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**Progress towards
European Union:
EC Institutional Perspectives
on the
Intergovernmental
Conferences -
the
View of the Parliament**

Speaking notes by

David Martin

Euro MP for the Lothians
and
Vice-President of the European Parliament

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Introduction -

The Long and Winding Road

European Union has been the theoretical goal of the European Community (EC) since its conception. For many, the intention was that it remained a theoretical goal to be dreamed of but never achieved.

The Treaty of Rome, signed in 1957, called for an "ever closer union among the peoples of Europe", yet the first two decades after its signing saw little in the way of progress towards union. Indeed General de Gaulle's opposition to majority voting in the Council and ringing endorsement of a 'Europe des parties' in 1966 was a serious reversion to intergovernmentalism.

Depressed by years of slide and stagnation Europe's leaders attempted in the early '80s to kick-start the Community into a new life. The Stuttgart Declaration, signed by the Heads of Governments at their summit there in June 1983, resolved to "create a United Europe" and confirmed "their commitment to ever closer union amongst the peoples and Member States of the European Community".

Around the same time Altiero Spinelli was brilliantly steering "a Draft Treaty Establishing a European Union" through the European Parliament. The Draft Treaty was adopted by a massive majority in the Parliament in February 1984. It was immediately backed by the Belgian and Italian Parliaments and Governments but derided by most other Governments.

However, the momentum created by Spinelli and the vague Declaration of Stuttgart, combined with growing support for a new initiative to create a genuine 'common market', led the Heads of Governments to agree at Fontainebleau in June 1984 to establish an ad hoc Committee to suggest how the Community could work better.

The Committee was led and took its name from James Dooge, a former Irish Foreign Minister. It produced a list of required changes that later proved itself a recipe for the Single European Act.

At the Milan Summit in June 1985 the Heads of Governments decided to establish an Intergovernmental Conference to reform the Treaties. The Single European Act was agreed at the Luxembourg Summit in December 1985 and after some difficulties with ratification came into force in July 1987.

The Single European Act with its provision for majority voting gave a new impetus to the creation of the Internal Market. It also gave new powers to the European Parliament and new competences to the Community, most notably in the areas of health and safety of workers, assistance to Europe's poorer regions, the environment, and research and development, as well as European co-operation in foreign policy.

The combination of the Single Act and Jacques Delors' dynamic leadership of the Community was enough to put fresh life into the Community.

Euro-sclerosis and pessimism gave way to new drive and optimism.

But the Single Act was never going to be enough. It was an important staging post but no more than that.

Delors himself decided the next stage must be Economic and Monetary Union (EMU). He chaired a committee of central bankers and produced a blueprint for EMU.

At the Madrid Summit in June 1989 a majority of Heads of Government voted to convene an Intergovernmental Conference (IGC) (the only method of revising the Community Treaties) on EMU to start sometime after the summer of 1990. The Strasbourg Summit in December 1989 confirmed this decision and decided more specifically to hold the IGC in December 1990 under the Italian Presidency.

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The European Parliament, while not hostile to progress on EMU, felt strongly that there was a need for global reform of the Treaties, and could find no justification for moving forward in one sector only. Especially as this was not a sector where consensus reigned.

In a report in my name adopted by a massive majority, Parliament demanded that the IGC be widened and that there should be an inter-institutional pre-conference involving the European Parliament, the Commission and Council for the purpose of preparing the mandate of the IGC and establishing the nature of Parliament's participation in the IGC.

Given increased significance by events in Europe in general and German unification in particular, Parliament's resolution adopted on 14 March 1990 received a positive response from many quarters.

On 20 March the Belgian Government issued an aide-memoire supporting most of the key points in Parliament's resolution.

On 21 March the Italian Parliament adopted a resolution explicitly supporting the Martin Report.

Then President Mitterand of France and Chancellor Kohl of the Federal Republic of Germany sent a joint letter to the Prime Minister of Ireland and President-in-Office of the European Council, Charles Haughey. They requested that the European Council meeting to be held in Dublin on 25 April 1990 "should initiate preparations for an Intergovernmental Conference on Political Union".

