U N I V E R S I T Y O F E D I N B U R G H

23th April 1965

T H E C H A L L E N G E

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Generally speaking people agree that in this modern world Europe should be united. Then they start denying the need for a European tariff and quarrelling over European policies. And they discuss rather hotly about European Institutions.

What upset most the opponents of the European Communities are the Institutions. Those Institutions of the Communities, they raise a lot of fuss about sovereignty and evolution. They bring forth new words and queer ideas, like supranationality. Above all they start changing the usual pattern of public life. If I may attempt to translate into Scotch what grumblers can be heard to mutter on the Continent : "Though Whitehall and Westminster are bad enough, Brussels and Strasburg are sure to be worse !"

Really ! can't the Communities just "do business" and leave out all their institutional stuff ? Perhaps a more matter-of-fact approach might spare all the talk-including my own this evening - on organisation, transfer of powers and democracy - which after all is not a necessary contribution to the success of a common market !

This learned audience knows better than that. To you a common market means much more than a mere trade agreement. It means a commitment to joint policies in the economic field, leading gradually to joint policies in a larger field. Formulating and enforcing joint policies are a continuous task, which must pay due regard to the changing circumstances in each Member State and in the outer world as well. This complex job cannot be accomplished without proper Institutions, as a brief look at the past achievements and at the coming problems of the Communities will show.

A. - The past achievements

Bringing to light the problems and interests of the Communities as compared with those of each Member State, watching intently though without undue severity the behaviour of the Member States and of their subjects with respect to the Community law, have already demonstrated the specific contribution of the Institutions to establishing the Communities. But a more noble and more essential task requires the constant action of the Institutions : completing and implementing the Community law as it stands in the Treaties.

This is not a small job. Up to april 1965 and for the Economic Community alone, over a thousand and a half binding acts have been published. More than two thirds were issued by the Commission, the rest by the Council acting with very few exceptions on proposal of the Commission. In the two other Communities, binding acts of the Institutions though less numerous have also been published.

No doubt the Institutions have been busy making the law. But was this additional Community law really necessary ? A glance at its purposes will answer.

a) The first purpose is to facilitate by transitory measures a gradual adjustement of national economies to the requirements of the common market. Such measures could not be decided in advance by the Treaties because they must take into account changing situations. Some individual decisions have ruled for instance the progressive removal of subsidies and special charges on coal industries in the Coal and Steel Community, like others allow to-day safeguard measures for regions or industries in the Economic Community. Moreover, the Institutions have often been empowered to determine, in accordance with the specific requirements brought to light by expert investigations, the proper rhythm for abolishing protectionist barriers in the common market. They have for example decided the programs for extending the national treatment to nationals of the other Member States

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in the field of establishment and services. Even when a precise timetable had been set in the Treaty, like for the gradual realization of the customs union in the Economic Community, adjustments have proved necessary in order to speed up the whole process or to allow some retaliation measures compatible with G.A.T.T. regulations.

b) A second purpose is to complete and to implement the basic rules set in the Treaties, or even, referring specially to the Economic Community Treaty, to set the basic rules in accordance with the aims, principles and procedures decided in the Treaty. The Fathers of the Communities had grasped, and indeed experience has confirmed, that many rules should have to be adjusted without requiring the long and delicate procedure of reviewing the Treaties. Such may be the case for technical motives, for example with the rules concerning the protection of health in the nuclear industries. It is still more the case if joint policies have to be worked out and constantly adjusted to changing situations, for instance in the fields of agriculture, external trade, transportation, competition... Unable to determine the rules once for ever, the Treaties have empowered the Institutions to lay down the law, provided they use specified procedures and observe explicit principles.

c) Following the same inspiration they have also allowed acts of the Institutions for a third and bolder purpose : amending specific provisions of the Treaties on the basis of experience. Limited powers have been granted to that effect to the Institutions of the Coal and Steel Community and of Euratom. They have been used in the former to modify a provision dealing with transforming industries. In the latter a proposal of the Commission concerning supply of nuclear material is presently being studied by the Council and the Parliament.

d) A fourth purpose is to ensure the day-to-day operation of the common market. The Community law is often rather loosely worded, leaving to the Institutions a fair amount of free appreciation in its application. It is precisely one of the means by which joint policies can be translated into facts. Significant examples of this important activity of the Institutions can be found in three fields.

