The Antecedents, Origins and Creation of the European Economic and Social Committee

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Abstract

Europe’s emerging nation states became complex societies and economies long before they became parliamentary democracies enjoying universal suffrage. This paper traces the historic trends which led to the institutionalisation of advisory functions of various forms and functions, from economic and labour planning through interest representation to social dialogue. Notably, Italy, Germany and France all experimented with such institutional approaches in the immediate post-First World War period. The conceptual high water mark came with the Weimar Republic’s envisaged twin-chamber approach (never implemented). The model lived on and was consolidated in post-Second World War France, Belgium and the Netherlands, leading to the provisions for such an advisory body in the Treaty of Rome – today’s European Economic and Social Committee.
Introduction

This paper sets out to trace the longer-term historic trends that led, ultimately, to the 1957 creation of the European Economic and Social Community by the Treaty of Rome. As cohesive economies and nation states first came into recognisable being, consultative functions of some sort (together with the representation of interests) pre-dated parliamentary functions which, in turn, pre-dated the democratic staple of universal suffrage that would ultimately provide the basis for Europe’s modern parliamentary democracies. At the same time, the imperatives of economic planning, reliable labour supply and industrial peace steadily grew, exacerbated at times by the strictures of war, placing increasing emphasis on the need for structured dialogue between government, capital and labour. Last but not least, the growth of organised labour increasingly militated in favour of structures that would allow for the expression of needs and views at a time when parliaments were far from democratic in their composition and tended to be composed of vested interests which trades unions could not, and indeed did not, trust.

The result, in both of the twentieth century’s pre-war periods, was the establishment of institutional advisory/consultative bodies in Italy, France and Germany that could be seen as precursors of the post-second world war creation of the European Economic and Social Committee. Whilst the concept was definitively abandoned in post-war West Germany, it was consolidated in France, reintroduced in Italy and adopted by Belgium and the Netherlands, in both the latter cases primarily because it was seen as a way of encouraging consensus in deeply divided societies. The primacy of directly-elected parliaments is now acknowledged in all European Union member states, as it is at the EU level, and is embodied in the Treaty on European Union (notably articles 10, 12 and 14). But though it has far receded from the high water mark of the twin assembly model envisaged

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1 As will be seen, similar ‘experiments’ occurred in the same period in Romania, Hungary and Greece, and the United Kingdom dabbled briefly with the idea of industrial councils in the post First World War period and would create a consultative economic council during the depression, but Italy, France and Germany – all later to be founder member states of the EEC – took the process of institutionalisation furthest.
(though never implemented) by the Weimar Republic, the consultative/advisory function remains extant in TEU articles 11 and 13.4 and is embodied institutionally by the European Economic and Social Committee.

**Historic Trends**

The antecedents of today's European Economic and Social Committee can be traced back to several broad historic trends. The first of these, perhaps particularly prevalent in France in the nineteenth century, was an ongoing debate about the representation of interests, as opposed to individuals. As national economies coalesced, monarchs began to seek expert advice. Sometimes this advice was institutionalised. For example, in seventeenth century France two Kings, Henri IV and Louis XIV, availed themselves of an advisory 'Council of Commerce'. The representation of interests, advisory or otherwise, was anathema to French revolutionaries and expressly forbidden by Article 3 of the 1789 declaration of the rights of man and of the citizen, with its firm emphasis on the natural rights of individuals. But a combination of the industrial revolution and the creation of nation states soon generated a dialectic between the democratic argument for the representation of individuals through parliaments and a more pragmatic argument for the representation of interests (with a concomitant blurring of the distinction between the volunteering of technocratic advice and the right for interests to be represented). Economies and trade grew in scale and complexity. Technical advice and support was ever more necessary. Guilds (societies of craftsmen and professions) became numerous in mediaeval Europe and thereafter grew in importance and influence.

