

EU-25 Watch 4

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1. Expectations regarding the German Presidency

Official statements stress that the Trio has been working closely together in setting forth the main priorities and strategic guidelines for the one-and-a-half year, three Presidencies agenda. Public statements and media attention are already concentrating on Portugal's rather than Germany's turn at the EU helm.

As to the 'leftovers' from the Finnish presidency, there are certainly hopes that Germany will succeed in resolving the impasse standing in the way of substantial progress in Turkey's accession negotiations. Although there were no specific public statements on the issue, it is known that Portugal is more inclined to favour freezing the smallest possible number of dossiers and is certainly not prepared to insist on giving Turkey a deadline to comply with the Anakara protocol, i.e. granting Cyprus, no different from any other EU member, unrestricted access to its ports and airports.

Regarding the Constitutional Treaty, it is obviously assumed, in line with the division of labour set forth by the June 2006 European Council, that Germany will make no ground-breaking progress. Like elsewhere in Europe, the ultimate fate of the Treaty is generally thought to hinge primarily on the results of the French presidential election, and the very postponement of the German Constitutional Court's decision on the challenge to Germany's ratification of the Treaty seems to confirm the idea that putting forward definite proposals ahead of May are premature and would possibly compromise desired outcomes. This may explain why only broad sketches are being put forth in official circles, while some consider that Portugal will be in a position, come the second half of 2007, to "reconcile" diverging stances and "find ways of resolving" the constitutional impasse.¹

Although specifics remain scarce, expectations would seem to lie more in the realm of addressing political blockages at the level of policy formulation and implementation than, for example, in "covertly" pushing forward certain provisions of the CT or parts

¹ Former EU Commissioner António Vitorino, quoted in *Público*, 10 September 2006.

thereof. Proposals for joint consular representation outside the EU, for example, of which smaller countries would stand as natural 'net beneficiaries' were not exactly greeted with an excess of enthusiasm.

Portuguese officials insist that the Constitutional Treaty, though being "a far cry from revolutionary"², provides a balanced combination of institutional arrangements and substantive policies, and resist any suggestion towards salvaging only the substantive parts that might jeopardise laboriously-built power sharing compromises. Suggestions towards dropping Part III, which many contend is closer to 'ordinary' than to 'constitutional' law, were made by Portuguese among other European experts, but attracted little media attention or serious debate. The on-going public debate on the Constitutional Treaty, it is contended in official circles, should contribute to the creation of a "truly European political arena", and do so by concentrating on Europe's grand designs, whether its future role in world affairs, enlargement, or the need for a greater level of economic coordination and greater solidarity and jointness in such areas as migration, the environment, and taxation.³

In CFSP/ESDP, expectations for the forthcoming three presidencies are chiefly to reassert the EU's role in the Mediterranean and the Middle East, seen as politically too thin for the amount of financial resources and efforts put into the region. This would seem to fall primarily on Portugal's turn, although the full commitment of all EU Member States, and particularly Germany, is seen as crucial to the success of any initiative geared towards the South, as is already seen to be the case with the Barcelona Process. Official circles are expressing concerns in private that the German presidency will tend to be overly eastward-bound, prioritising the East over the South in terms of Neighbourhood, which is seen as detrimental to southern neighbours. Central Asia is seen as part of the strategic eastward focus, driven primarily by energy-related concerns.

Many expect that the German presidency will be heavily constrained by the current European crisis. Although in public statements emphasis is laid by government ministers and officials that the Trio is working jointly on the unified agenda of the

² Manuel Lobo Antunes [current Secretary of State for European Affairs], "De novo no centro da Europa", *Público*, 26 October 2006.

³ Ibidem. As mentioned in the June report, EC and government backed initiatives to further involve the Portuguese public into the European constitutional debate are currently running to the end of June 2007.

coming three EU presidencies, there is no clear statement or debate into what initiatives, according to which specific priorities, each one of them is supposed to undertake, aside from summitry and other specific events. And in the run-up to the public announcement of the programme, the focus is indeed, unsurprisingly, on what the Portuguese presidency is expected to achieve on all fronts.

2. “Rome Declaration 2007”

There has been scarce official or other comment on this particular issue, which is only likely to be given any prominence closer to the event. Other than a general restatement of the non-cultural, universal character of the values the European Union rests upon, which informs its identity, and an insistence on their being expressed both in the EU’s internal and external action throughout its vast array of policy instruments, and a renewed call for effective multilateralism, it is likely that a re-statement of such principles as cohesiveness, solidarity and diversity will be central to Portugal’s preferences.

