



New Direction

the foundation for european reform



NEW DIRECTION
The Foundation for European Reform

is a Brussels-based free market, euro-realist think-tank and publisher, established in 2010 under the patronage of Baroness Thatcher.

We have satellite offices in London and Warsaw.

New Direction is registered in Belgium as a not-for-profit organisation (ASBL) and is partly funded by the European Parliament. This is the report of New Direction activities in 2014 and the European Parliament assumes no responsibility for facts and opinions expressed in this publication.



ADVANCING CONSERVATISM AND A EUROPE OF NATION STATES

Our vision is for the advancement of small government, private property, free enterprise, lower taxes, family values, individual freedom, strong defence, a Europe of nation states and a strong trans-Atlantic alliance.

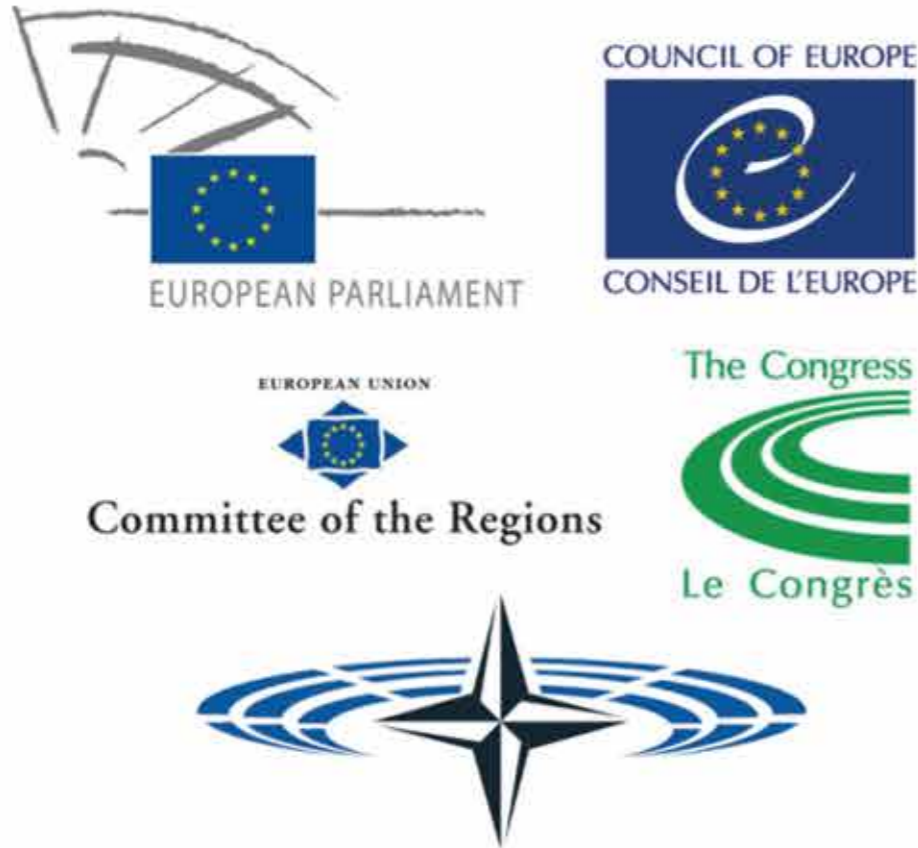


BUILDING A POPULAR MOVEMENT

New Direction is affiliated to the Alliance of European Conservatives and Reformists (AECR) and draws its inspiration from the founding principles of our Conservative & Reformist Movement contained in the 2009 Prague Declaration.



Our movement has representatives in the European Parliament, the NATO Parliamentary Assembly, the Council of Europe, the Committee of the Regions and the Congress of Local and Regional Authorities of Europe.



Political parties represented in our movement:



A man in a dark suit and tie is shown in profile, looking out over a city at night. The background is a blurred cityscape with lights. The man's hand is near his chin, suggesting deep thought or listening.

LEADING THE DEBATE ON EUROPEAN REFORM

Our mission is to strengthen the movement for European reform, by leading the debate on both sides of the Atlantic and around the world.

We aim to shift the EU onto a different course – away from the current orthodoxy of ‘ever closer union’ and central bureaucratic governance onto a path that promotes the freedom, prosperity and security of our nations and their citizens.

INFLUENCING KEY PLAYERS

Our strategy is to promote our values and ideas by influencing key players; Ministers and politicians from across Europe and the world, government officials, public policy experts, academics, business leaders, and the media.

New Direction publishes timely reports, discussion papers, policy memos, articles, opinion pieces and blogs.

In addition we host high-profile speakers for panel discussions, interviews, roundtables, seminars and conferences. We work closely with those who share a commitment to our values.



Geoffrey Van Orden MEP

PRESIDENT

Dear Friends,

The European elections in May 2014 revealed a strong undercurrent of support in many countries for political parties that questioned or opposed the EU orthodoxy. The European Conservative and Reformist Group (ECR), to which we have affiliation, has now 73 members from 16 countries, making it the third largest group in the European Parliament.

Yet the EU institutions doggedly refused to draw realistic conclusions from these developments, ploughing on with a strongly federalist agenda. The personification of this approach came with the appointment of Jean-Claude Juncker as President of the European Commission, a man with an ideological commitment to European political integration.