At that special meeting of the European Council, the Council "confirmed its commitment to Political Union" and charged the foreign ministers with preparing "proposals to be discussed at the European Council in June with a view to a decision on the holding of a second Intergovernmental Conference to work in parallel with that on EMU with a view to ratification in the same time frame".

At the close of the Dublin Summit, its host Charles Haughey, a man not known for his wild enthusiasm for things European, stated that the European Community was now "firmly, decisively and categorically committed to European Union".

On 17 May, the first meeting of the inter-institutional preparatory conference took place in Strasbourg. Discussions were positive, with even the most reluctant Member State (UK) conceding the need for some reforms to strengthen the role of the European Parliament.

The Dublin II Summit formally agreed to establish a second Intergovernmental Conference. The European Parliament would have preferred a single IGC with an agenda widened beyond EMU but accepted the proposal for two IGCs provided that they were closely co-ordinated and that they aimed for a single coherent package for ratification.

It is possible that a package of reforms could be agreed in 1991. These proposals would have to be presented to the European Parliament and the 12 national parliaments for ratification.

Assuming no major delays or hiccups (admittedly a bold assumption) we could have a new Treaty ready for implementation on 1 January 1993. In other words, the goal of European Union could yet be achieved in the same time-frame as the completion of the Internal Market.

There is no doubt that Treaty Reforms will be agreed. The only question is how bold they will be. Do our leaders have the imagination to look beyond 1992 and create a Europe ready, willing and able to play a constructive role into the next century?

European Union - a definition

There is no question that we now have a new drive towards European Political Union. But what is it?

The European Parliament is clear on how to define Political Union. This is not a new concept for the EC's elected politicians. It refers to the same aspirations as those which lay behind Parliament's

draft Treaty on European Union of February 1984. Parliament considers the essential elements of such a union to be:

- Economic and Monetary Union;
- a common foreign policy;
- a completed single market with stronger policies to ensure economic and social cohesion and a balanced environment;
- elements of common citizenship and a common framework for protecting basic rights;
- an institutional system which is sufficiently efficient to manage these responsibilities effectively and which is truly democratically accountable.

The European Parliament is clearly committed to the principle of subsidiarity. European Union should exercise only those tasks which it can carry out more effectively than the Member States acting separately. These tasks would be worked out in consultation and co-operation with national parliamentarians.

As far as the EC is concerned their competences would not go beyond those listed earlier:

Economic and Monetary Union

It is clear to any economist that EMU cannot be achieved by Member States acting separately. It is even more clear that monetary union will not be a success without its creation being balanced by social and environmental policies.

A single market without internal barriers cannot operate without a common approach in all those areas in which it is necessary or desirable for public authorities to set the rules for, or to intervene directly in, the market. This is all the more so if there is monetary union. These areas include:

- policies for economic and social cohesion to ensure equitable distribution of the benefits of the market;
- social policy to ensure that there is no competitive undermining of minimum standards of health, safety, working practices and social benefits;
- competition policy to prevent the market being dominated by monopolies or cartels;
- common rules for consumer protection;
- common rules for the protection of the environment;
- harmonisation of some aspects of company law;
- common principles for direct public intervention in particular sectors, such as agriculture, energy, transport research etc.

Of course the existing treaties include some provision relating to all of these areas. The difficulty lies in the fact that the means granted by treaty to the Community vary considerably from one sector to another. Thus, in the area of competition policy, the treaty gives the Commission certain powers to act directly. For consumer protection, the Community can frequently act by harmonising national provisions under Article 100A, requiring majority voting in Council and cooperation with the Parliament. As regards the environment, unanimity is required in Council after simple consultation with the European Parliament.

These divergences are not simply a matter of concern to the institutions themselves: they directly affect the nature of policy that can be carried out. Matters subject to unanimity are in fact subject to the tyranny of the dictatorship of the minority: as when Mrs Thatcher single-handedly wrecked the Social Charter.

A Community Foreign Policy

The Single European Act (SEA) gave a treaty base to European Political Cooperation (EPC). Nevertheless, EPC remains largely an intergovernmental matter, coordinating national foreign policies rather than fulfilling the stated intention of implementing "a European foreign policy". We must move from this loose political cooperation practised at present towards a more systematic and consistent strategy.