Already, in Benjamin Constant's 1815 amendments to the Napoleonic *Constitution de l'Empire*, a representative chamber was to have been created in which representatives of, for example, industry, manufacturing and commerce were supposed to have sat. Napoleon's defeat at Waterloo that same year brought an end to the First Empire and the chamber never came into existence. But the idea of some sort of institutionalised representation of economic and commercial interests persisted: two early French Socialists, Henri de Saint-Simon (who proposed a Supreme Industrial Council) and Pierre-Joseph Proudhon (who presciently called for representation of labour) were notable examples. For a brief period after the 1848 revolution, a Consultative Committee of Labour (*Commission consultative de travail*) came into being. This so-called 'Luxembourg Committee', composed of five hundred
representatives of various trades and professions, and with a strict balance between employers and employees, existed for three extraordinarily productive months, during which it proposed and drafted far-sighted labour laws. Though it did not have a vocation to become a permanent institution, a precedent had nevertheless been set.

The second composite development was, as a consequence of steady industrialisation, the increasing needs of Europe’s economies for labour and, alloyed to this, the development of the working classes and their growing demands for the right to associate and to win decent working conditions. On the one hand, industries needed to have access to a plentiful supply of labour. On the other, it was becoming increasingly apparent to governments and economic elites that industrial unrest, with its disruption of production processes, was to be avoided if possible. In the early 1900s both France and Belgium created Labour Councils (Conseils de travail) to facilitate solutions to the challenges arising out of the demand of their industrialised economies for labour. In part inspired by the French and Belgian initiatives, Italy’s 1903 High Council of Labour, considered separately below, was perhaps the most advanced pre-First World War example of this sort of institutionalised planning approach. Trades unions became incontrovertibly vital elements in the fabric of Europe’s nation states during and after the First World War. In the United Kingdom, for example, the Whitley Commission, a Sub-Committee of the Reconstruction Commission, recommended in its July 1918 Final Report that ‘industrial councils’ (of labour and employers) should be established throughout the world.

Although there had been steady advances in social thought and action before 1919, post war idealism encouraged the belief that decent societies could be created through pacts between the different factors of production. It was this idealism that led, for example, to the creation, as an agency of the League of Nations, of the International Labour Organisation. The concepts of dialogue, negotiation and agreement between what would become known as the social partners were born in this post-war period, though they would only become truly anchored in the socio-economic fabric of European countries after a second cataclysmic conflict and the division of Europe into a free West and a ‘Communist’, Soviet-dominated East. It should be recalled that these developments took place against a backdrop of constitutional and democratic evolutionary processes that were still under way. Suffrage, in particular, was far from universal. Parliaments were thus frequently seen
as bastions of class-based privilege and other forms of representation, particularly of organised labour, could and frequently were seen as normative counterweights.

**The Italian High Council of Labour (1903-1923)**

The Italian High Council of Labour (*Consiglio superiore del lavoro*) - established in 1902, first active in 1903, and abolished by the Mussolini government in 1923 - formed the first ‘modern’ example of the institutionalised participation of workers’ representatives in what would nowadays be termed a labour policy. The creation of the Council grew out of the twin developments of entrepreneurial middle classes and organised labour movements, particularly in the industrialised north of the country. In the lengthy debates preceding its creation, socialists had expressed suspicions of an institution that they feared would degenerate into a form of corporatist co-optation. Questions were also inevitably raised about the legitimacy and representativeness of those who would serve on such a Council (and therefore also about appointment mechanisms – a recurring theme with all such advisory bodies). On the other hand, both liberal capitalism and reformist organised labour recognised the desirability of achieving consensual improvements to working conditions and the importance of labour planning wherever possible.

Chaired by the Minister of Agriculture, Industry and Trade, the Council was composed of 43 members: three representatives each from the Senate and the Parliament; four each from the Chambers of Commerce and agricultural consortia; three each from the mutual societies and cooperatives; two from cooperative banks; seven Directors-General (Agriculture; Statistics; the Merchant Marine; Industry and Trade; Credit; Labour; Emigration) and fourteen members nominated by the Ministry of Agriculture, Industry and Trade representing: economics and statistics; production; agrarian, industrial and commercial agencies; Sicilian and Sardinian mine workers; dock workers; and agricultural and industrial labourers more generally. Labour, as an interest, was clearly swamped and a majority of the Council’s membership was drawn, in one way or another, from the state bureaucracy. At the same time, the Council was always intended to act as a technical support rather than a political agency and, in any case, three of the nine members of the Committee’s Standing Committee (its main decision-making organ) represented the workers.
The Council’s primary functions were: to monitor labour relations; to propose improvements in working conditions; to propose studies to the Labour Office; and to express opinions about draft legislation. Between its creation and Italy’s declaration of war (1915), the Council discussed and adopted opinions on all of the major themes of the emerging labour market, including conciliation, *arbitrage*, collective contracts and collective bargaining, the right to strike, dangerous work, working conditions for minors and women and night work.