The great hope for change rested with the United Kingdom whose Conservative Prime Minister, David Cameron, had promised an In/Out referendum on Europe following negotiation of significant changes in Britain's relationship with the EU. As we go to print, we are able to welcome the results of the British General Election which has returned a Conservative government on the back of that promise and fuelled by economic success.

EU reform is now the Leitmotiv of our work in New Direction. Already we have held highly successful discussions on EU reform from the perspective of several key EU countries. In the coming months we shall continue this theme, culminating in publication of proposals that we

believe should be not just on David Cameron's menu, but on that of all those that seek a new direction for Europe.

In view of the disturbing challenges thrown down by Vladimir Putin, we shall intensify our focus on Eastern Europe and its neighbourhood. We are strong supporters of the Atlantic Alliance and, as the candidacies for the White House become clearer, we shall do more work aimed at American audiences. We believe it is important that American decision makers understand that Europe is more than the EU and that there is not just one view on its future direction. We shall work closely with friends in India, Turkey and the Gulf States to deepen our friendship and cooperation.

This is an ambitious agenda that requires a fresh look at our structures and fresh initiatives to secure an increased proportion of private funding for our activities. As always, your creative assistance and support will be enormously appreciated.

Yours sincerely,

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EVENTS

IN 2014, NEW DIRECTION HOSTED A SERIES OF LECTURES, CONFERENCES AND DINNERS ACROSS A BROAD SPECTRUM OF EUROPEAN REFORM ISSUES.



REFORMING THE EU

The biggest challenge over the coming two years will be how the European Union reforms. In 2014 under the leadership of our President, Geoffrey Van Orden MEP we launched a flagship lecture series on reform from the perspective of a number of European nations.

LECTURE SERIES



REFORMING THE EU

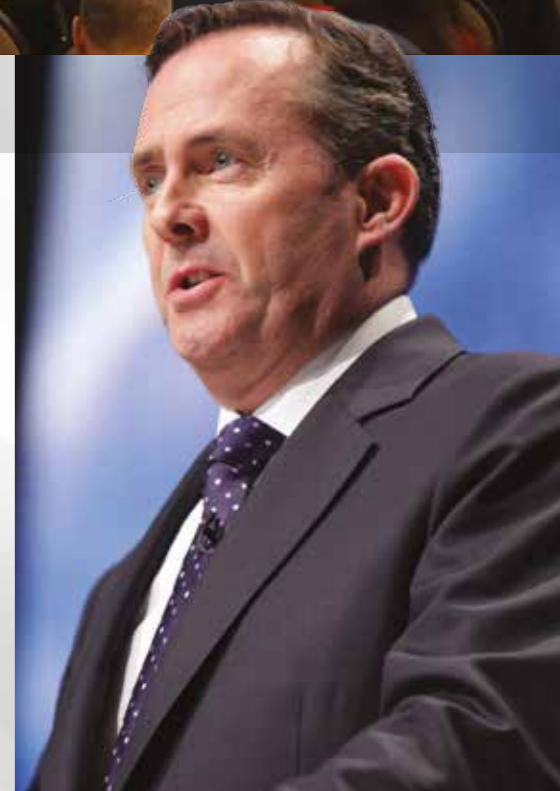
FROM A BRITISH PERSPECTIVE

We were honoured to host **The Rt. Hon Dr Liam Fox MP**, former UK Secretary of State for Defence at our inaugural lecture. To a packed conference Dr Fox set out his vision of how and why the EU should change and how this could benefit Britain and the rest of the EU.

He warned that the Eurozone had neither enforced 'convergence criteria' for countries which aspired to join, nor imposed fiscal discipline on its member states, in effect allowing the Eurozone countries to run up enormous deficits. As a result, Dr Fox argued that Eurozone countries must now either give up their economic sovereignty and accept free fiscal transfers between

debtor and creditor countries, or confront the breakup of the Eurozone itself to allow the debtor countries to avail themselves of lower exchange rates.

Furthermore, Dr Fox warned that in order to restore public confidence in the immigration system, the government must either curtail migrants' access to benefits, or create a system of work permits to regulate migration to the UK. Therefore, he endorsed David Cameron's proposal to renegotiate the terms of Britain's EU membership before holding an in-out referendum, rather than holding an immediate referendum and running the risk of Britain voting to remain in an unreformed EU.





REFORMING THE EU

FROM A DUTCH PERSPECTIVE



We were honoured to host **Derk-Jan Eppink**, former MEP and **Hans van Baalen** MEP (VVD) at our second lecture. Both speakers explained their vision of how the EU should change and how this could benefit the Netherlands and the rest of the EU.



*In 2015 we will host 'Reforming the EU Lecture Series' from a **German** Perspective, a **Polish** Perspective, a **French** Perspective, a **Finish** Perspective and an **Italian** Perspective. We hope you can join us for these important discussions.*

FREE MARKET ROADSHOW

BRUSSELS

We hosted the Brussels leg of the 2014 Free Market Road Show. The conference brought together leading businessmen, public policy officials, journalists, diplomats, and elected representatives to discuss the changes needed to improve the internal market.