The reforms introduced by the SEA have allowed for significant but insufficient progress in this field. All this, however, could easily unravel if no deeper binding institutional commitments are made to develop and implement a common foreign policy on a permanent basis. There are several key commitments that might help bring this about. Firstly, the authorisation for the Commission to make policy studies and proposals to the Council of Ministers on foreign policy. Secondly, to commit member states to develop common policies (not just coordination) in the foreign policy field and to establish the principle that foreign policy negotiations will be carried out by a single negotiator. The most glaring recent example where this would have been beneficial is in the Community's commitment to sanctions against South Africa where, again, Mrs Thatcher unilaterally broke ranks. Thirdly, to require major policy orientations to be debated by the Parliament and to confirm that all significant Treaties with countries or groups outside the Community must be approved by the European Parliament.

This would put Foreign policy on the same footing as external economic relations and once and for all kill the jibe that the Community might be, in world terms, an economic giant but that it remains a political pigmy.

Economic and Social Cohesion and a Balanced Environment

In order to achieve European Union we must ensure the Community sets high social standards so that everyone benefits from the creation of the Internal Market in 1992.

If we are to ensure the balanced development of the Internal Market, the social and environmental provisions of the Treaties should be among those in which majority voting in the Council applies. This is clearly necessary in order that social policy can be extended, improved and completed without being subject once again to the dictatorship of the minority. Amongst the specific changes I would like to see implemented are:

- adding to Article 3 the objective of common action in the field of social affairs and employment;
- adding to Article 8A that the completion of the Internal Market should be accompanied by provisions to secure the convergence of living and working conditions;
- adding to Article 101 the possibility of the Commission intervening in cases where action in Member States causes economic or social distortion;
- adding to the objective of Article 117 improved training and working conditions, equal opportunities and access to education and culture;
- adding to the objectives to Article 118A the harmonisation of living standards and social provisions, training minimum levels of social security and welfare, minimum provisions for union law and collective bargaining;
- adding to Article 128 the objective of a common vocational training policy aiming to improve access to work for those excluded from the labour market;
- modifying the last words of Article 130A to refer to least favoured regions and population groups.

These specific changes would create a genuine 'social area' to complement the Internal Market and reintroduce much of the Social Charter. There would be a clear majority for such measures within the European Parliament.

On environmental issues it is something of a cliché to say that wind, rain and pollution know

no national boundaries, but it is no less true for that. The only way to improve and protect the environment collectively. Environmental policies must not be allowed to be vetoed by one irresponsible government in the Council. The environmental measures within the SEA should be brought together to form an Environmental Charter, whose implementation should be subject to majority voting.

Fundamental Rights and Freedoms and a Citizens Europe

In order to have a Citizens Europe we must grant voting rights to Community citizens in their country of residence when they are not resident in their own Member State. We must also look at some of the glaring omissions from the original Treaty of Rome, such as educational and cultural exchanges.

But, most importantly, we must add to the treaties the Declaration on Fundamental Rights and Freedoms adopted by the European Parliament on 12 April 1989. This calls for the Court of Justice to have jurisdiction for the protection of these fundamental rights and argues that the EC should accede to the European Convention of Human Rights of the Council of Europe, in order that the Community's procedures for protecting fundamental rights be subject to appeal to an external body. This would mean that the EC would be subject to the European Convention in the same way as individual states - even those with charters of rights of their own.

However, as a parliamentarian the most important element in European Union for me is democracy itself - it is the key. For that reason I wish to devote a whole section to **Proposals for Reform**, after first dealing with what has been called the black hole in the heart of the European Community - the 'democratic deficit'.

But first, let me re-iterate, European Union is about simple concepts. It is about Economic and Monetary Union, a common foreign policy, more competence for the Commission to manage the single market, particularly in the areas of environment and social policy. It is about European citizenship. Above all, it is about basing all these things on democracy and on a democratic European Parliament.

The Democratic Deficit

The democratic deficit results from the powers transferred by national parliaments, to the European Community, not being exercised by the democratically elected representatives of the people of the EC. We have got to say loudly and clearly to the citizens of the Community that there has been a loss of democracy which amounts to nothing less than a shift towards secretive, totalitarian government.