- The antitrust provisions must be applied in an impartial and uniform way. All individual cases are therefore handled by the High Authority of the Coal and Steel Community or by the Commission of the Economic Community, and on request of the parties by the Court of Justice of the Communities. This task should not be underestimated. It has been since the start one of the major activities of the High Authority and of the Court of Justice in the Coal and Steel Community.

In the Economic Community some 40.000 cases have been notified. Roughly, three quarters will be solved in a not to distant future by exemption regulations. Test cases will help to clear the rest. In three years time, 200 investigations have been started, 10 test cases are cleared with suits pending before the Court of Justice in one case only.

- Operating the common tariff requires a good deal of negotiations with third countries inside and outside G.A.T.T., as well as a number of decisions modifying the common tariff or allowing temporary application of a national tariff in exceptional cases. Over a hundred of these decisions have been made each year, mostly by the Commission.

- The agricultural market needs, in all countries, a special organization. What was operated by national offices is now gradually becoming the responsibility of the Institutions of the Economic Community. Up to now, some ten basic regulations have set up in the two past years a common market organization for ten key products such as cereals, meat, milk... But operating these organizations has required up to now around 650 implementing acts, two thirds of which have been issued by the Commission. In addition to these, the Commission has to deter-

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mine each day, week and month on which actual prices and premiums must be calculated the levies imposed on circulating or imported products.

I apologize for these three somewhat technical examples. They had to be given. Antitrust rules, a common tariff and an agricultural market organization are indeed fundamental elements of a common market. They imply a strong and efficient administration. It is worth noticing that the lighter administration of E.F.T.A. goes precisely without any of those three elements. But it is also worth some thinking that the whole momentum of the Economic Community is derived exactly from the common tariff and from the agricultural policy.

B. - The coming problems

Anyhow these few indications on the past should help to realize what part the Institutions will take in handling the coming problems of the Communities. As they appear presently these problems could be grouped in two main chapters.

a) the first chapter deals with the development of the common policies in the economic field. There is still much to do to complete the customs union, but enough has been already done to urge the Member Countries to agree on joint policies. What are there policies going to concentrate upon ? Four directions may, I believe, be indicated.

One is completing the farming policy. Suitable market organizations must be set up for a few more basic products, such as sugar, wine, oil... Modernization of the farming structures in the frame of the Community must be studied and encouraged. Appropriate financial devices must be adopted to support the costs of the farming policy.

A second policy aims at developing industry on a Community scale. A number of scattered measures can contribute to this result. A final acceleration of the customs union, such

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as proposed by the Commission of the Economic Community in its "Initiative 1964" would bring the industrial common market in line with the expected completion of the agricultural common market. Independently the conditions of industrial growth on a Community scale will be improved in different fields such as patents and research, or mergers inside the Community and taxation.

A third policy to be developed is of course a joint trade policy with the outer world. No doubt the present Kennedy round negotiations in G.A.T.T. will play a decisive role in that field.

These considerations on three key-policies lead to the conclusion that a joint economic policy will have to be gradually realized in a much larger field, eventhough the provisions of the Treaties may be scarce and vague to support it. The fourth direction will therefore be to develop a concerted action if not to take joint decisions regarding a conjunctural policy and a reasonable non compulsory planning, such as exists for the past decade in the Coal and Steel Community and such as is practiced in this country and in France. This planning is for psychological reasons called a mid-term policy in the Community. In connection with these developments a coherent financial and monetary policy can be decided jointly, as have already shown the successful antiinflatory policy of the Community and the adoption of a single grain-price which eliminates in fact unilateral modifications in the rates of change among the Member Countries.

b) this glance at the first chapter concerning development of joint policies introduces the second chapter of the coming problems devoted to the merger of the three Communities. At this stage of economic integration the purely accidental division into three different Communities must be removed. Reasonable industrial policies require a homogeneous action. Coal, steel and nuclear industries can no more remain

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apart. In fact their specific problems will be easier solved in the larger framework of a single common market than by remaining isolated in a specialized Community where a balance of nationale interests is difficult to reach. Moreover only a single common market can make sense with respect to joint policies for energy, for research or for industrial growth.