Speakers included **Barbara Kolm** (Austrian Economics Center), **Anette Godard** (Ludwig von Mises Institute), **Pieter Cleppe** (Open Europe), **Terry Anker** (Liberty Fund), **Lorenzo Montanari** (Property Rights Alliance), **Doug Den Uyl** (Liberty Fund), **Dan Mitchell** (Cato Institute), **Prof. Dr. Hardy Bouillon** (Trier University, Public Partners) and **Mark Klugmann** (Global Adaption Institute).



CARPATHIAN REGION CONFERENCE

POLAND

Under the leadership of our Vice President, **Tomasz Poręba MEP**, New Direction hosted a conference on the Carpathian region in Poland.

Although the region meets the European Commission's criteria for the adoption of a macro-regional strategy, there is no EU mechanism for cross-border co-operation.

Speakers at the conference stressed that the Carpathians remain one of the poorest areas of the EU, and called for a dedicated EU "Carpathian programme."

The conference was attracted widespread attention from the media and the public in Poland.



TIME TO REVITALISE NATO

New Direction hosted a seminar on the need to strengthen NATO, particularly in the light of the current crisis in Eastern Europe and other threats to international security in the Middle East and Africa.

Speakers included **Jamie Shea** (NATO Deputy Assistant Secretary General for Emerging Security Challenges), **Robert G. Bell** (Senior Civilian Representative of the US Secretary of Defense in Europe), **Michael Clarke** (Director-General of RUSI), **Jan Techau** (Director of Carnegie Europe), **Professor Ufuk Ulutas** (Director of Foreign Policy Research, SETA Foundation), **Witold Waszczykowski MP**, former Secretary of State in the Ministry of Foreign Affairs of Poland,

and **Geoffrey Van Orden MEP**, President of New Direction.

The seminar concluded that the EU's Common Security and Defence Policy adds nothing to military capabilities. Rather, it should be seen for what it is - part of the process of European political integration, intruding into the most sensitive areas of national sovereignty, undermining NATO and widening the gap between the U.S. and Europe.

Instead of acquiescing to the EU's military ambitions, speakers argued that European governments must renew their commitment to NATO. It was also stressed that it would be disastrous for Europeans and Americans to have competing strategic visions or two separate defence organisations, with overlapping membership, making competing claims on the same limited military resources.

New Direction President Geoffrey van Orden argued that the

risks of this duplication and division are threefold. Firstly, different political signals are transmitted to potential adversaries, offering scope for exploitation of divergences. Secondly, European Member States' commitment to NATO is weakened because the EU offers the outward appearance of an alternative structure. Thirdly, competitive deployments into the same theatre of operations are wasteful and potentially dangerous.



WHAT CAN BE GAINED FROM A UK REFERENDUM ON EUROPE?

In 2013 the British Prime Minister, David Cameron, pledged to hold a referendum on the UK's membership of a reformed EU by the end of 2017.



With the Conservatives being the only major party to make such an offer to the British people, New Direction hosted a timely seminar to get beneath the referendum question.

Dylan Sharpe, Campaign Director of Business for Britain, argued that from a British business perspective the EU

needs to change and that this would benefit not only Britain but the rest of the EU.

The pledge by the Prime Minister David Cameron to hold a referendum in 2017 offers those who advocate British withdrawal from the EU a chance to make their case for a Global Britain. But it also affords an opportunity

for those who believe in EU membership to push for reform and endeavour to secure the endorsement of the British people.

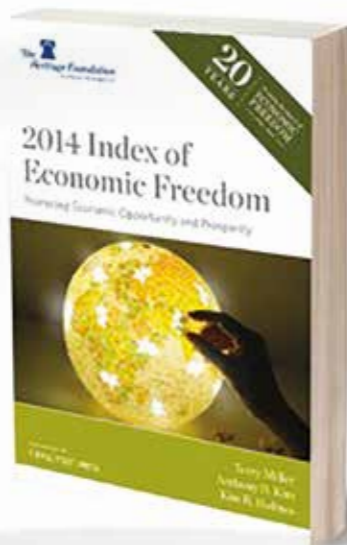
Business for Britain consistently argues that the status quo in the UK's relationship with the EU is not working, and that the British Government is right to seek a new deal for Britain.



HOW FREE IS EUROPE'S ECONOMY?

Today, we live in the most prosperous time in human history. Poverty, sicknesses, and ignorance are receding throughout the world, due in large part to the advancement of economic freedom.

New Direction was privileged to host the launch of the 2014 *Index of Economic Freedom* with James M. Roberts.



For more than two decades, the Index of Economic Freedom, an annual data-driven, cross-country analysis by **The Heritage Foundation**, Washington's No. 1 think tank in collaboration with **The Wall Street Journal**, has measured the impact of liberty and the free market around the globe.

The Index covers 10 freedoms – from property rights to entrepreneurship – in 186 countries.

In 2014, the six freest economies were Hong Kong, Singapore, Australia, Switzerland, New Zealand and Canada. Switzerland was Europe's regional leader.

Four emerging economies have achieved notable score gains over the past five years. With a cumulative score increase of over five points, Colombia, Poland, the United Arab Emirates and Indonesia have recorded five years of sustained growth in economic freedom, successfully navigating the global economic uncertainty.