We must also scotch immediately the myth that power has shifted from national parliaments to the European Parliament. There is a scurrilous move afoot, by those who do know better, to set national parliamentarians against European parliamentarians - a plot to divide and rule in an undemocratic manner by the corrupt status quo. The reality, as far as the European Parliament is concerned, is that over 245 million Community citizens are asked to vote every five years for a democratic fig leaf on an undemocratic system. Despite the very real changes in procedure brought about by the Single European Act (SEA) - mainly to speed up the free-market aspects of the Internal Market - the European Parliament is still not what we would understand by a genuine parliament; it has no power to initiate legislation or pass laws to benefit the people who voted for it on a European manifesto. The Parliament is still, in essence, a consultative assembly - the power to make decisions in general lies elsewhere.

The European Community is in fact dominated by a sclerotic decision-making process. Its principle decision-making body, the Council of Ministers, is the only legislative (i.e. law making) body in Europe which meets in private. It is somewhat ironic that, at a time when Eastern Europe is rapidly democratising, the building where the Council of Ministers meets in Brussels is referred to as 'Kremlin West'. Within the EC laws are made as a result of horse trading between different issues. In practice, CAP decisions are swapped for budget decisions; VAT rates can be swapped for deals on harmonisation of insurance laws. It is this permanent confusion, the contrast between the bold ideals regularly

reaffirmed by Heads of Government and the sordid reality of the semi-permanent blockage which explains and justifies public disillusionment. The Community now, in fact, needs a massive dose of democracy.

The situation in the House of Commons has become untenable. From time to time general debates are held in which details cannot be explained, or on other occasions extremely detailed points are debated in committee or late at night without the general approach of the Government coming under scrutiny. The negotiations and implementation of the Single European Act went ahead with almost no public discussion in the UK. What a contrast with Denmark and Ireland, where the issues went to a referendum; or in France, Germany, Italy and Spain, where the political leaders make European development a positive central theme in public speeches and national debate.

However, even although the standard of debate and awareness in other Member States is higher, most governments have put through their national parliaments only a fraction of the 1992 legislation agreed by the Council. And in those parliaments which have voted for the legislation there are grave misgivings by national parliamentarians. Members of the Council of Ministers appear before their national parliaments wearing their Government Minister's hat, presenting European legislation which national politicians have had little time to think about let alone debate, but which cannot be amended or rejected because it is a product of secret Council compromises.

But the most worrying aspect of the democratic deficit is that, under the present EC practices, Community legislation once accepted, not only takes precedence over national law but can only be changed by going through the same tortuous, secretive process. What is even worse is that free-market 1992 measures, which benefit big business, can be passed by a majority vote in the Council, whereas social and environment legislation, which benefits the people, requires unanimity.

The general problem of the relationship between the executive and the legislative in Britain is too vast to deal with here, but it is certainly clear that the development of the EC, particularly in the foreign policy field, has increased the power of the British government to bypass the House of Commons or at best to treat it as no more than a rubber stamp. The problem has now become much deeper than the petty discussion about how effective Labour's front bench has been, or whether the Committee for Scrutiny of EC legislation should have more power. If the people of the Community are to ever have confidence in the EC, and if the Community itself is to become more effective, then there must be a better way of making decisions.

The European Parliament has already been aware of this need for some time. The report, prepared by the Institutional Committee, which first coined the phrase the 'democratic deficit' recognised and deplored the fact that EC structures were developing at the "expense of the Member States' parliaments". The development of the Internal Market in the years to 1992 will enhance this tendency unless something is done quickly. The Parliament's Report spoke bluntly of "a violation of the elementary principles of democracy", pointing out that in spite of having an elected European Parliament "the involvement of the people in the exercise of power ... is very limited as far as Community legislation is concerned". In short, there is a continuing transfer of power from the national to the Community level without a concomitant strengthening of democracy at that level. To achieve that end the relationship between the various Community institutions, and their relationship to the people, must be altered in order to break the corrupt status quo.