Experts, on the other hand, would like to see an operational, as opposed to a merely declaratory side to the Berlin Declaration, adding to the restatement of the Union’s value-based identity a policy statement geared towards combating those factors (e.g. racism, xenophobia) which run counter to those values within the EU. Also, it should be strong enough in addressing public concerns to contribute towards bridging the gap between the citizenry and the Union.

3. Scenarios

The most sought-after scenario (leaving the CT as is) is gradually being abandoned on the grounds of its unfeasibility, although political statements still insist on the indivisibility of the TC and it being the best possible compromise. The foremost concern, in any case, is keeping the balance between institutional reform and EU policies, among which social cohesion continues to feature prominently. Dropping Part III, it is thought in some circles, would make it easier to downgrade those policies. The mini-CT along UMP leader and presidential hopeful Nicolas Sarkozy’s proposal is thought to be a short-cut leading directly to the abhorred *directoire* model, particularly in government circles. Part III is seen as guaranteeing internal solidarity and cohesion,

which remains perhaps the highest concern, shared by government and opposition circles alike, hence the resistance to leaving it out. Reopening the whole process up again is thought to lead nowhere. The second most favoured option, on the grounds especially that it is now judged feasible, is therefore the continuation of the CT's ratification process, with possible 'subtractions' in the form of derogations and opt-out protocols for example, with a second IGC (the grounds for which, ideally, would be laid by the Portuguese Presidency) tasked with 'clarifications' heeding to the underlying reasons of the French and to some extent the Dutch 'No' votes.

4. Absorption capacity

Absorption capacity has clearly become shorthand for 'stalling Turkey's accession' by adding a hidden criterion to those publicly stated, which should apply equally to all EU candidates and hopefuls, and one to which furthermore the latter are powerless to comply. Although the Commission's assessment on Turkey published ahead of the December European Council was generally depicted in the press as a blanket recommendation for a temporary halt to negotiations, Portugal remains largely and in political circles extremely favourable to Turkey's accession, not only on geo-strategic considerations and on the fact that it is viewed as an important asset for EU Mediterranean policy, but also on the experience of Portugal's own accession process, and its impact on the consolidation of democracy.⁴

It is of interest to note that all-out support for Turkey's membership in the European Union is not necessarily a sign of faith in Europe's constitutional future. Turkey is viewed by some commentators from the no-Constitution camp as a necessary member and a welcome addition to a 'minimalist', market-oriented Europe which should stay clear of deeper integration, and guard itself from embarking on such grand fantasies as the Lisbon Strategy.⁵

The view recently expressed by the President of the Commission to the effect that not even the Balkan front-runners should be allowed into the EU ahead of adequate institutional reform, interpreted by some as a timely re-statement of the provisions

⁴ See for example former President of the Republic Jorge Sampaio's opening address to EuroMeSCo's Annual Conference in Istanbul, 5-7 October 2006, available at www.euromesco.net

⁵ This is notably the position of former MEP J.M. Pacheco Pereira. See for example "Em defesa da Turquia", *Público*, 28 September 2006.

specified in the current TEU, is in essence the Portuguese view, meant however in official circles as pro-Constitutional Treaty leverage.

5. European Energy Policy

Over recent years, specialised European debate has pointed to energy and the environment, ideally combined, as the two main areas in which a European *common policy* is lacking. Efforts towards the development of a European energy policy are thus likely to meet with keen approval in Portugal. Energy security is not a dominant issue, but it is quietly factored in when addressing the issue of diversification of energy suppliers, for example, and the stress on renewable energy sources. This is a particular concern in Portugal, the second most energy-dependent country of the EU25 (following Cyprus).⁶ Portugal imports about 85% of its energy requirements, consisting mainly of oil (about 60-66% on average, depending mostly on rainfall). For dry natural gas, like Spain, through which it is transported via pipelines, Portugal relies on a single main supplier, complemented by Nigeria for liquefied gas (LNG). Contrary to most of the EU, however, this is Algeria, not Russia.

