directorates, and this premature dynamic, in which the Commissioner for Competition, Margrethe Vestager, is participating by already standing as a candidate for the head of the European Investment Bank, is a muted kick-off to the campaign for the 2024 European elections. All that can be predicted at the moment is that these elections will reflect the recent political changes in Europe (Italy, Finland, Greece and perhaps soon Spain) where the hard right is gaining ground.

Spitzenkandidat or not?

The recomposition of the European Commission following the European Parliament election next year is also a cause for concern. The current President of the European Commission, Germany's Ursula Von der Leyen, now appears to be the favourite to hold on for a second term. However, at Berlaymont they are keeping tight-lipped regarding her possible candidacy. For the time being, only Les Verts have officially set the wheels in motion, with the aim of encouraging other political parties to follow suit, but so far there has been no movement.

Greater interest in the European elections?

The media coverage of the war in Ukraine has had the virtue of shining a light on European issues in the news. Can we expect public interest in these elections to rise? Much remains to be done to ensure European media coverage commensurate with the importance of the policies voted through in Brussels. These elections may or may not prove that the sense of belonging to the European Union has taken root in the minds of European citizens from one crisis to the next.

SAMUEL AUGIZEAU PUBLIC AND POLITICAL AFFAIRS CONSULTANT



IN THE WAKE OF EUROPE DAY, THE FRANCO-ITALIAN RELATIONSHIP MUST BE NURTURED

In a joint editorial published in La Tribune on 11 May 2023, Anne Mazoyer and César Lesage reiterated the importance of the transalpine link, a point of balance for France, which must step up to become the driving force of the Franco-German partnership and to strengthen the Mediterranean link with Italy, its second-largest trading partner. These two complementary pivots will give France the opportunity to strengthen its ties with the two founding countries of the European Union, which face East and South respectively. Today, these ties are key interfaces and vectors of long-term opportunity and influence alike.

The Quirinal Treaty signed in 2021 by Mario Draghi and Emmanuel Macron marked the founding act of this new strategic axis for Europe, underpinned by a particular linguistic and cultural proximity that the Franco-German relationship, despite its fundamental importance, will never quite live up to.

Recent events have proven us right when Emmanuel Macron met Giorgia Meloni on 20 June. Despite strong ideological differences, that remain cyclical contingencies, more than ever, interests come together, particularly in times of crisis, when major industrial and economic partnerships are primordial (renegotiation of the European Stability Pact, the Lyon-Turin rail project, to name but a few).



OPINION. The recent controversies between the French and Italian governments on the subject of immigration must not overshadow the historical ties and economic interests that unite Italy and France, in the interests of Europe.



In the wake of Europe Day, which is being held for the second year in a row with the restraint and seriousness that the Russia-Ukraine war calls for, it is more necessary than ever before to remember the responsibilities that history has bequeathed upon our generation.

Our responsibility is first and foremost to remember that 9 May is not an insignificant date: although it commemorates the signing of the Schuman Declaration on 9 May 1950, every year Europe celebrates the day after the 8 May festivities, marking the day on which the Allies accepted the unconditional surrender of Nazi Germany, bringing an end to World War II in Europe. This date symbolically marks the beginning of a new chapter of cooperation and peace, which is still the case for most of the continent, despite the war that is ravaging Ukraine and deeply impacting us all. Europe is more than just an institutional architecture, and tragedy reminds us of this. It is first and foremost a Common Home, which is why we should not turn a blind eye to what is happening in Kiev or even Vladivostok.