From the outset, the Council was subject to proposals for its reform. These related to the nomination mechanisms (should nominations be by the Council itself or through direct (s)elections of some sort), the range of interests represented (the Senate, for example, was opposed to the direct representation of the emerging trades unions), the Council’s technocratic nature, its size and the relative weight of employers and employees within it. Though existential questions were to dog it throughout its brief active life, and though it was never to find its way again after the 1919 armistice, the Italian High Council of Labour was nevertheless the first permanent and institutionalised expression of the consultative function, bringing together the social partners but also other component elements of the country’s economic and social fabric. For workers, though not trades unions, the Council was an important advance. For the first time, workers’ representatives sat alongside employers’ representatives with equal rights in a state-sponsored institution.

Until the outbreak of war, Giovanni Giolitti, a long-serving Prime Minister, and a master in the political art of *Trasformismo* (the method of making a flexible, centrist coalition of government which isolated the extremes of the left and the right in Italian politics after the unification process) saw the development of the Italian national economy as essential in the production of wealth. He used a wide range of progressive social reforms together with government intervention to create what became known as the ‘Giolittian system’. Within such an essentially consensual system the High Council of Labour could aspire to develop an important role. However, the decision to go to war in 1915 – a decision Giolitti had himself opposed – polarized Italian politics and society. In his earlier phase as revolutionary socialist (until early 1914), Benito Mussolini was among suspicious critics of the High Council, regarding it as an attempt by the bourgeoisie and the elites to co-opt and thus disarm and exploit the working classes. Mussolini’s war-inspired nationalistic fervour led to his expulsion from the Italian Socialist Party and his creation of a new sort of
National Socialism, fascism, which abandoned the concept of class conflict and favoured a revolutionary nationalism supposed to transcend class lines.

After the 1922 march on Rome, as Mussolini gradually consolidated his dictatorship, an alternative, corporatist, governmental model was developed, combining government ownership with federations of various sectors (agriculture, industry, commerce, credit and insurance, the professions and the arts) brought together through corporations in a national council of corporations (*Consiglio nazionale delle corporazioni*). The old High Council was thus rapidly sidelined and effectively rendered superfluous. Moreover, Mussolini was wary of its labour representatives, considering them to be too close to the socialists (an irony, considering that he had previously considered the Council to be a threat to socialism). In 1923 the Council, which had never really found its feet, was abolished. However, it deserves to be recalled as a major early attempt to institutionalize a holistic view of the production process and incorporate social dialogue in an advisory body.

**The German provisional National Economic Council (Reichswirtschaftsrat) (1920-1934)**

In 1918 as defeat loomed for Imperial Germany, social unrest in the country increased. United States President Woodrow Wilson had called for the self determination of Europe's peoples and, implicitly therefore, for the abdication of the Kaiser. In late October, in an attempt to stave off a revolution and respond to Wilson's condition, the Kaiser allowed the country quietly to evolve into a parliamentary monarchy, but it was too little, too late. A mutiny among sailors spread into a general revolt. On 9 November a Republic was proclaimed and the Kaiser abdicated before fleeing to the Netherlands. On 11 November Germany signed an Armistice with the Allied Powers at Compiègne. The revolt, meanwhile, became a full-blown revolution that bordered on a civil war. In January 1919 an elected German National Assembly met in Weimar (Thuringia) to draft a new, democratic constitution for the *Reich*. This was signed into law on 11 August 1919.