Energy has been a topic of some prominence on the domestic agenda, commensurately reflected in the national press. A National Energy Strategy was issued in the autumn of 2005, as part of the major reform package put together by the incoming Socialist government. The mainstay of this strategy, designed to promote competition and markedly improve what is unanimously considered as a poor rates of energy efficiency, is a complete overhaul of the domestic energy market, particularly affecting the main power utility, EDP, as well as recently restructured oil and gas holding company, GALP, and a much greater focus on diversification of energy sources and self-reliance, particularly on renewable, clean energy (hydro, wind and wave energy). The environment and sustainable development are also prominent objectives. Reducing external energy dependency, a stated first priority, is necessarily synonymous with an increasingly heavier reliance on clean energy, since Portugal has no commercially exploitable oil and gas reserves and the last coal mine was shut down in 1994. In line with the pre-set overall 2010 EU target for renewable energy's share of

⁶ Eurostat 126/2006, 21 September 2006.

total energy consumption and electricity generation by 2010, hydro, wind, wave and solar power plants are to generate a targeted 39% of gross electricity consumed by 2010. The renewable-energy share, moreover, is to be more heavily reliant on small hydro plants, than is the case at present, where large hydropower plants account for close to 80% of electricity generated from renewable energy sources, and on large investments in solar power plants and wind parks.

The long-awaited complete integration of Portugal and Spain's electricity markets into a fully liberalised Iberian market known by the acronym of Mibel, formally launched in April 2004, took a further step with the merger between the two national power market operators into the Iberian Power Operator (OMI), which became partly operational in July 2006. Within the broader EU internal electricity market, Mibel is seen as promoting market efficiency and increased competition in a subregional 55 million consumer market would result in a better service being delivered to customers at a cheaper price. Bringing it into full operation is one of the priorities set forth in the national energy strategy.

Competition and Energy Efficiency

Launched in October 2005,⁷ the national energy strategy, a document entitled "Competition and Energy Efficiency", outlines three main goals: to reduce external dependence by increasing domestic production, with a heavier reliance on clean energy; to promote environmental balance, having in mind the Kyoto Protocol and its harmonization with sustainable development; and, finally, to increase energy efficiency through more competition and increased competitiveness. Increased public spending, and financial incentives to encourage investment in clean energy, is earmarked towards these aims. Economy Minister, Manuel Pinho, stated that "investment in the energy sector in Portugal, in the coming years, will amount to some 8 billion euros"⁸.

An indication of where the money to pay for investment in renewable energy will come from was given by the marked rise in electricity retail prices in the fall of 2006. The government argued that a "tariff deficit" accumulated over years of artificially low

⁷ Approved by the Cabinet's (Council of Ministers) Resolution 169/2005, 24 October 2005. http://www.portugal.gov.pt/Portal/PT/Governos/Governos_Constitucionais/GC17/Ministerios/MEI/Comunicacao/Outros_Documentos/20051024_MEI_Doc_Estrategia_Energia.htm

⁸ Manuel Pinho, "Uma Fonte de Crescimento Endógeno", in *Diário de Notícias*, 30 October 2006, Special Report on Energy, p. XV.

electricity prices simply had to be offset, with the burden of the proposed raise (later brought down as the result of a public uproar) falling unevenly on households and industry, in favour of the latter to avoid hurting competitiveness.

A cold issue revisited: nuclear energy

Although there is a sense, even amongst its supporters, that reducing external dependence through nuclear energy is no longer an affordable option given the huge costs involved, the debate over the issue has recently resurfaced as a consequence of the expected shake-up in the energy market and also due to the fact that this is a central element in the European Energy Strategy. Speaking in Lisbon, EC President J.M. Barroso stated, “We cannot hide from the issue. A debate on nuclear energy in Europe should not be taboo.”⁹ The government’s position in ruling out nuclear power, however, is final: “it is simply out of the question”¹⁰. As it was restated by Prime Minister José Sócrates on the same occasion, environmental concerns, improved energy efficiency, as well as oil and gas dependency-reduction are to be addressed through a much greater emphasis on another EU-wide priority – heavier reliance on renewable energy –, and the nuclear issue is strictly an academic debate. Indeed, academic and business circles are voicing some support for nuclear energy in the press¹¹, actually citing the EU strategy, as well as major safety improvements and technological advances, as a favourable argument.

