

Free Market Roadshow 2014

European Elections Ahead: What is Next for the EU Economy? by Ashley Klingenberg

April 29th, 2014

Holiday Inn Hotel, Vilnius, Lithuania

ON 29 APRIL 2014, the Lithuanian Free Market Institute (LFMI) and the Friedrich Naumann Foundation hosted the Lithuanian leg of the Free Market Roadshow 2014. Some 150 participants gathered at the spacious and comfortable Holiday Inn Hotel in Vilnius. Žilvinas Šilėnas, LFMI's president, welcomed the participants.

The first speaker, prof. Leszek Balcerowicz, president of the Polish Civil Development Forum, began by addressing the inherent dangers of highly concentrated political power. He related the topic to the following question: 'Do we want a more centralized financial regulation of the EU?' Prof. Balcerowicz argued that serious problems in Europe were more likely to stem from poor financial and political policies in individual European governments, and not from the EU itself. Nevertheless, he emphasized a number of steps that are necessary to prevent future financial crises in Europe. His presentation was followed by a lively discussion addressing concerns about the risks of Lithuania joining the European Banking Union.

Mr. Daniel Mitchell, of the Cato Institute, addressed the second topic: 'Does tax policy encourage brain drain?' He spoke of the intrinsic nature of people and money to move where business conditions are most favourable. He highlighted the exodus of intellectuals and entrepreneurs from France to United Kingdom, a phenomenon which has become known as 'brain drain'.



Mr. Mitchell stressed that Lithuania needs to reduce the burden on income generation – namely labour tax, and attract and incentivise investment. The subsequent discussion raised concerns about the changing demographics world-wide as the birth-rate falls, and noted differences in taxation policy between countries such as Germany, Denmark and Singapore.

The third and final topic of the conference asked: 'What is ahead for Europe after the European Parliament elections?' The speaker, prof. Enrico Colombatto, of the University of Turin's International Economics Research Centre, began by examining the mediocre reception of the

The discussion raised concerns about the imminent elections in Ukraine, and concluded with some candid observations of preferred leadership styles between the panellists.

The Lithuanian leg of the Free Market Roadshow 2014 was a tremendous success.