Because of its weaknesses and the fact that it contained the seeds of its own destruction (that would notoriously lead to a much darker successor), the so-called 'Weimar constitution', together with the Republic it created, has been discredited and largely forgotten. The constitution, nevertheless, contained a number of noteworthy innovations. One of these, arising out of the twin trends described above, was the creation of a National
Economic Council. Initially proposed (by the Workers’, Peasants’ and Soldiers’ Councils) as an economic parliament with legislative powers, it was seen by its champions as a counterweight to what was critically described as the ’surge of parliamentarianism’ (seen also as a form of elitism, as against the authenticity of the workers). The body that emerged after the negotiations was a humbler affair but nevertheless, under Article 165 of the new constitution, had the task of examining draft social and economic bills from the standpoint of the economy before they went to the Parliament. It had a limited right of quasi-legislative initiative and also participated in the building up of workers’ councils, business representatives and economic councils.

A provisional National Economic Council, initially intended to flesh out the concept of the permanent council provided for by Article 165, was created on 4 May 1920 and remained active until its dissolution by the National Socialist government on 31 March 1934. The Council consisted of 326 members, drawn from professional interest groups and trade unions, and divided initially into ten professional and representative groups. Interests represented included agriculture and forestry (68 members), gardening and fishing (6), industry (68), trade (44), banks and insurance companies (34), the transport sector and public enterprises (36), the crafts (22) consumer interests (30) and the liberal professions and civil servants (8). In addition, 12 members were appointed by the Council itself from the regional economy as well as 12 members appointed by the government and representing the sciences.

The provisional Council embodied a number of weaknesses. One was the unwieldy group structure, which was later reviewed and reformed into just three groups; employers, employees and non-commercial representatives. However, the new structure rapidly polarised into two dominant and competing groups, with the third, far more heterogeneous group, unable to achieve sufficient coherence to counterbalance the other two. Another was the large number of members overall which, in the absence of centralised brokering or filtering mechanisms, effectively prevented the main body of the Council, its General Assembly, from working properly. The Assembly met 58 times between 4 May 1920 and 29 June 1923 and thereafter was no longer convoked. The main working bodies were the Council’s Committees, the most important of these being the Economic Policy Committee, the Social Policy Committee and the Finance Policy Committee. There was an initial proliferation of Committees and Sub-Committees (53 by 1923!). These smaller, highly-
specialised consultative councils (*Beiräte*) worked closely with the equivalent ministry, thus further undermining the role of the Council itself. Their number was subsequently limited to eleven and from mid-1923, the Council’s Board took over the Assembly’s role of approving and transmitting the Committees’ decisions and recommendations to the government, but the damage had been done. The third weakness was that, as an innovative and completely original body, the Economic Council had to find its own way of interacting with the government and the parliament (*Reichstag*) and, in part because of this, its influence was limited.

The provisional Council ultimately generated constitutional proposals concerning the format of the permanent body that was supposed to succeed it. The provisional Council had learnt from its own experiences. In particular, it proposed that membership should be halved and technical committees appointed only when necessary. Once again, the possibility of creating a fully-fledged second chamber, an ‘economic parliament’, was considered before being rejected. However, the proposed Council would nevertheless participate in the legislative process and would already be involved at the drafting stage. The constitutional debate continued until 1930, when a draft bill was at last put to the vote but, as a constitutional amendment, failed to win the necessary two-thirds majority in Parliament that amendments to the constitution required. In April 1933 the mandate of all the members of the provisional Council was terminated and the Ministry for the Economy was authorised to appoint 60 people as members of the provisional National Economic Council. One year later, as the National Socialist government rapidly consolidated its grip, the provisional National Economic Council was definitively dissolved, thus bringing to an end the Weimar Republic’s innovative constitutional experiment. Though the National Economic Council did not, in the end, become a second chamber, its right of legislative initiative, which remained theoretical and still then was limited, nevertheless suggests that the Weimar Council represented a, if not the, high water mark for the institutionalisation of the concept of interest representation.

**The French National Economic Council (1925-1939)**

As was the case with the German provisional Council, the calls for a national economic council in post-First World War I France came primarily from the workers’ side. Indeed, the proposal to create such a national Council, with consultative powers and
assisted by regional councils, was first tabled in October 1918 by the Confédération Générale de Travail (CGT). The idea being that the national economic council would help in considering all of the socio-economic problems confronting the country in the après-guerre period, including the return to a peacetime economy and the employment of demobilised soldiers. However, the Georges Clemenceau government was reticent, preferring to establish an inter-ministerial commission in which economic and social forces were represented more-or-less symbolically. In 1920 Léon Jouhaux, the then Secretary General of the CGT, countered this reticence with the creation of a private organisation, the Economic Work Council (Conseil économique du travail), composed of workers’ representatives but no representatives of employers. In 1923 the CGT drafted a new proposal for a public organisation that would bring together producers, consumers, technicians and state representatives.