At present the EC is made up of four institutions; three of which are unelected for the purpose which they serve. The European Commission consists of 17 politicians who are appointed under the patronage of their governments but who swear an oath of allegiance to the Community. They run the bureaucracy and make all proposals for legislation. The Commission's sole right to initiate legislation means that neither national nor European parliamentarians can propose legislation which would benefit their electors - we are at the mercy of the good will of the Commission. The Council of Ministers consists of 12 ministers, each representing their national governments, parties and parliaments, but none of whom have been elected on a European manifesto to pass European law. But these ministers are, in fact, the only people who can actually decide upon legislation. Council meetings, where crucial decisions are

made, are prepared by lengthy meetings of national civil servants, whose mastery of the details of national positions and role in the implementation of EC legislation gives them enormous uncontrolled power. These civil servants, along with their counterparts in the Commission, are the real notorious "Brussels Bureaucrats" of popular tabloid journalism. The Parliament itself consists of 518 elected politicians who can discuss all aspects of the life of the Community but, even when they are united, can only exercise influence. Despite the fact that the SEA gave the Parliament the right to amend and to have a second reading on laws pertaining to 1992 it is still the case that legislation that has been specifically rejected, by members whom the electorate have chosen to represent them at European level, can nevertheless come into force. In a democracy, this is nothing short of scandalous, all the more so as the Council adopts legislation behind closed doors. The most powerful institution of all, the Court of Justice, which rules on the Treaties and against whose decision there is no appeal, is also appointed by governments.

Before I go on to outline my **Proposals for Reform** let me leave you with one final thought on the democratic deficit. One of the crucial qualifications, as the Spanish would testify, for becoming a Member State is that applicants must be democracies. If the EC was a state and applied to join the Community, it would be turned down on the grounds that it was not a democracy.

Proposals for Reform

The key message must be that, above all else, the process of moving forward to Political Union presupposes and implies a widening of the democratic basis on which the European Community is founded and operates, which means that the European Parliament must be made into a real legislative and monitoring body.

Community law is a particularly entrenched form of law. Once adopted, it cannot be amended or revoked by any national parliament, even following a general election. Community law overrides national law. If one wants to change it, the full Community procedure from Commission proposal to Council decision must be followed.

It is therefore essential to provide for effective democratic scrutiny of the European Community generally and its legislation in particular. It is no doubt because of this unique ability of the Community to adopt binding legislation - which means it is not a mere intergovernmental organisation - which led the founding fathers to provide for an elected parliament in the original treaties.

The need to ensure democratic scrutiny and accountability for Community legislation existed before we had the 1992 programme, it was intensified by it, and any further community competences make it an absolute imperative.

A key reform would be to ensure that all Community legislation was adopted by a procedure of co-decision between the European Parliament and the Council of Ministers.

Co-decision would not enable the Parliament to impose legislation which the national governments, acting through Council, were opposed to. Co-decision implies the negotiation of compromises acceptable to both sides, as in many bi-cameral systems. It would, in fact, resemble the institutional system that pertains in the Federal Republic of Germany between the Bundestag (elected directly) and the Bundesrat (composed of ministers from the Land governments and whose working methods bear a surprising resemblance to those of Council). Indeed, the conciliation procedure between the Bundestag and the Bundesrat is virtually identical to the Community's conciliation procedure. The Community's procedure should be extended to all items of Community legislation on which Council and Parliament disagree in order to make co-decision work effectively.

As mentioned in the previous section the Commission is the only Community institution with the right of initiative.

The Commission's virtual monopoly on legislative initiative has not been a major problem in the past as the Commission responds quite well to suggestions made by Parliament in its own-initiative

reports (about which it produces a six-monthly written account of how it has responded). Parliament is now also agreeing annual legislative programmes with the Commission and this procedure could be developed further. Nevertheless, the possibility for the Commission to block an issue by refusing to make a proposal - no matter how strongly it is desired by Parliament or Council - is potentially dangerous.

A procedure must be adopted whereby Parliament can exceptionally initiate legislative proposals when the Commission declines to introduce proposals themselves.

Political parties put programmes to the people at the European Elections. It is quite absurd to leave those elected with no formal means to initiate the legislative procedure required to put these programmes into action.

