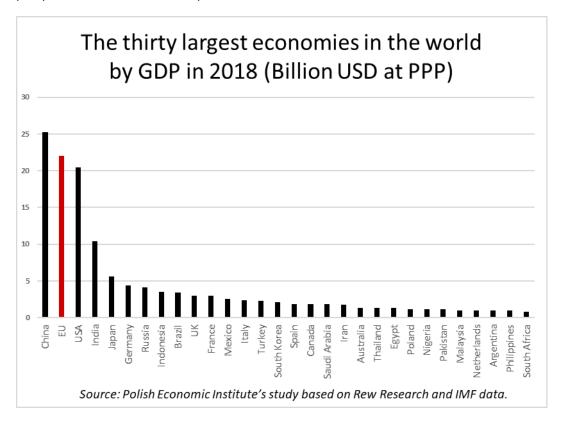


Poland's voice in the debate on the future of the EU

The threat of recession, the migration crisis and Brexit are just some of the challenges that have recently exposed the EU's internal problems. In its report entitled "A Union of Nations 2.0", the Polish Economic Institute presents a vision of pragmatic reforms that would not only help solve key challenges, but above all support EU integration, strengthen it as a community and foster faster economic growth.

Although the EU is the world's second-biggest economic force in terms of gross GDP (USD 22 billion) after China (USD 25.2 billion), it is rarely perceived in this way. This stems from the lack of a coherent conception of further EU integration, along with its prospects for economic development.



According to the European Commission's Global Europe 2050 report, there are three possible scenarios for Europe, just one of which is positive – the scenario in which the EU implements reforms and develops based on a long-term strategy. In contrast, the "no one cares" involves global GDP growing by 118% by 2050, while the EU's increases by just 54% in the absence of strategic changes.

"Lack of significant reform means that the EU will not only fail to catch up with China, but fall further behind. According to forecasts, China will grow by an unprecedented 835%, becoming the world's largest economy. Moreover, with its economy expected to grow by

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97%, the US will develop faster than united Europe. We must remember that this is not the worst of the scenarios. There needs to be a debate on the future of the EU and a strategy for it. The "A Union of Nations 2.0" report is Poland's voice in this debate," said Piotr Arak, Director of the Polish Economic Institute.

What kind of EU do European leaders want?

President of the European Commission Jean-Claude Juncker's vision is based on freedom, equality and the rule of law, which would strengthen the internal market and increase national parliaments' engagement in work on the future of Europe. French President Emmanuel Macron proposes a community of democratic values in which the Franco-German tandem dominates. President of the European Council Donald Tusk wants to rebuild Europeans' trust by promoting stability and security, while German Chancellor Angela Merkel is banking on the EU portraying itself as innovative economic power.

Poland's proposal

The "A Union of Nations 2.0" report is a reply to Poles' and Europeans' expectations for the EU. It develops the ideas being implemented by Prime Minister Mateusz Morawiecki's government in Poland, which aim to strengthen economic, military and research relations. Its ideas for the reform of the EU are based on three pillars:

- an EU 4.0 the EU as the leader of the fourth industrial revolution, banking on competitiveness and innovation, reducing the VAT gap and prepared for financial crises;
- a Secure EU protecting its citizens in both geopolitical and cyber terms;
- a Civic EU- investing in human capital and fighting social inequality.

The 27 recommendations for reform proposed by the Polish Economic Institute's analysts also aim to protect the EU against the further consequences of the most serious economic crises of the past decade. In many areas, these proposals develop solutions proposed by European leaders. They add pragmatism and reference to the will of European society.

The full "A Union of Nations 2.0" report is available at www.pie.net.pl

The Polish Economic Institute is a public economic think-tank dating back to 1928. Its research spans trade, energy and the digital economy, with strategic analysis on key areas of social and public life in Poland. The Institute provides analysis and expertise for the implementation of the Strategy for Responsible Development and helps popularise Polish economic and social research in the country and abroad.

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