Although politicians were reticent, the Eduoard Herriot government nevertheless took up the idea. Inspired by longstanding CGT Secretary General Léon Jouhaux’s ideas, the 16 January 1925 decree established a National Economic Council (Conseil national économique) composed of 47 members representing workers, capital, consumers and the population more generally. In conscious contradistinction to the Weimar model, the Council was neither portrayed nor seen as a second chamber. Its role was primarily consultative, drafting reports and recommendations to the government on socio-economic topics. Its potential was undermined by its composition and pronounced tensions between the representatives of workers and business. A 19 March 1936 law, complemented by a 1938 amendment, revised the composition of the Committee considerably upwards, to 260 members, divided into 25 professional groups, with a general assembly and a permanent commission as the main organs. The Council, which was now far more representative of all principle actors in economic activity, had its consultative role extended, inasmuch as it could now be consulted by the Parliament as well as the government. The competences of the Council were also extended. It could arbitrate in cases of economic conflict and participate with the Ministry of Labour in establishing secondary economic and social law. However, the CGT’s call for the Council to be given constitutional status was refused. The reformed Council was very much involved in the drafting of the implementing legislation for the important social legislation proposed by the Popular Front government of 26 June 1936. On 16 October 1939, following the German invasion of Poland and the French
declaration of war, the Paul Reynaud government issued a decree, suspending the activities of the Council. It disappeared definitively with the suspension of the French Third Republic on 10 July 1940 (although, unlike in Germany, the concept of the Council was to be revived after the 1939-1945 war).

There were other, more modest, developments in some other European countries. Romania (1923),\(^2\) Hungary (1926)\(^3\) and Greece (1929)\(^4\) created similar, though more ephemeral, structures and in 1930, at the height of the Great Depression, the United Kingdom established a consultative economic council. However, the cases of the ill-fated Italian Council, ironically abolished just as the model was being developed elsewhere, and the German and French Councils, were by far the most important constitutional experiments in this vein and, in the French case, the most historically significant. As Jacques Dermagne, President of the then French Economic and Social Council,1999-2010, put it;

The national economic council was a discreet, but important, element in the history of France. Its creation introduced a fresh departure in our concept of democracy. Its work is forgotten today; it was an imperfect organisation; but the current affirmation of participatory democracy would have been impossible without it. (Dermagne, 2006, pp. 35-36 – author’s translation)

\(^2\) Under the 1923-1938 Romanian constitution, a Senate was created that included, among others, members elected by different electoral bodies (the Chambers of Commerce, Industry, Agriculture and Labour, and professors, all divided into separate colleges).

\(^3\) In Hungary’s case, an institutionalised consultative body for social affairs was born, though only on paper, out of the tumultuous years of the Great Depression. Prime Minister Bethlen had to resign due to his unpopular austerity measures in 1931. In 1932 Gyula Gömbös won the elections and became Prime Minister with a programme strongly inspired by Mussolini’s Italy. In an attempt to rationalise the state administration and to move toward a corporatist state, the Ministry for Public Welfare and Labour Affairs was dissolved and its competencies given to other ministries. The 12th law of 1932 gave responsibility for social policy coordination directly to the Prime Minister. The same law also created a consultative National Social Policy Council. According to the law, this body should have advised the Prime Minister concerning the general principles of social policy. The Council should have been composed of the representatives of the two houses of the parliament, the ministries, the scientific life, the economic chambers, the organisations of employers and employees. It was foreseen that the Council’s president and vice-presidents would receive their five-year mandate from the head of state. This part of the law was never implemented. Ironically, the planned Hungarian Council was largely modelled on the Italian High Council of Labour that had been discontinued in 1923.