Mr Roberts discussed the principles of economic freedom and called on all those at the launch to promote these ideas in their homes, schools and communities.



Learn more about the index at www.heritage.org/index.

MAGNA CARTA AT 800

CENTRAL AND EAST EUROPEAN PERSPECTIVES

Globally there are thousands of events and activities being planned and taking place to commemorate 800 years of Magna Carta - the document guaranteeing the fundamental rights and privileges of citizens

New Direction played its part by hosting a conference in Lodz, providing a historical perspective of attempts to limit government power by law from the 13th to 18th centuries in Central and Eastern Europe.

We are particularly grateful to our speakers: **Professor Włodzimierz Nykiel PhD** (President of the University of Lodz, Poland), **Professor Agnieszka Liszewska PhD** (Dean of the Faculty of Law and Administration, University of Lodz, Poland), **Professor Adam Cygan** (University of Leicester, UK), **Professor Zbigniew Rau PhD** (The Tocqueville centre for Political and Legal Thought, Poland), **Professor Attila K Molnar PhD** (Eotvos Lorand University, Hungary), **Jana Janisova PhD** (Palacky



University, Czech Republic), **Dalibor Janis** (Palacky University, Czech Republic), **Professor Dorota Malec PhD** (Jagiellonian University, Poland) **Professor Arturas Vasiliauskas PhD** (Vilnius University, Lithuania), **Professor Natalia Jakowenko PhD** (National University of Kyiv-Mahyla Academy, Ukraine).

Scholars outlined the political, social and intellectual context which led to demands for legal privileges for segments of society in their respective countries. They presented the historical development of these privileges

and explained how principles of freedom were codified in fundamental legal acts.

Moreover, they outlined the emergence and structure of political and legal institutions to uphold these principles. They argued that these experiences, institutions and practices contribute, along with the Magna Carta, to the common European heritage of freedom.

The conference gathered historians from Hungary, the Czech Republic, Poland, Ukraine, Belarus and Lithuania as well as Britain itself.



RESEARCH

RESEARCH IS NEW DIRECTION'S MAJOR STRENGTH. WE PRODUCE HIGH QUALITY RESEARCH, POLICY ANALYSIS AND RECOMMENDATIONS ON A FULL RANGE OF PUBLIC POLICY ISSUES THAT AFFECT THE CITIZENS OF EUROPEAN COUNTRIES.

IN 2014 OUR RESEARCH PROGRAMME COVERED THE FULL SPECTRUM OF EUROPEAN REFORM ISSUES.

WE ALSO CONDUCTED A PEER REVIEW OF OUR WORK TO ENSURE IT MET THE QUALITY THRESHOLD OUR SUPPORTERS DEMAND.

THREE EU-RELATED IMPACTS OF SCOTLAND LEAVING THE UK

Scotland's place in Europe, in the event of a Yes vote in the Independence Referendum, was a matter of fierce debate throughout 2014.



A number of UK and European leaders, including Manuel Barroso, President of the European Commission, and Mariano Rajoy, the Prime Minister of Spain, stated that an independent Scotland would have to apply for EU membership as a new member. As with all new members, this would involve a commitment to joining both the euro currency and the Schengen area.

This timely report found that Independence would

cost Scotland nearly a billion pounds a year.

The losses would be the result of Scotland failing to renew three special arrangements that benefit the UK in its dealings with the EU: the budget rebate, the euro opt-out, and the opt-out from the Schengen border agreement. The study measured the impact on the Scottish economy of each.

KEY FINDINGS

The UK rebate, negotiated originally by Margaret Thatcher

in 1984, is worth around £295 million (€354m) to Scotland every year. As a sovereign state, Scotland would have to contribute to the UK's rebate alongside other member states – costing her £46 million (€55m) a year.

If Scotland joined the Euro, as all new member states are currently obliged to do – the report estimated that total losses from higher transaction costs and changes in trade patterns would cost the Scottish economy a further £468million (€562m) a year.

ESTIMATED IMPACTS OF SELECT EU-RELATED COSTS FOR AN INDEPENDENT SCOTLAND

ISSUE	ONGOING ANNUAL COSTS (€m)	OUTPUT EFFECT (€m)	FOREGONE JOBS
<i>Rebate</i>	409	736	6,680
<i>Euro</i>	562	1,011	9,637
<i>Schengen</i>	92.5-125.7	46.8	433
Total Identified Costs	1,063.5 – 1,097.7	1,794	16,750

THE BENEFITS OF RESEARCH AND INNOVATION

This study promoted a deeper understanding of the role of research and innovation plays in the development of medical treatment.

It evaluated the economic benefits of recent medical innovations and considered the concept of tradable intellectual property, often defined by patents or copyright. It found that when patent rights are upheld, research-based companies harvested the fruits of their investments in innovation, in effect enjoying a temporary monopoly.

The study argued against the abrogation of patent rights, because when the profits that a patent bestows are unavailable, it may be impossible to finance future investments in development. This holds for the pharmaceutical industry or any other business.



IMMIGRATION: CAUSES, CONCERNS, CONSEQUENCES

With free movement of people and immigration high up on the political agenda, this New Direction publication showed anti-immigrant sentiment is indicative of a much wider public concern about general levels of migration and change taking place in their communities.

