

## Will Austria act as the 'bridge-builder'?

On 1 July, Austria took over the six-month rotating presidency of the European Council. Officially, the Austrian focus will be on EU security, competitiveness, and stability but it's an open secret that the main emphasis will be on migration and the protection of the EU's external border



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Holding the six-month presidency of the European Council is not just a ceremonial responsibility about hosting a few European meetings outside of Brussels. To a certain extent, the presidency holder can try to set the European agenda and lead negotiations with the European Parliament and the European Commission, as well as coordinate political initiatives of member states.

Austrian Chancellor Sebastian Kurz has already announced that he will focus the Austrian presidency on external border and migration control, securing social systems and get more involved in the EU's neighbourhood - a topic, given the recent political turmoil in Italy, Germany, has never seemed hotter.

### Why does it matter?

Although from an economic point of view, Austria's influence on the eurozone or the EU isn't large,

Kurz has already proven to be a hardliner when it comes to migration, by helping to seal the closure of the Balkan route during the Western Balkan conference in 2016. Also, Austria has good ties to major EU economies such as Germany and Italy, as well as to the Visegrád Group, which opposes quota solutions for the redistribution of asylum seekers.

However, with [Germany's coalition quarrel](#) and a tough stance from Italy, it won't be an easy task to find a common solution to the migration problem. Despite the migrant 'deal' on a voluntary basis at the European Summit, which is a favourable first step towards a European solution, the migration topic is far from being solved.

## With the economy in full swing, Austria can concentrate on its EU agenda

With the [economy on a solid path](#) – (we revise our GDP forecast for this year up a notch to 2.8% year on year) – the Austrian government can concentrate a lot more on its EU agenda. Although the government prefers a common solution on the migration issue, it is otherwise an advocate of subsidiarity, saying the EU should withdraw from smaller issues – such as family allowance for children who are not living in Austria or regulations in the health sector that could better be handled on a national or regional level.

## Austria's EU agenda captures the sentiment back home quite well...

According to recent polls (Akonsult/Wiener Bezirkszeitung; OGM/derStandard), 31% of respondents want a new European vision. This is not in the sense that French President Emmanuel Macron foresees but rather with more proximity to citizens and consideration for the people's needs and preferences.

'More EU' is desired in the protection of external European borders (73%), the fight against tax evasion and tax havens (66%), freedom of movement and the Schengen area (66%), while 'less EU' is wanted in the fields of agriculture policy (65%), taxes and levies (63%), health policy and social policy (59%) and budget and finance (57%). With elections to the European Parliament in May 2019, the government will use its presidency to campaign back home.

### But it's not only about migration

The Austrian presidency of the Council will also have to work on Brexit negotiations as well as a post-Brexit budget – another point that will cause a lot of friction among the member states. While Chancellor Kurz made a name for himself due to his tough stance on migration, he now has to work as a bridge-builder in a much bigger field and with much bigger players.

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