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Having considered, however briefly, the past and future problems of the Communities may make it easier to understand why, in spite of their inconveniences, Institutions are indispensable for establishing, ruling and operating a common market. This conclusion does not seem to be valid for the European Communities alone. Even though it is not a common market, the European Free Trade Association appears to require strengthened Institutions. Experts in Latin and Central American integration stress the same need for appropriate Institutions.

What really counts is to have institutions properly adjusted to the requirements of the changing modern world and therefore to change the Institutions themselves whenever necessary. A need for change has already led to modify the institutional pattern of the Coal and Steel Community, fit for a first partial integration, when the Rome Treaties have created Communities in the frame of a general economic integration. To-day a number of institutional changes are on their way or will have to be met in a not too distant future.

These changes could be resumed under three headings which will be examined in turn:

- the decision-making Institutions of the Communities are being strengthened ;

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- the national Institutions are becoming also executive authorities of the Communities ;

- an appropriate democratic control must be found in the Communities.

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I - Strengthening the decision-making Institutions of the Communities.

A double change is occurring with the actual result of strengthening the decision-making Institutions of the Communities. One merely effects the Economic Community : consultative Committees are being multiplied. The other touches all three Communities : the decision-making Institutions are being merged into one single Council and one single Commission.

A. - Improving the preparation of the decisions of the E.E.C.

The Rome Treaty had set up 4 consultative committees to assist the Council and the Commission of the Economic Community. There are presently 35 leaving aside mere working groups carrying on the preparatory studies on behalf of the Commission or of the Council, as well as joint committees operating association or trade agreements with third countries.

For obvious reasons consulting is the favorite performance in the multi-national heterogeneous Communities. Finding out the right answers to correctly enunciated problems is fairly quick, and will be made easier and quicker still in our "computers age". But it is a small part of the work. What is long and difficult is to produce a correct enunciation of the problem and to convince the others that your answer is the right one. In other words, the computers age is bound to be also a consulting age.

In that respect multiplying committees can be a great help towards enlightening the decision-making bodies and

giving them an opportunity to convince the Governments and the vested interests. Which amounts after all to strengthening their real authority.

The Economic and Social Committee set up by the Rome Treaties remains the only standing all competent committee. The newly established committees are more or less specialized and answer specific needs of the decision-making bodies as the growth of the Community shows them. These committees have a consultative mission excluding any power of decision, even when their consultation is compulsory.

They fall roughly into two groups depending on whether they participate mainly in the operation of the common market or in the determination of the joint policies.

1) In the first group, the most numerous, the committees follow two different purposes.

a) Some are mainly expert and public relations committees. They may be composed of members of the interested profession only, for instance to assist the Commission in operating each agricultural market organization. They may also comprise not only experts from the profession but governmental officials appointed by the Member States, like in committees advising on matters of transportation or of labour.

b) Others, also concerned with the operation of the common market, seek to provide an appropriate cooperation between the Member States and the Commission. They illustrate an unforeseen evolution : when the day-to-day operation of the common market affects seriously the execution of a joint policy the Commission, if empowered to decide as is often the case, must previously consult appropriate committees composed of governmental delegates.

Different devices ensure an effective influence of these committees. For instance previous consultation of the cartel committee on draft decisions of the Commission is compulsory with few exceptions. Furthermore, a decision of the Commission concerning the operation of an agricultural market can be subject to revision by the Council if it is contrary to a majority opinion of the appropriate committee (Comité de gestion). Similar devices have been adopted for operating the Agriculture, Overseas and Social Funds. While one must be careful not to mix up the basic allocation of powers set up by the Treaty between the Member States, the Council and the Commission, these mechanisms help to establish in the day-to-day operation of the common market the close collaboration organized otherwise for determining the joint policies.