CARPATHIAN REGION: TIME FOR AN EU MACRO-REGIONAL STRATEGY



This landmark and crucial report called for the EU to adopt for the first time a Carpathian Regional strategy. The report highlighted the urgent need for cross border investment in infrastructure, environmental protection and economic development.

THE ECONOMIC ADVANTAGES AND DISADVANTAGES OF FOREIGN TAKEOVERS



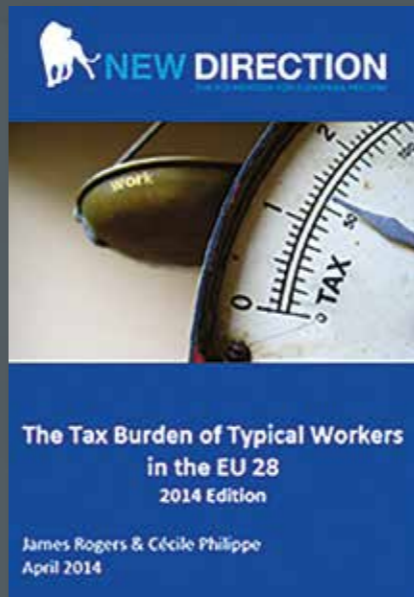
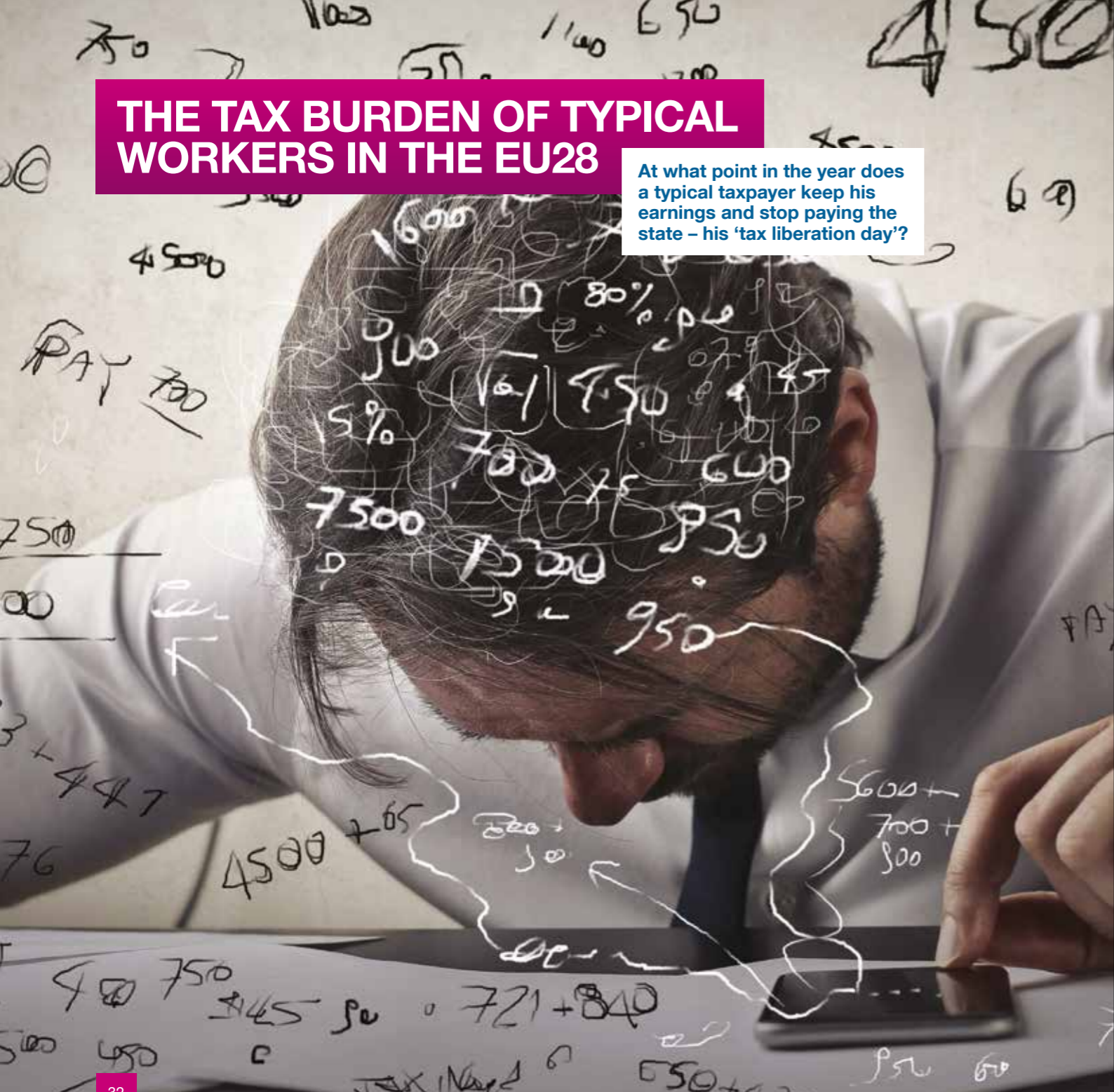
The authors of this timely report employed empirical analysis, concluding that foreign ownership in most cases appears to be associated with both better economic performance and stronger management.

