

RECOMMENDATIONS FOR EUROPE

Chapter 2 Economic Policy and the Rise of Populism – It's Not So Simple

- Democratic political processes must leave room for fruitful disagreements and debates. While mechanisms for compromise are needed, too much consensus can backfire.
- Referenda should be used sparingly and their role needs to be clearly defined in the constitution.
- Economic policy almost always benefits some people and disadvantages others, but the disadvantaged should not be allowed to veto change. Welfare states need to protect those groups negatively affected by economic developments.
- Delegating clearly defined tasks to independent and supra-national institutions can play a valuable role in restraining populism.
- EU institutions should act strictly within their mandate and EU policies should adhere to the principle of subsidiarity. The EU Commission should focus on its role as a guardian of EU treaties.

Chapter 3 Britain and EUexit – The People Versus the EU

- The UK and the EU-27 should lay out the basis for negotiating Brexit with the utmost clarity. They must not lay themselves open to the charge of misleading the public and hence creating an informational deficit that enhances the perception of a democratic deficit.
- The terms of Brexit need to comply with a norm of constitutional adequacy, which would also reflect the extent to which it is acceptable to regional units, including Scotland and Northern Ireland.
- The terms of Brexit should be subject to economic scrutiny, and the various options need to be assessed in the light of different development scenarios on a European and international level.
- There is a danger that the Brexit negotiations will lead to a bitter divorce that harms both Britain and the EU-27. It is a key responsibility of policy makers to avoid such an outcome.
- Brexit – and other international developments – offers Europe the opportunity to sustainably remodel itself to more accurately reflect its citizens' aspirations. Such a remodelling is unlikely to occur via intergovernmental bargains, but they may nevertheless prove the only way to consider the trade-offs of costs and benefits in different policy areas.

Chapter 4 Immigration and the Refugee Crisis – Can Europe Rise to the Challenge?

- EU member states must avoid policies that may intensify crises in already destabilised countries, or create new hot spots.
- EU member states should act preventatively to help vulnerable countries develop their economies, thus reducing incentives for their inhabitants to emigrate.
- The European asylum system needs an overhaul. Current practises and regulations are designed for much smaller numbers of asylum seekers and are inadequate to handle present inflows.
- New policies are called for to manage the expectations of potential refugees and prick the refugee bubble while protecting both European borders and individuals in real humanitarian need.
- Cooperation among EU member states regarding immigration and asylum-seekers is essential. This should feature:
 - Common, transparent and comprehensive EU eligibility rules and regulations in the area of asylum and refugee protection, that leave little or no scope for different interpretations across member states.
 - A network of asylum application centres in safe areas outside of the EU borders and closer to the conflict zones.
 - Equitable and incentive-compatible sharing of the burden.
 - Significantly improved cooperation in protecting the outside borders of the European Union, including fighting organised crime and illegal immigration.
- The EU should forge closer partnerships with countries that may potentially be willing to host asylum application centres.
- Cooperation with the Western Balkans already exists and should be deepened.
- Cooperation with Turkey is essential, but visa-free travel into the European Union can only be granted following a marked improvement in human rights in the country.