6. Justice and Home Affairs/European Immigration Policy

Considerations on immigration policy should be cast against the light of a major reversal in Portugal’s status from being primarily a country of origin with large communities scattered all over the world to becoming in very recent years primarily a destination country. Portugal is therefore adapting to its fairly recent condition as a host country to increasing numbers of Brazilians, East Europeans, and Africans. Estimated at over 100,000 and growing, out of some half million foreign residents, the largest communities by far are made up of Brazilians and Ukrainians. This important

⁹ Closing speech, DN Conference, Lisbon, 30 October 2006. SPEECH/06/649, available at <http://europa.eu/rapid/pressReleases>

¹⁰ See Luís Moita, “A Questão Nuclear”, in *Publíco*, 2nd November 2006

¹¹ See former Minister of Economy Joaquim Pina Moura, “Portugal must focus on renewable energies and reevaluate the role of nuclear energy”, in *Diário de Notícias*, Special Report on Energy, 30 October 2006, p. XI

societal change has happened, it is important to note, as Portugal was already more than half-way into its 20-year EU membership. There is therefore a strong tendency to see migration in a European context. Portugal's stances on migration, and the clear stress on integration, are also influenced by the fact that the protection of its own migrant communities abroad (totalling well over 10% of the country's population) remains an important concern.

Since the first steps towards a common European policy on migration and asylum were taken, Portugal has repeatedly signalled its commitment to deeper integration in this area. Although there is a common awareness across the political spectrum, certainly shared by business, of a growing need for an expansion of the labour market to include greater numbers of foreign labourers, there is no denying both a security-driven and an 'absorption capacity' approach, the former focusing too narrowly on border security, the latter on a preference for migrant workforce rotation on the basis of short-term contracts and permits over long-term or permanent residence is prevailing against the official discourse and policy initiatives. These are clearly focused on creating the necessary conditions for the full integration of migrants. There is remarkable unanimity between the government and the opposition on this issue, and in the current revision of the 2003 immigration law, which is being actively debated, the main opposition party, the PSD, will be proposing amendments intended to further the pro-integration measures proposed by the government. The new Nationality law, passed in April 2006,¹² takes a significant stride towards *jus solis*: Portuguese nationality is granted to those born in Portugal of foreign-born parents, provided one of the parents has been a legal resident for the last five years.

Europe is not a fortress

As is the case for most European countries, "migration is not only inevitable but also necessary,"¹³ bearing in mind the alarming ageing of the population. The notion of

¹² The new Nationality law was approved in April 2006, by *Lei Orgânica* n.º 2/2006. The new immigration law will also be revised in the months to come.

¹³ This idea was expressed by the Minister of Home Affairs, António Costa, in a conference on "*European Union and Immigration*" that took place in the Calouste Gulbenkian Foundation, 21 November 2006, in the framework of the Gulbenkian Immigration Forum.

Europe as a fortress is a myth that must be abandoned, as it hinders relations with other regions.¹⁴

Furthermore, authorities have conveyed the message that they amply favour a common EU rather than a fractioned approach to immigration. Especially given that the Constitutional Treaty, which aimed to reinforce the freedom, security and justice area, failed to be adopted, Member States should work together on immigration, affecting transit and destination countries alike. Enhanced cooperation as a strategy to tackle a phenomenon with such widespread consequences is clearly considered not enough.

Europe should strive to target the deeper roots of immigration

The third main idea conveyed by Portuguese officials in this area is that more should be done in respect of countries of origin. Indeed, migrant flux regulation cannot be fully tackled merely through political measures in the countries of destination. External relations with countries of origin must be reinforced through a clear EU commitment toward alleviating the impact of both the CAP and EU trade policies on developing countries. In this respect, the allocation of more funds into policies promoting development of the African continent must be an EU priority for the next several decades.

Short-term goals in JHA

An important priority should be to open Schengen to the newer Member States. Minister of Home Affairs, António Costa, argues that “free movement of people is the EU’s greatest achievement and all members should be able to benefit from it”¹⁵. This, in turn, will inevitably strengthen the Union and allow it to handle common problems more easily. As for immigration, promoting open channels for migration of highly skilled workers and regulating legal immigration are considered the main priorities in the short term.

7. The Middle East and Lebanon

¹⁴ For more on this view, see the speech given by Prime Minister Sócrates in his capacity as Secretary General of the Portuguese Socialist Party, in *Público*, 13/11/2006, “Sócrates contra uma Europa fortaleza face à imigração”.