The report highlighted that on average, productivity and profitability tends to increase with a take-over and in some cases in addition to the acquisition itself, new businesses are established.

However the report found that in some cases foreign-takers have led to redundancies.

THE TAX BURDEN OF TYPICAL WORKERS IN THE EU28

At what point in the year does a typical taxpayer keep his earnings and stop paying the state – his ‘tax liberation day’?



Cyprus:	March 21
Ireland	April 28
Malta:	April 28
United Kingdom:	May 12
Bulgaria:	May 18
Luxembourg:	May 30
Portugal:	June 06
Denmark:	June 07
Slovenia:	June 08
Estonia:	June 10
Spain:	June 12
Croatia	June 13
Poland:	June 14
Czech Rep.:	June 19
Finland:	June 20
Slovakia:	June 20
Latvia:	June 20
Netherlands:	June 21
Sweden:	June 23
Italy:	June 30
Romania:	July 01
Germany:	July 11
Greece:	July 14
Hungary:	July 16
Austria:	July 25
France:	July 28
Belgium:	August 06

The only EU-wide study using consistent methodology calculated how long people would have to work in each of the 28 EU member countries before they stopped paying the state.

For the fifth consecutive year, this important study was published by New Direction and the Institut Economique Molinari (IEM) with data provided by accountants Ernst & Young. Using consistent methodology across all EU member countries, the study calculated the tax liberation days as follows:

Typical workers across the European Union saw their average “real tax rate” rise again this year, from 45.06% in 2013 to 45.27% in 2014. The rise of 1.28% since 2010 is largely a consequence of VAT increases in 19 of the 28 EU member states since 2009.

For the fourth consecutive year, Belgium is the country that taxes labour at the highest rate in the European Union; an employer in Brussels spends €2.31 to put €1 into a typical worker’s pocket, making a Belgian worker’s tax liberation day August 6.

More than half (54.6%) of citizens are not in the labour force – a figure that is worsening as Europe’s population grows older: Since 2010, the proportion of Europeans outside the labour force has grown by 0.3%. Working people are carrying an ever-heavier share of the tax burden.

Flat tax policies have offered considerable tax relief to workers – notably in Hungary, where a new 16% rate has pushed that country’s tax liberation day forward by 21 days since 2011. However, total taxes remain higher in “flat tax” countries (46.34%) than in “progressive” systems (44.98%) – a gap that has widened since 2010.



DISCUSSION PAPERS

IN 2014 WE ALSO STRENGTHENED OUR RESEARCH PROGRAMME AND MAINTAINED OUR GLOBAL RESEARCH POSITION BY FOSTERING INTERNATIONAL COLLABORATIONS WITH 15 INSTITUTES AND THINK TANKS RIGHT ACROSS EUROPE AND NORTH AMERICA.

WE ALSO INTRODUCED A SERIES OF TOPICAL 'DISCUSSION PAPERS' ON A FULL RANGE OF PUBLIC POLICY ISSUES.



Quid Novi Foundation is an institute for Economic Policy Analysis, based in The Hague (The Netherlands). Quid Novi researchers perform economic and quantitative analyses and translates their results into policy advice to contribute to the public debate in a sound and meaningful way.

New Direction commissioned Quid Novi to produce the following discussion papers in 2014:

- EU energy taxation & the Dutch natural gas tax
- Financing health care systems in Europe
- How the EU can benefit from the American shale gas revolution
- The shale influencing strategy
- Flat taxes in Europe using The Netherlands as a case study



The Institute for Free Enterprise (IUF) is a German free market think tank. The Institute works towards policy change by developing concepts for reforms with local and international experts. Those ideas are then promoted to policy makers, challenging the interventionist mind-set. The IUF advocates policies that lay the foundation for entrepreneurial initiative and competition.

New Direction commissioned IUF to produce the following discussion papers in 2014:

- Reform of pension systems in Europe using Germany as a case study
- Car tolls systems in Europe using Germany as a case study



The Hayek Institute (HI) is one of Austria's leading think tanks, conducting an innovating research program throughout Europe.

New Direction commissioned HI to produce the following reports in 2014:

- Freedom & diversity in Europe: eleven pledges for a more accountable and effective European Union
- Revenue equalisation and financial adjustment, and optimizing the allocation of resources to create room to manoeuvre budgets in Upper Austria
- The financial relationships between regional and national Governments in Europe, using Austria as an example



The Institute for Research in Economic and Fiscal Issues (IREF) was founded in 2002 by representatives of civil society from academia and business to investigate fiscal and taxation questions.

Taxation is a many-faceted issue and existing studies are mostly incomplete if not biased. The need to explore the question systematically and completely was obvious to IREF's founding members. This is especially urgent now that tax studies can no longer ignore globalisation and its consequences on the magnitude of tax competition.

New Direction and IREF produced the following discussion papers in 2014:

- Pros and cons of a common European tax base on corporate profits
- The effects of negative interest rates on European economies
- Private sector experience of Governments in Europe
- European school systems – a Dutch/French comparative analysis
- Civil service statutes in Europe
- Banque de France VS Bundesbank
- Taxation on fossil fuels in Europe
- The truth about inequalities in Europe



The Austrian Economics Center (AEC) is Austria's leading initiative for the promotion of understanding of the Austrian school of economics.