2) As to this collaboration, a second group of new committees completes the scarce means provided by the Treaty in the vast field of a joint economic policy. Three committees advise respectively on conjunctural measures, on a planning policy and on the mainlines of the budgets of the Member States. A committee assembling the heads of the six national Banks completes the monetary committee set up by the Treaty. Similarly, in the field of external relations two committees advise on trade policy with the outer world and on technical assistance to developing countries.

These seven committees, gathering the senior officers responsible for the national policies provide the Council and the Commission with invaluable information. Moreover they reach closely concerted action in fields of a great importance where a joint policy has become absolutely necessary though the authors of the Treaty did not dare to organize it in 1957.

B. - <u>Merging the decision-making bodies of the three Communities</u>

The considerable steps forward which have required new means to assist the decision-making bodies of the Economic

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Community call for a merger of the decision-making bodies of the three Communities. A Treaty modifying the three Treaties to that effect has been signed by the Six Governments a fortnight ago (8th april 1965). It is hoped to be ratified and to enter into force by Ist january next.

At first sight this decision has a rather limited scope. Indeed, since 1957 a single Parliament in Strasburg and a single Court of Justice in Luxemburg serve for all three Communities. As to the Council the charge is merely legal. In fact the Secretariat was already single and in the new single Council the Ministers will differ according to the agenda as they differed before from the Council of one Community to another. What the new Treaty really boils down to is merging the three independent bodies (the High Authority of the Coal and Steel Community and the two Commissions of the Economic Community and of Euratom) into one single Commission.

But though modest this institutional step should not be underestimated. It starts indeed an evolution in three directions :

1) First it prepares the merger of the Communities. Everyone agrees that a single Community is now required in order to handle properly together the economic problems of the Member States. A new Treaty will have to be drafted with a view of unifying and possibly of improving the substantial rules, the procedures and the institutional set up where unification should be beneficial and of keeping specific provisions where these are required.Such a work is not really possible with three different bodies applying each one Treaty only. The new single Commission is going to apply, like the three other single Institutions, the three Treaties simultaneously. It will acquire in doing so a general view and experience which will enable it to contribute to the merger of the Communities, expected in the three or four years to come.

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2) Secondly a single Commission will be a stronger partner in the continuous dialogue with the Governments and the Council on the one hand, and the Parliament on the other. Instead of three different boards among which are divided 23 members, the single Commission will participate in all discussions and decisions concerning the Communities. Moreover this single and permanent interlocuter of the national Governments and of the European Parliament will comprise 14 members, to be reduced to 9 as soon as the Communities are merged and on Ist january 1969 at the latest if the single Commission is appointed on Ist january 1966. With a general competence for all Communities and a small number of members, the single Commission cannot be mistaken for a group of technicians. It is definitely for the national Governments a partner with a special status in all matters concerning the Communities, particularly in determining the joint policies, and possibly a prized adviser in all European matters.

3) Thirdly the merger of the three independent bodies calls for renewed methods of work. Increasingly busy at choosing policies and at co-operating with the national and Community Institutions as well as with third Countries, the single Commission will have to find out appropriate devices to ensure the day-to-day operation of the common market. Classical methods used by national Governments, such as delegated powers to members or senior officers and written procedures will have to be combined with the special requirements of multinational Communities. The three administrations are to to be reorganized in a single body of civil servants of the Communities. Experience may lead to allow, in the future Treaty merging the Communities, specific parts of the common market to be operated by decentralized offices subject to a special control.