\(^4\) The 1925 Greek Constitution provided for the creation of a 150-member Senate, of which 30 were to be elected as representatives of the sciences, letters and arts, merchants and industrialists, artisans and retailers, farmers, workers and private sector employees. To the extent that it was implemented, the 1925 Constitution, which established the Second Hellenic Republic and provided for an elected Head of State, was swept aside by the 1936 Ioannis Metaxas dictatorship.
Post-1945 developments in Germany and France

As will have become clear from the short summary descriptions of the German and French interwar National Economic Councils, the two bodies shared a number of basic characteristics. First, in terms of their composition, they subsumed what would now be termed the social partners (employers and employees) but were not limited to them. Though they did confront a large number of socio-economic questions (in that sense the French Conseil could clearly trace its antecedents back to the 1848 Luxembourg Committee), their deliberations were always enriched by the existence in their ranks of representatives of other parts of what might now be called ‘organised civil society’. In other words, they were not only or primarily about what would now be termed ‘social dialogue’, but also about something broader. Second, though both fell short of becoming fully-fledged second (or third) chambers, they were clearly intended to play a flanking, or even a counter-balancing role, vis-à-vis the parliamentary chamber. The tacit reasoning – recognisable from the debates in the nineteenth century – was that the representation of individuals, of voters, should at the least be complemented by the representation of other interests including ‘organised’ interests. Third, although neither had a direct legislative role, both exercised an advisory role with regard to draft legislation, bringing the sectoral expertise of their members to bear. Lastly, both Councils were deliberately relatively weak, the results of conscious decisions to avoid the potential for constitutional wrangling; parliaments, clearly, took precedence, as they have done ever since.

The end of the Second World War saw a defeated Germany divided and occupied. In 1949, after a period of nonentity and with the encouragement of the Allied occupying powers, the western part of Germany convoked a constituent assembly that led to the promulgation on 23 May 1949 of a new constitution, the Basic Law, of a new Federal Republic of Germany. This constitution was quite deliberately different to the discredited Weimar constitution. The emphasis was, for understandable reasons, on the rights of individuals, democracy and federalism. The role of political parties was explicitly mentioned. In this new constitutional vision, the legislative branch was to be composed of two chambers, the directly-elected Bundestag and the Bundesrat, in which the representatives of the country’s regions, the Länder, were to be seated. There was no place for a third, advisory chamber and the idea, having been only briefly considered by the Constituent Assembly (Parlamentarischer Rat), was definitively rejected. The new, devolved,
federal constitutional mechanisms were consciously designed to avoid any centralisation of power and, in any case, the old provisional National Economic Council and the permanent Council foreseen in the Weimar Constitution were considered guilty by association. Through the Basic Law the German Federal Republic turned its back definitively on the concept of a central representative body for organised interests, including centralised, institutionalised, social dialogue.5

In France, on the other hand, the idea that organised civil society should find its own institutionalised representation in any new post-war constitutional settlement was, if anything, reinforced. Professional organisations were represented in the Algiers National Resistance Council and, in a 1 May 1943 broadcast from London, General Charles de Gaulle, then leader of the Free French, declared:

When victory comes, a grateful country should and will provide for its workers, artisans and farm workers first, a secure and dignified future and, thereafter, the role which is theirs in the management of our common interests... (quoted in Dermagne, 2006, p. 36)

The ill-fated 19 April 1946 draft Constitution foresaw, in a single chamber system, the creation of an Economic Council that would examine and give its opinion on all draft laws before the National Assembly deliberated upon them. The second, successful draft Constitution of what was to become the Fourth French Republic, adopted on 13 October 1946, took over the same concept of an Economic Council, but in the different context of a bicameral arrangement and granting it a constitutional status that would guarantee its role as an autonomous institution. The role of this 164-member assembly was precisely to give its opinion to the National Assembly on all draft laws. The assembly could also be consulted by the Council of Ministers and had a ‘power of suggestion’ (in other words, the right to issue opinions of its own initiative). A 20 March 1951 law amended the 1946 Constitution’s provisions, reducing the number of members to 148 but also enhancing its composition by reducing the number of government-nominated members and thus

5 The tradition lived on, however, in three Länder – Bremen (Arbeitskammer) and Saarland (Arbeiter- und Angestelltenkammer) maintained labour chambers and Bavaria, which never signed the Basic Law, created through its new (1946) constitution a Senate with a composition echoing that of an Economic and Social Council (Hrbek, 1993, p.130). In the mid-1970s a parliamentary committee of enquiry (Enquete-Kommission Verfassungsreform) again reconsidered the possibility of creating an economic and social council but unanimously rejected the idea as being incompatible with the sovereign powers of the parliament.
increasing the number nominated directly by civil society organisations. (However, the same law also withdrew the Council’s right to help resolve social conflicts.)