New Direction commissioned AEC to organise the following activities in 2014:

- A New Direction Academy in Vienna
- An opinion poll of EU voters ahead of the EP 2014 elections.



GenerationLibre is a European think tank with a French focus, launched in 2013. It is dedicated to promoting education and human rights and in particular exploring the idea of liberty. This includes discussing and researching the philosophy of liberty, its practical implications, and its implementation through socially responsible projects.

New Direction commissioned GenerationLibre to produce the following reports in 2014:

- European state-owned patent trolls, using France-Brevets as a case study



Libera! is an independent non-partisan think tank in the Flemish region of Belgium fostering the values of a free society in general and the protection of private property rights in particular. The scope of its research and activism is not limited to the regional or national arena but also extends to the European and international level.

New Direction commissioned Libera! to produce the following reports in 2014:

- Friedrich Hayek's philosophy of knowledge
- Risk in an anxious society (with the Institute Nomokratos)
- Subsidy overkill: Flanders as a European case study



Libera is a politically non-aligned and independent think tank from Finland that supports and promotes individual freedom, free enterprise, free markets and a free society. Libera publishes research reports and organise conferences.

New Direction commissioned Libera to produce the following reports in 2014:

- The benefits of the single market & free trade in Europe
- How European welfare states pose societal risk
- The single currency: Towards a federal Europe?



Poland's Centre for Political Thought (OMP) is the leading Polish conservative think-tank involved in analytical, educational and publishing activity connected with political philosophy, history and international relations. OMP experts - leading Polish political scientists, sociologists, lawyers and philosophers - take part in public Polish, European and transatlantic debates. OMP promotes respect for personal freedom, religion and Polish cultural traditions.

New Direction commissioned OMP to produce the following reports in 2014:

- The political prospects for conservative parties in the EU
- EU policy towards Russia
- EU institutional inconsistency
- Central European countries' influence on EU policies



Health Consumer Powerhouse is a Swedish company comparing healthcare in Sweden and Europe. HCP produces the renowned Euro health consumer index and other indexes comparing healthcare.

New Direction commissioned HCP to produce the following reports in 2014:

- 2014 Euro Health Consumer Index, with special coverage of Scotland and the Balkans



The Lithuanian Free Market Institute (LFMI) is a private non-profit non-party organisation established in 1990 to promote the ideas of individual freedom and responsibility, the free market, and limited government intervention. Our goal is to assist the accomplishment of the common interests of the people of Lithuania, which are best implemented in a free market where every individual pursues his or her objectives - without any privileges, protection or restrictions - by serving society and not relying on the government apparatus.

New Direction commissioned LFMI to produce the following discussion papers in 2014:

- Old-age state social insurance in Europe
- Europe's shadow economies

**KONZERVATÍVNY
INŠTITÚT
M. R. ŠTEFÁNKA
M. R. STEFANIK
CONSERVATIVE
INSTITUTE**

The Conservative Institute is Slovakia's leading think tank advocating a free, responsible, and educated society.

New Direction commissioned the Conservative Institute to produce the following reports in 2014:

- The economic consequences of Slovakia's Eurozone membership
- Slovakia 10 Years After EU Accession
- External project management as a form of funnelling EU funds

**szabadpiac
ALAPÍTVÁNY**

The Free Market Foundation was established in Hungary in 2012 and is its leading national voice advocating for a free and responsible society.

New Direction commissioned the Free Market Foundation to produce the following reports in 2014:

- The Impact of the EU Common Agricultural Policy on Hungarian Agriculture
- Energy policy and price controls in Europe and Hungary
- Euroscepticism in Hungary

RNH

The Icelandic Research Centre for Innovation and Economic Growth (RNH) is Iceland's leading advocate for a free, responsible and prosperous society.

New Direction commissioned RNH to produce the following reports in 2014:

- Income distribution and taxation in Europe

**Think
Scotland**

ThinkScotland is a think tank encouraging greater discussion in Scotland about economic, social and constitutional policies. The organisation is a not-for-profit debating forum with a cross section of topical, political and cultural writing. ThinkScotland's editorial position is right of centre – with the aim of encouraging an open liberal society – but crucially without endorsing any one political party – or taking a corporate view.

New Direction commissioned ThinkScotland to produce the following reports in 2014:

- Scotland's performance since devolution in a European context

NEW INITIATIVES

NEW DIRECTION ACADEMY

In 2014, we launched the New Direction Academy in Vienna. Our aim is to inspire young people to engage with the crucial debates that are affecting Europe today.

With the technical assistance of the Hayek Institut and the Austrian Economics Center, the Academy trained young academics and researchers in strategic leadership, research techniques and effective communications.

Faculty members were expert teachers, as well as practicing professionals – and leaders – in their field. We are particularly grateful to **Manfred Kastner** (Vision Microfinance), **Alfred Harl** (Harl Consulting), **Gerald Steger** (Café+Co International), **Halmet Siller**

(Beratung), **Florian Vanek** (Wiener Borse), **Wolfgang Berger** (Mondi AG), **Kalus Schmid** (CapGemini), **Helmet-Laus Schimany** (BieM Austria), **George Vetter** (VLV Rechtsanwälte), **Leonard Kubizek** (MozartScan) and **Elfriede Sixt** (ITFconsult).