The introduction of co-decision and the granting of (a limited) right of initiative to Parliament would improve the democratic legitimacy of the Community but would be insufficient if the Council continued to require unanimity to approve legislation.

The Single European Act did introduce the possibility of majority votes in the ten new areas. Even in these areas, there are some national governments who claim that they have a potential right of veto that follows from the so-called Luxembourg Accords of 1966. More seriously, a number of areas still require unanimity in Council, including areas of vital importance to the Community like social and environmental policy. Unanimity may well be justified in taking decisions that enlarge the sphere of competence of the Community - and as this is done by treaty amendment, unanimity is guaranteed. It cannot be justified in the management of the Community's own policies. Unanimity allows such policies to be taken hostage by individual Member States. No matter how well intentioned Member States may be, it is dangerous to give them that temptation. The possible enlargement of the Community gives further urgency to this argument.

The legislative process is only one side of a Parliament's work. An equally key function for any Parliament is control over the executive. In European Community terms that means the Commission.

When it comes to the appointment of the Commission, Parliament is at present consulted, through its enlarged Bureau, on the designation of the President of the Commission, pursuant to the Stuttgart Solemn Declaration on European Union of 1983. In addition, Parliament, since 1982, holds a debate and a vote of confidence on an incoming Commission when it presents itself to Parliament for the first time with its programme. This has become an established practice and was recognised by national governments in the Stuttgart Declaration. It is significant that the two Delors Commissions both waited until they had received the vote of confidence from Parliament before taking the oath at the Court of Justice. This practice should be formalised in any treaty revision or new treaty.

A more delicate question is whether one should go further and take up President Mitterand's suggestion that the President of the Commission should be elected by the European Parliament. In its 1984 draft treaty (Art.25) Parliament drew short of making such a proposal (though it did propose that the President of the Commission, appointed by the European Council, should be free to choose the members of his team in consultation with the European Council). Fears were expressed that, if Parliament were to determine the composition of the executive then, as has happened in most national parliaments, it would become a prisoner of that executive. The majority that came together to elect a particular President would feel bound to accept his proposals, especially faced with threats to resign. Party disciplines would soon ensure that the European Parliament, like some other parliaments, would become a mere rubber-stamp.

I do not fully share these fears. The Commission's relationship to Parliament would, unless other major changes were made as well, still be some way from resembling that pertaining between the government and the Parliament in certain Member States. The absence of single party majorities at European level, and the more heterogeneous nature of the party groupings that exist, mean that party discipline would be somewhat looser for many years to come. Furthermore, if the provision is maintained whereby Parliament can dismiss the Commission only by a qualified majority vote, the

other potential danger - that of instability - will be removed and this will also affect the nature of the relationship between parliamentary majorities and the Commission.

The election of the President of the Commission by Parliament following each parliamentary election (i.e. with a term of office of five years for the Commission to coincide with Parliament's term of office) would enable European elections also to have immediate repercussions on the composition of the executive branch, just as national elections do in our Member States. At present, European elections are genuinely about electing a Parliament, but the affect of casting one's vote is less immediately perceptible to the voter. To allow the Parliament to elect the President of the Commission would go some way to rectifying that situation.

A greater say for Parliament in the appointment of the Commission would almost certainly lead to it having more control over the executive but it may not be enough. Parliament must be given 'a right of inquiry' akin to what exists in certain national parliaments, greater control over Community expenditure and the power to fire individual Commissioners on a two-thirds majority (at present Parliament can only sack the whole Commission). These powers would ensue genuine Parliamentary control over the Commission and reduce the danger of major policy decisions being taken by unelected, unaccountable and faceless eurocrats.

There are some who, while acknowledging the existence of the democratic deficit, argue that it is not necessary to increase the powers of the European Parliament. Their solution is to strengthen the role of national parliaments.

Detailed scrutiny over Community legislation is not, generally speaking, possible to the same degree in national parliaments. National Parliaments do not always have the time available to spend on European proposals and when they do, it is a matter of scrutiny over their own minister, namely one individual member of Council. In any case, he or she must be left a flexible enough position to bargain effectively. Scrutiny by twelve separate national parliaments each over their own ministers' actions is essential, but by necessity must be complemented by scrutiny of Council as a whole by the European Parliament. Furthermore, only the European Parliament is in a position to exercise effective scrutiny and control over the Commission.