Peaceful and mutually beneficial cooperation

Robert Schuman's wonderful idea was for peaceful and mutually beneficial cooperation between states to be at the heart of lasting peace on our continent, by tackling shared challenges together. However, striking this balance is still rather uncertain and, as we can see, the move away from this ideal by the very people who uphold it resurrects old demons. In this regard, more than any others, the founding countries France, Germany and Italy, the original beating hearts of European integration, must be clued into this more than anyone. On the contrary, the war in Ukraine, energy co-operation with a view to better ensuring our autonomy and overcoming the challenge of decarbonisation, and the defence of our industrial sovereignty in the face of American and Chinese ambitions should compel us to work together honestly and in a spirit of solidarity in the national and European interests of all, far removed from short-lived ideological divisions, oftentimes stubborn resentments, and rivalries that, although very real, should take a backseat in the face of challenges we share so closely.

Over the last number of years, the financial crisis, the migration crisis and the pernicious and instrumentalised debates on the question of values have divided Europe between North and South on the former, and East and West on the latter. Northern and Western Europe have often sought to impose their own model and sometimes to monopolise the direction that European integration is going in. If Europe fails to unite in diversity, it is in danger of becoming divided in uniformity. Cruel paradox and dispiriting confusion!

Italy deserves our support and solidarity

As the recent regrettable skirmish between the French and Italian governments sadly shows, this diplomatic issue must not make us lose sight of the fact that, whatever our appreciation or esteem for a country's leaders, Italy, on the front line of the migration issue, deserves all our support and solidarity. Controlling our common borders is a fundamental prerequisite for protecting our social cohesion, and for the very success of the integration and assimilation of immigrants, which must transcend all divisions. Italy's right-wing conservative coalition is not the only one to have taken a clear turn for the worse on this issue: in Denmark, the social-democrat left has taken an even more restrictive approach.

Italy is a country whose entire political class, despite the loud protests of some, often remains profoundly Francophile and Francophone, yet complains of not being recognised for the true value of what their country represents in terms of civilisation and culture for Europe, but also in terms of industry: its GDP in this area is similar to ours, and Italy is still Europe's second largest manufacturing power.

Let's face it, for a long time now, France has had an inferiority complex when it comes to Germany, and eager to regain prestige and credibility on the delicate issue of public debt, has sometimes had, by way of compensation, to look down its nose at its transalpine neighbour without, at times, showing much consideration for its interests and point of view, which are, however, much closer to our own than one might think, regardless of the different governments Italy has elected in recent years.

Permanent cultural and historical links and clearly understood economic interests

Having been involved for several years in supporting ambitious industrial and societal projects that unite our sister nations, the pillars of European integration, we have observed through a host of telling examples how the permanence of our cultural and historical links, and of our joint and well-understood economic interests, have prevailed over the ideological differences at any given moment.

For example, after long spearheading opposition to nuclear power, along with Germany, Italy has recently taken a renewed interest in this regard, and intends to rethink its entire energy policy to ensure its autonomy while making it more competitive. To achieve this, vexatious declarations must give way to fruitful cooperation in which France could, no doubt better than anyone else, share its expertise with our neighbour.

We are convinced that economic players and civil society have a key role to play in meeting the challenges of history, when politicians sometimes fail to assume the responsibilities that history has entrusted to them. We are therefore firmly convinced that Europe Day, a symbol of peace and cooperation, should be commemorated every day through specific actions and achievements. Now more than ever is the time to remind ourselves of this and, in this instance, the Franco-Italian relationship lends itself perfectly thereto.

ANNE MAZOYER JANKOSWKA FOUNDER, PRESIDENT OF THE PUBLICATION



CÉSAR LESAGE SPECIAL ADVISOR -EU PUBLIC AFFAIRS



Newsletter – Economy and Convictions

Director of Publication : Anne MAZOYER-JANKOWSKA

Contributors to this issue : Anne MAZOYER-JANKOWSKA, Wiktor ZAMOJSKI, César LESAGE, Samuel AUGIZEAU

Members of the Editorial Board : Jean-Pierre CHIARADIA-BOUSQUET, Patrice CHAZERAND, Donatienne COFFY

 $\ensuremath{\mathbb{C}}$ FairValue Corporate & Public Affairs, all rights reserved

www.fairvaluecc.com