¹⁵ Minister of Home Affairs, António Costa, in the conference mentioned above.

The EU's performance (or the absence thereof) in Lebanon was viewed primarily through national eyes in the Portuguese press, from the day that the government decided to contribute troops to UNIFIL II. Portugal's troop contribution then became the dominant focus of media attention, and to some extent also official discourse, somewhat overshadowing the larger picture. There is no question Portugal would have preferred UNIFIL II to be a EU-led operation, and that there was some 'lobbying' for a meaningful EU initiative from the early stages of the war. "I would have liked to see an EU flag over this operation", the Defence Minister stated in a televised interview.¹⁶ Portugal contributed a 140-strong company of non-combat engineers tasked with infrastructure rebuilding, which gives the troops' mission what is described as a "humanitarian" dimension. The decision on the size and specific mission of the force was taken according to a mix of risk, cost and feasibility considerations, in the light of prior troop commitments in Afghanistan, Kosovo, Bosnia, and the Congo, which involved a reduction slightly ahead of schedule in the latter two.

In spite of the absence of the EU flag, EU-members' contribution to UNIFIL II is seen as enhancing the EU's role in a region where its political clout continues to be no match to the level of humanitarian involvement, and which is viewed as the new "security border" of Europe, and hence of Portugal, the modern equivalent of Berlin in the Cold War days.¹⁷

The Mediterranean, and in particular the Middle East, have clearly moved upward in Lisbon's foreign policy priorities, both in a 'national' and a 'European' context. Helping stability to take hold in the Middle East, characterised as the main source of conflict, fundamentalism and terrorism which constitute the gravest threats to European – and therefore national – security and where the prospect of a major regional war is not entirely ruled out, is associated primarily with hard security as well as energy security concerns. Lisbon is keen on capitalising on its warm relations with Arab countries (which were a further justification for the moral necessity of contributing to the UN force in Lebanon) in order to contribute to increasing the EU's political influence in the Middle East, which is seen as a vital outcome of initiatives towards the region.

¹⁶ Nuno Severiano Teixeira, Defence Minister, excerpts reprinted in *Público*, 30 October 2006.

¹⁷ *Ibidem*.

8. Russia and the Neighbourhood Policy

Portugal does not have a specific policy towards Russia, and official positions taken in this respect will continue to be in line with those held by the EU and NATO, as illustrated by the Foreign Minister's speech in Moscow to the effect that Portugal wants *"to promote a new and dynamic relationship with Russia"*¹⁸. Portugal, unlike other EU Member States, faces no strategic dilemmas arising from energy dependency towards Russia, and trade is quite modest.

Portugal is aligned with the EU with respect to the ENP. As noted above, however, there are concerns for keeping the right East-South balance, and ensuring the perceived Eastward drift is not consummated to the detriment of southern neighbours.

9. Current/Upcoming events and issues in your country

As noted in the previous report, Lisbon's European agenda in the coming months will be dominated by the third Portuguese Presidency of the European Union, in the second half of 2007. Another issue dominating the public debate, which is however marginal to the European arena, is abortion. A referendum to decide on the de-criminalisation of abortion is scheduled for late February 2007.

National Priorities

Migration will likely remain a prominent issue in the national agenda in the run-up to the revision of the 2003 immigration law and beyond. At the level of the discourse (government and main opposition parties alike, notably the Social-Democratic Party), the stress falls heavily on the integration of migrants. A source country for many, many years, with Portuguese communities scattered throughout the globe, Portugal is extremely keen on its status as a host country, now that the situation has partly reversed. The domestic prominence of the issue, added to the focus of the 2007 Barcelona Ministerial on migration, is likely to affect Portugal's European stances on the issue. Portugal would like to see a move towards a more balanced EU approach

¹⁸ Former Foreign Minister Diogo Freitas do Amaral, speech delivered at the Moscow State University of International Relations in October 2005.
http://www.portugal.gov.pt/Portal/PT/Governos/Governos_Constitucionais/GC17/Ministerios/MNE/Comunicacao/Intervencoes/20051018_MENE_Int_Portugal_Russia.htm

towards migration, one that would emphasise integration and the potential role of migrants in contributing towards economic development in the South.