The new Council’s first President, Léon Jouhaux (who had inspired the creation of the 1925 National Economic Council), and its second, Emile Roche (1954-1958, and subsequently President of the Vth Republic’s Economic and Social Council until 1974), ensured that the new Council played its role to the full in the post-war social and economic reconstruction of France and also did much to ensure that the ‘power of suggestion’ did indeed become a right of initiative.

The European dimension (1)

French thinking, derived from the experience of the 1920s and 1930s and particularly as expressed by Léon Jouhaux, was influential in the developing ideas of European unity movements. Whilst the Organisation for European Economic Cooperation (OEEC, established April 1948) provided a surprisingly effective response to the economic challenges facing a devastated Continent, French proponents of a federalist solution, Jean Monnet among them, believed that future European wars could only be avoided if European nation states went further in sacrificing sovereignty. Post-war European unity movements began to campaign for a ‘deeper’ form of integration, favouring not just political union but also economic and social union. The first movement to emerge, the European Union of Federalists (EUF), notably called at its first annual congress (Montreux, August 1947) for a European Estates General representative of various categories of organised civil society. ‘A European assembly in which these groups were not represented in principle, at least in embryonic form, would never reflect our continent as a whole,’ declared EUF Chairman Hendrik Brugmans (cited in Hick, 1999, p. 4).

By the end of 1947 a Joint International Committee of the Movements for European Unity had been established. In May 1948 the Committee organised the Congress of Europe in The Hague which, presided over by Winston Churchill, brought together some 800 political, economic, social and spiritual leaders. Among other issues, The Hague Congress declared the aim of inviting ‘the professional, economic and social organisations of the various countries to study together ways and means of increasing production still further and rationalising distribution while improving social conditions and ensuring a fair distribution of the product of economic activity,’ and affirmed ‘the urgent need for an
economic union in Europe’ in which ‘workers and their representative organisations should be closely associated.’

The European Movement, established at The Hague Congress, subsequently organised an April 1949 European Economic Conference (Westminster) and a July 1950 European Social Conference (Rome) – the latter under the chairmanship of Léon Jouhaux. A clearly-stated institutional policy priority at both conferences was the creation of a European Economic and Social Council which would play an advisory role to the European Consultative Assembly. Indeed, the Movement encouraged the European Consultative Assembly (composed of national parliamentarians and severely restricted by the United Kingdom’s inter-governmental approach) to propose the creation of such a European Economic and Social Council. But the Assembly chose to concentrate in the first place on a political strategy to transform the Council of Europe into a European political authority.

In November 1949, under British governmental pressure, the Council of Europe’s Ministerial Committee dismissed the changes to the Statute proposed by the Assembly. Confronted with a renewed failure of the ‘Big Bang’ approach, Jean Monnet instead pragmatically opted for a new, ‘neo-functional’ approach, based on a step-by-step sectoral approach that was to lead to the 9 May 1950 Schuman declaration. Pre-dating by some eight years the signing of the Treaty of Rome, whose provisions included the establishment of the European Economic and Social Committee, the European Movement’s February 1949 proposals clearly helped pave the way, both in terms of structure and policy fields for the future consultative body.

Following the Schuman Declaration, six European countries (not including the United Kingdom) agreed to pool their coal and steel resources. The resulting 18 April 1951 Treaty of Paris created an institutional architecture that owed a lot to the country that had primarily inspired it. In particular, the European Coal and Steel Community benefited from the advice of a Consultative Committee that had between 30 and 50 nominated members, equally divided between producers, workers, consumers and traders in the coal and steel sector. In theory (and like the ECSC’s Court of Justice – in theory), there were to be no

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6 The same approach had led, much to the disappointment of European federalist thinkers, to the creation of the basically intergovernmental Council of Europe in 1948.