ANDREAS UNTERBERGER



MANFRED KASTNER

NEW INITIATIVES

LIBERTY AWARD

In 2014, we launched the New Direction Liberty Award in Brussels.



PETER DE KEYZER

With the technical assistance of Libera! the 2014 'Liberty Award' was given to **Peter De Keyzer**.

Peter De Keyzer is the Chief Economist for BNP Paribas Fortis. In 2014 he published his first book "Growth Makes You Happy – An Optimist's View of Progress and the Free Market". On receipt of his award he spoke to an invited audience about the internal market and what reforms Europe needed to implement to deliver economic growth. He called for structural reforms, more innovation, more free trade and less protectionism.

“ We will need to encourage economic growth, and that, as Peter De Keyzer makes clear, cannot happen without greater reliance on free markets. This book is a wake-up call, not only for his fellow-Europeans, but for all of us in the developed countries.

– **Sam Peltzman**,
Professor Emeritus,
Booth School of
Business / The
University of Chicago

“ Europe needs to hear the message of freer markets and stronger economic growth, and this book is one very good place to start

– **Tyler Cowen**, Professor of
Economics at George Mason
University

WEBSITE



The communications team at New Direction have established the Foundation's website as a valuable communication tool for all our work.

Since its launch in March 2011, it has attracted an exponentially-increasing number of hits each month.

The number of unique visitors has increased significantly and by the end of 2014 there were over 180,000 visits to newdirectionfoundation.org.

New Direction is now on *Twitter* @europeanreform on *Facebook* and on *LinkedIn*.

BULLETIN

New Direction's news bulletin was launched on 30 May 2011 in cooperation with eStat. cz – Effective State (a non-governmental organization established in 2004 as the first think-tank in the Czech Republic devoted exclusively to public administration and its effectiveness).

The daily bulletin is sent to its recipients' mailbox before 9am, and has become a highly respected and popular source of news. The PDF layout allows the bulletin to be directly printed without editing and can be used by New Direction and its partners as a communication and profile tool.

Content:

- News from Member States
- Main agenda of the European Parliament and other EU institutions
- Coverage of ECR and other events
- Details of New Direction reports and events

Advertising space is available for free to ECR MEPs and partner think tanks to advertise their events. In order to do so, please contact us at contact@newdirectionfoundation.org.

To subscribe, go to New Direction's website: newdirectionfoundation.org.



EXTENSIVE MEDIA COVERAGE

All of New Direction's research and activities were actively promoted throughout the media.

Over the years our work has been extensively covered in the following publications:



FUTURE ACTIVITIES....

JOIN US IN
2015 FOR
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BUSY YEAR!

In 2015, New Direction will continue to build the intellectual space for the movement of European Reform.

We will hold a number of events including:

- the launch of the Health Consumer Powerhouse Index,
- the launch of the Index of Economic Freedom,
- the Free Market Road Show,
- a seminar on the Eurozone Crisis,
- a defence summit

We will host our flagship reforming the EU lecture series from the perspective of:

- France
- Italy
- Finland
- Germany
- Poland

We will commission reports on:

- The Russian Regime's influence in Eastern Europe
- An Islands strategy
- Digital Economy
- NATO
- Cutting the costs of the EP

WITH HUGE THANKS

New Direction is registered in Belgium as a not-for-profit organisation (ASBL) and is partly funded by the European Parliament.

Despite the tough economic climate, in 2014 through the generosity of private supporters and corporate sponsors we increased our donor base and received **€180,000**.

As the leading authority on European Reform, our supporters know that their contribution is helping to shape the global conversation on the issues that matter.

If you would like to donate or support our fundraising efforts please get in touch by email contact@newdirectionfoundation.org, or fill in the form opposite.

We are extremely grateful for all our donors and their continued support.

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Please Note: New Direction- The Foundation for European Reform is required to:

- I. Publish its revenue and expenditure and a statement of its assets and liabilities annually;
- II. Declare its sources of funding by providing a list specifying the donors and the donations received from each donor, exceeding EUR 500;
- III. Not accept anonymous donations, donations exceeding EUR 12,000 per year and per donor, donations from the budgets of political groups in the European Parliament, donations from any company over which the public authorities may exercise a dominant influence by virtue of their ownership of it, or their financial participation therein, and donations from any public authority from a non-EU country.

**NEW DIRECTION
- THE FOUNDATION FOR
EUROPEAN REFORM**

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2014 IN NUMBERS

- 22,500,000** PEOPLE REACHED BY NEW DIRECTION ACTIVITIES IN 2014
- 180,000** UNIQUE VISITORS TO newdirectionfoundation.org
- 16,000** SUBSCRIBERS TO ND EUROPE DAILY
- 86** ACTIVITIES ACROSS... **15** COUNTRIES
- 34** DISCUSSION PAPERS
- 24** DONORS BETWEEN **€500** AND **€12,000**
- 16** ACTIVE THINK TANK PARTNERS THROUGHOUT EUROPE AND NORTH AMERICA
- 8** CONFERENCES AND LECTURES
- 6** RESEARCH PAPERS
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