Many priorities on the national agenda match important items on the European agenda, namely those that involve implementation of the *Lisbon Strategy*. Portuguese leaders agree that reform needs to be the guiding principle for national as well as European economic policy. In this scenario, the path to development and growth is to be built on better jobs, speeding up the transition to a knowledge-intensive economy, redeploying investment and economic growth to new activity areas and equipping people with new skills. The Portuguese "*Technological Plan*" aims at these same goals, and the means defined to achieve them are fully engaged with the Lisbon Agenda directives: new policy measures for research, innovation, employment, information society, single market, education, social protection and environment. The President of the Republic, Cavaco Silva, has defined the fight against social exclusion as one of his main priorities, with a view to promoting social equality and development.

A major reform of the public administration, involving among other issues a reform of local government finance legislation, is underway.

Issues of import: the death penalty

A major international conference on the death penalty is scheduled to take place in Lisbon in the fall. This issue is uncontroversial: Portugal takes much pride in having been the first European country to abolish the death penalty. Fresh efforts are conceivably to be expected of the Portuguese Presidency, in the context of EU-wide initiatives such as the Barcelona Process and other regional dialogues, at persuading its neighbours to ratify the relevant optional protocol to the UN Covenant on Civil and Political Rights.

Europe-Africa Summit

Should the obstacles standing in the way of holding the second Europe-Africa summit be resolved, this will be one of the major high-profile events during the Portuguese Presidency.

The European debate in brief.

The decision to put the national referendum on the Constitutional Treaty on hold has led to a virtual freeze on debate around potentially divisive issues concerning the future of Europe which, however, in the wake of the French and Dutch referenda, were shrinking the lead of the Yes vote in opinion polls to the barest minimum. After two decades, the European debate has certainly lost much of its past novelty and glamour. Europe has been 'internalised' to an extent that makes it hard to distinguish between national and European expectations in areas rapidly expanding into those where the EU has only limited powers. The 'internalisation' of the European debate, however, was not accompanied by any visible breach in the marked consensus in virtually all aspects of Portugal's EU agenda between the main political parties in the pro-European camp, which forms an overwhelming political majority. There is little room for competing proposals and clearly diverging views on EU-related issues, whether in internal or external affairs, within this vast political camp which practically only excludes the old Communist Party. This has an impoverishing and stifling effect on the European debate. No political force has ever campaigned, not even in European elections, for one identifiable issue as regards Lisbon's EU stance or a preferred course for the EU itself.

This sets the background for *nuance* or outright rejection to be voiced primarily from the euro-sceptic and the residual anti-EU camp, which is as vocal – thanks to disproportionate media exposure every time the debate peaks – as it is scattered across party or social groups lines. On the euro-sceptic side, the main issues in the European debate are tied to the old recurrent debate around loss of sovereignty and identity that arise from "surrendering" national constitutional law to the European Union. The pro-European camp has been affected by the current impasse and the pervasive disillusionment, and finds itself more often than not on the defensive regarding the EU. The main issues are tied to Europe's role in the world, the ways of ensuring equality and solidarity among all Member States, old and newer, and the best way to ensure Portugal's drive towards modernity takes irreversible hold.

The growing intertwining of the national and the European debate around the same kinds of issues, be it the social model and immigration or justice, freedom and security, notably so under the Sócrates administration, caused the tendency to alternately shed

blame (more often) and praise on 'Brussels' to decline markedly.¹⁹ How this will affect public attitudes towards the EU, which remains broadly supportive but less enthusiastic about net benefits gained from membership, remains to be seen.

Up to the 1992 EU presidency, if one were to capture the main focus of the debate into one sentence, this would perhaps be 'what can we get from Europe?'. In 2000, the core issue was 'how can we shape Europe?'. In 2006-7, the question could perhaps be rephrased as 'how can we, in Europe, shape our future?' The outcome of the national debate, and with it the outcome of a referendum on the Constitutional Treaty, although it will most certainly be influenced by the mood across Europe, may ultimately depend on the expectations of the Portuguese towards an improvement of their future prospects or in other words how Europe is seen to affect those prospects.

¹⁹ A powerful illustration of this attitude is the radical reversal in official discourse as regards fiscal discipline: no longer is this portrayed defensively as an imposition from 'Brussels' or a target that must be met to avoid looking bad and paying the penalty for non compliance with SGP, but as a national interest on which meeting self-set targets which are part of a broader framework combining social cohesion and competitiveness is heavily dependent.