It should be mentioned that one specific method of the Communities is not changed but rather encouraged by the new Treaty : the wandering process. It has been found suitable

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for the national interests and stimulating for the Institutions that a kind of European ballet, including night trains and cold buffet suppers, takes regularly place between Brussels, Luxemburg and Strasburg. Experience has shown that the well-known administrative efficiency of corridors is multiplied in train-corridors and dining-cars. At least as long as European trains are deprived of telephones, post office and typists, they provide a wonderful opportunity for the senior officers to have a lengthy talk with the members of the Commission and with their own colleagues.

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II - Bringing national Institutions to be also executive authorities of the Communities.

The burden of change does not weigh on the Institutions of the Communities alone. The national Institutions are also facing a challenge. They must adjust to perform, along with their usual national duties, new responsibilities as executive authorities of the Communities.

Carrying out the aims of the Communities is indeed the result of a constant co-operation between the Institutions of the Communities and the national authorities, including for the actual execution and enforcement of the Community law. For both political and rational reasons, the Communities rely heavily on the national authorities for that object. The national authorities in turn partially become executive agents of the Communities. This is true of the judiciary as well as of the legislature and of the executive.

A. - The national judiciary

The Community law raises for the national courts two kinds of problems.

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1) applying the Community law as the law of the land.

First they have to decide whether they must apply the Community law.

The rules governing application of an international Treaty in the present Member States are different from the British corresponding rules. A Treaty properly ratified and published becomes ipso facto part of the law of land without any previous modification of the national legislation. This continental rule seems simple, and even primitive. But patience ! our lawyers also are clever enough to turn a simple rule into an endless source of dilemmas ! To illustrate our continental ability, I shall evoke three questions which are presently tormenting some of our national Courts.

a) In all six Countries there are written Constitutions, laying down for instance the rights and duties of Parliament or the judicial protection of the citizens. If some provisions of the Treaties were contrary to the national Constitution, could they be applied by the national Courts before the Constitution has been duly modified ? The question is now pending before the two Constitutional Courts existing in the Community : one in Germany and the second in Italy.

b) Another question is : which provisions of the Community law are meant, like the self-executing stipulations of a usual Treaty, to produce effects for the national Courts ? A number of cases have already touched this problem in different Countries of the Community.

c) The last example relates to a fundamental question. Which law should prevail if the Community law conflicts with a subsequent national law ? Obviously, the Community law should prevail for the sake of efficiency. But the point raises much legal arguing.

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Anyhow these three questions and other similar ones oblige the national Courts to study the Community law and to find out the proper interpretation and scope of that new law in their own legal system.

2) Referring previous questions to the Court of Justice

This brings forth a second and very important problem. The decisions of national Courts must not imperil a uniform application of the Community law. For this reason the Treaties have provided, with some differences between the Paris Treaty on the one hand and the Rome Treaties on the other, that when dealing with Community law the national Courts always may and sometimes must refer to the Court of Justice of the Communities previous questions concerning the validity or the interpretation of the Community law.

What is referred to the Court of Justice is not the case itself : this remains to be decided by the national Court. It is only the question of validity or of interpretation of the Community law to which the national Court wants an answer before deciding the case. Some learned British lawyers thought that this kind of reference might be compared to the British procedure of the case stated. Anyhow the reference of previous questions to the Court of Justice leaves the final decision to the national Courts. It is therefore much less bold than the law-making process which transfers the power of decision from the national authorities to the Council or the Commission.

The national Courts are slowly getting accustomed to ask previous questions to the Court of Justice. More than a hundred decisions of national Courts dealing with Community law have been published. Previous questions have been put to the Court of Justice in twenty cases by national Courts of four Member Countries. None of these questions has been referred by a national Supreme Court though in four Member Countries there have been opportunities to do so. This prudence does not show reluctance to co-operate with the Court of Justice

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but rather insufficient knowledge and thought about the aims and legal system of the Communities. There is a strong determination to spread the necessary information among the members of the Bench and of the Bar in our different Member States. There is also a strong conviction that active and wise co-operation will start with the Court of Justice as soon as the national Courts have realized that their own decisions regarding Community law affect not only their national legal order but also the legal order of the Community. Having become in such cases both national and Community judges they must be aware that problems may arise in other Member States if not in their own Country and that they must demand the help of the Court of Justice whenever they believe this procedure to be imposed by the Treaties or of interest for the Community.