A variation on this theme is the idea floated by Michael Heseltine to create a European 'Senate' composed of national parliamentarians. This has two weaknesses. Firstly the Community legislature is already bi-cameral, with the Council of Ministers as an extremely powerful Senate. A tri-cameral system would be too cumbersome. Secondly, one has to be sceptical about the chances of recruiting able and ambitious national Members of Parliaments to such a body and about the roles they would play, in practice, once recruited. The Senators would be part-time amateurs at Strasbourg, and if they took their European responsibilities seriously they would find it hard to maintain a profile in national politics at the same time.

This proposal fails to address the real issue and is simply a diversion for those who recognise the problem but are scared of the only genuine solution - more power for the European Parliament.

The proposals I have put forward in this section would dramatically improve the democratic credentials of the European Community. However, they would maintain a balance between its institutions and between the Community and its Member States. They would end what I have called the tyranny of the minority but would not replace it with the equally undesirable tyranny of the majority.

These are radical but achievable reforms which take account of the present level of European consciousness.

Where we are now - the Luxembourg text

The first draft of a new Treaty on political union was revealed by the Luxembourg Presidency last month. It offered more than we had been led to expect but less than the Parliament could accept given our position laid out in the **Martin Reports**. Parliament could not accept the treaty as currently drafted. We

had looked to the Intergovernmental Conferences to create a framework for a new Community architecture to take us into the 21st century. What the Luxembourg text does is simply to tidy up the anomalies of the previous decade. It is not forward looking enough.

Co-Decision

In terms of the Parliament's key demand for co-decision with the Council of Ministers, the text looks superficially attractive in that it puts forward an adaptation of the co-operation procedure such that the Council would vote, on the second reading, directly on Parliament's amendments by qualified majority whatever the views of the Commission; secondly, in that, Parliament may reject Council positions that it does not like, causing them to fall; and, thirdly, a conciliation procedure is introduced to negotiate compromises between Parliament and Council.

However, on closer analysis the text reveals major problems for the Parliament. The procedure would apply to a new category of Community act, known as a 'law', which would lay down fundamental principles and general rules applicable to given policy areas. It would then be up to the usual system of regulation and directive to lay down the details, but this would be done exclusively by the Commission and the Council. Furthermore the procedure allows the Council to adopt a text in the event of conciliation not reaching agreement. This text would then stand unless rejected by a majority of Parliament members. That means that there would be little incentive for the Council to negotiate a compromise in the conciliation procedure unless it was clear that there would be the required majority in the Parliament. Parliament would also have to be willing to take the blame for the legislative process ending without result, something that Parliament would normally be reluctant to do.

Thus the procedure is formally one of co-decision but with the effective balance of power weighed very heavily towards the Council. Parliament can hardly endorse such a formula at this stage.

The fact that implementation of the 'laws' would be up to the Council or the Commission is unsatisfactory in two respects. Firstly, Parliament does not accept that the Council has an executive role in the application of Community law. If a matter is to go to the Council it should also go to Parliament. Secondly, no procedure for legislative retrieval is provided for; in other words, a measure once delegated by the joint legislative authority cannot be retrieved, contrary to what both Parliament and Commission proposed to the IGCs.

This is just not good enough. The achievement of an appropriate form of co-decision applicable to *all* Community legislation is a fundamental requirement for Parliament's approval of the outcome of the IGCs. This approval is necessary for Italy, and perhaps other Member States, to be willing to ratify the new Treaties.

Co-decision is in fact a modest requirement which would not give the European Parliament the right to impose legislation on Member States that they do not want, as Council's approval would continue to be necessary. It would, however, ensure that the legislation currently adopted by Council alone and behind closed doors would only enter into force if it were also explicitly approved by a public vote in the assembly chosen by the electorate at a European level. This is a reasonable request and if it is not met by the IGCs they would be deemed, by the Parliament, to have failed.