B. - The national legislative and executive

A parallel effort has to be made by the national legislative and executive authorities in order to ensure execution of the Community law.

This execution requires different attitudes. Member States must either refrain from action prohibited by the Community law or take the necessary measures to comply with their obligations. One of these obligations is a previous consultation of the Commission on national drafts which are likely to raise questions as to their compatibility with the Community law or the joint policies. In all these cases, failing to observe its Community obligations would expose a Member State to be sued before the Court of Justice of the Communities by the Commission or by another Member State, and possibly to be sued before a national Court by one of its subjects claiming personal prejudice.

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Facing this situation a change is occurring in national Institutions in two ways.

1) Training national Governments and administrations to execute Community law.

On the one hand new administrative organs are set up in order to ensure information on and execution of the Community law. Acts of the Council and of the Commission, decisions of the Court of Justice must be centralized and commented. Theoretical and practical problems have to be solved. Appropriate instructions must be sent to the proper governmental and administrative authorities.

The once favoured plan of appointing a special member of the Government for the Community affairs seems presently abandoned. It is rather on administrative level that steps are taken, with more or less efficiency. The Permanent Representatives offices in Brussels have grown to a few dozens of national officers. In some Member States a special office attached to the Prime Minister or to one of his colleagues centralizes at home all Community problems.

2) Reviewing legislative procedures.

These administrative measures do not answer the problems arising in the legislative field. It is recalled that we are now dealing with the execution and not with the making of the Community law. Therefore even if the national legislative process requires an act of Parliament, that Parliament will in most cases have very little freedom if any to choose the ways and means. With a view of ensuring sufficient mutual guarantees to all Member States, the Community law imposes generally precise obligations. The national Parliament can and must comply with the wording and with the timing prescribed.

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This is an awkward position for the Government who must get through, and for the Parliament who must adopt, a prearranged text leaving practically no possibility for a useful debate but the risk of amendments incompatible with the Community law. Moreover the length of the usual parliamentary procedure is disproportionate each time the execution of the Community law requires merely technical measures, for instance when the national tariff has to be changed in accordance with precise Community rules.

There is a tendency in each Member State towards using special procedures. It is most often delegated legislation within the limits and under the conditions specified by the national Parliament in enabling acts of a more or less extensive scope. It can also be emergency procedures in which agreement of a competent parliamentary committee replaces that of Parliament itself. It might also be a kind of tacit agreement procedure like that used in some Member States for parliamentary approval of international Treaties, these being deemed approved when no debate has been decided on the approving bill in a short period after its communication to Parliament.

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III - Finding out an appropriate democratic control in the Communities

These special parliamentary procedures do not raise a real problem of democratic control because they apply to the execution of the Community obligations. But this problem arises when considering the law-making process by which the Community obligations are imposed on the Member States and on their subjects. Except for the Treaties themselves which have been approved by the six national Parliaments before entering into force, the Community law is

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decided by the Commission and by the Council. It is adopted neither by the national Parliaments nor by the European Parliament even though the latter is necessarily consulted on the initial draft of most basic Community rules.

This process is increasingly regarded as unsatisfactory for a number of reasons. Technically the Community law is finally adopted by techniciana and diplomats and is not drafted in a sufficiently legal way. The inconveniences deriving from a lack of proper legislative experience, or of appropriate legislative devices such as your parliamentary drafters, are not compatible with an everspreading Community law which often determines the rights and duties of individuals and has to be applied directly by the national Courts of six different countries. Politically, the growth of the Communities transfer in fact an increasing amount of highly political choices from the national Parliaments to the Council and the Commission. This is already true of all matters included in the joint policies. It will be true also in a few years of the use of a respectable amount of money. The transfer to the budget of the Community of the levies on imported agricultural products has been decided in principle two years ago. The duties on other imported goods will probably also be gradually transferred. The result might be that about 2 billions and a half dollars a year, formerly allocated to national expenses by the national Parliaments, would be allocated to Community expenses by the Council without any effective control of any Parliament.

These circumstances bring into sharp focus the European Parliament. Changes are contemplated which find strong support, and reluctance as well, among the Member States.In order to avoid misunderstandings in a delicate matter two problems should be distinguished.

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A. - Reviewing the balance of powers of the Community

What some contemplate is shifting partially the main power of decision from the Council where it stands now to the European Parliament. This means really a reshuffling of powers inside the Community as will be briefly shown.

1) Presently the political power lies with the Member States, whether their agreement is needed to amend the Treaties or to lay down the basic implementing rules by voting in the Council. Even though a number of decisions may legally result from a majority vote in the Council particularly after Ist of january next, it will probably appear in fact incompatible with the spirit of a Community to outvote a Member State in an issue of dramatic significance for it. Therefore the democratic control in the Community is presently ensured by the application in each Member State of the national system of control over the Government. Besides controlling the Commission, the European Parliament has really but consultative powers.

2) Transferring powers of decision to the European Parliament in significant matters means a considerable step towards a Federation. It raises immediately political problems concerning the representativeness of the European Parliament : mode of election throughout the Community ; admittance - up to now refused - of communist representatives ; geographical distribution among the Member States. Above all it raises the problem of a proper balance of powers between the Parliament and the Council on the one hand, between these two organs and a European Government on the other. For powers of decision cannot be assigned to a European Parliament without a proper Government to face this strengthened Parliament, just as in all our western Countries a strong national Government proves to be the necessary counterpart of a powerful Parliament.

Such a step towards Federation can only be envisaged by the Member States once they agree on some basic European policies. Presently it is premature.

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B. - Strengthening the influence of the European Parliament in the present institutional framework

Right now one can only face the second and more modest problem : how can the influence of the European Parliament be strengthened in accordance with the present balance of powers ?

1) Presently the views of the European Parliament do not weigh very heavily on the decisions of the Council. They are conveyed either directly through written questions and during occasional, short and rather academic debates, or indirectly through the Commission which, being responsible to the European Parliament, is under close control and echoes its suggestions in the Council. But the Council has up to now been too busy finding out a difficult unanimity, still required in most cases up to Ist january next, to pay great care to the wishes of the Parliament.

2) Without attributing final powers of decision to Parliament, its participation in the decision-making process could be strengthened. Parliament could be empowered to present to the Council amendments which would be adopted lest they would be set aside by a majority vote of the Council. This limited change would rather be an improvement of the present procedure than a decisive step towards a new balance of powers. It is in that direction that a number of proposals have been made in the past two years by different Governments, by Parliamentarians and, a few weeks ago, by the Commission. All these proposals take advantage of the changes occurring in the budgetary field, on account of the merger or of the creation of proper resources of the Community. They therefore apply to the budgetary procedure alone.

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I hope this general picture did convey my conviction that a significant institutional change is taking place in the Communities. I would like to add three short remarks on points which seem to me essential in the whole enterprise of the Communities.

1) First, the challenge and the change affect the whole institutional pattern : national authorities as well as Institutions of the Communities ; judiciary and administration ; Governments and Parliaments. There is a close solidarity among all these public organs. They are facing together the same challenge and they must together rise to the occasion.

2) Second, the change of the Institutions proceeds from the actual progress of the economic integration. It is because the customs union is being completed, the joint policies started, the various mechanisms of the common market operated, concerted action needed in a larger field, that institutional adjustments are becoming necessary. Even though / or because - there are several conflicting schools of thought concerning Europe, the actual evolution of the Communities is decidedly pragmatic.

3) Third and last, however different, the Institutions and the responsible men all show on the whole a comforting readiness to adjust as soon as the purpose of the required adjustments has been made clear. In an age where people, taking individual strolls in the space while waiting for further news from Mars and Venus, get a completely new picture of the Earth and of the human society, this ability to change allows hope for all of us.

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