7 However, ironically, the envisaged role of advising the parliamentary assembly would not, ultimately, be introduced as a formal provision until the implementation of the Lisbon Treaty on 1 December 2009.
national quotas for membership, the treaty requiring representatives of European associations to organize their own democratic procedures for the selection of members of the Consultative Committee. They were in particular to establish rules to make their membership fully ‘representative’ for democratic civil society. Members were appointed for two years and were not bound by any mandate or instruction of the organizations which appointed them. The Committee had a plenary assembly, bureau and a president.

As with the Court, however, the envisaged procedures were not in fact introduced, and nomination of the members remained by default in the hands of national ministers. The High Authority was obliged to consult the Committee in certain cases where it was appropriate and to keep it informed on policy developments. The Consultative Committee remained separate (despite the merger of the other institutions) until 2002, when the Treaty expired and its duties were taken over by the European Economic and Social Committee through a newly-created Consultative Commission on Industrial Change (see Westlake, 2016). During its continued separate existence, the ECSC’s Consultative Committee cooperated with the European Economic and Social Committee whenever the two bodies were consulted on the same issue. Thus, the ECSC’s Consultative Committee was not so much a forerunner as a close cousin of the European Economic Community’s Economic and Social Committee.

Post-war developments in the Netherlands, Belgium and Italy

As Western Europe, with the help of Marshall Plan aid, started to rebuild its fractured economies, there was understandable emphasis on economic planning and social peace. Such emphasis led in the case of two member states, with their traditionally complex societies, to the creation of institutions which also evolved out of the historical trends analysed above.

By a 1948 Act the Belgian government created a Central Economic Council (CCE), a joint, inter-professional advisory body. It was designed to focus on economic organization, to institutionalize dialogue between employers’ and workers’ organizations on economic issues and to provide guidance to the government on economic policy formulation. It brought together representatives of private sector trades unions and employers (large-scale enterprises, small- and medium-sized businesses, the self-employed and agriculture) and academics co-opted by the member organizations. According to Article 1 of the Act of 20
September 1948 on economic organisation, the Central Economic Council’s mission was to prepare all opinions and proposals on questions relating to the national economy and send them in the form of reports, including the various points of view expressed by its members, to a minister or the legislative chambers, either on its own initiative or at the request of these authorities.

Four years later, by a 1952 Act, Belgium established the National Labour Council (CNT-NAR). It was the successor of several other bodies, the oldest dating back to the 19th century; the Labour Committee, set up in 1886, the Industry and Labour Councils, in 1887, the High Labour Council in 1892, the Supreme Council of Labour and Social Provision, established in 1935, and the Joint General Council, founded in 1944. Similar to the Central Economic Council, the CNT-NAR grouped together workers’ and employers’ organizations representing business and labour interests in Belgium. The 1952 Act gave the CNT-NAR the power of giving opinions or formulating proposals on social issues for the Belgian government and/or parliament. A second, residuary power enabled the CNT-NAR to issue opinions on conflicts about assignments that can arise between joint committees, and it could also use its own initiative to raise social issues of interest.

Since the end of the First World War the Netherlands had developed a 'consociational' model of governance. Conceptually related to corporatism, consociationalism involved guaranteeing group representation and power sharing and had worked well in binding the Netherlands’ four non-territorial pillars - Calvinist, Catholic, socialist, and liberal - into the country's overall consensual governance mechanisms. Already, during the Second World War, the social partners came to the shared conviction that they needed to work together to rebuild the country after the war, sharing responsibility for the reconstruction effort. In 1945 they created a Labour Foundation that the government soon recognised as an official advisory body. (With the creation of the Social and Economic Council (SER) in 1950 – see below - this advisory role was taken over. However, the Labour Foundation was kept in existence, and since then has focused on more concrete issues to be negotiated directly between the social partners and for direct deals with government. A short history is available, in Dutch, at: http://www.stvda.nl/nl/stichting/geschiedenis.aspx)

In the consociational spirit, under the 1950 Industrial Organisation Act the Netherlands created a Social and Economic Council (Sociaal Economische Raad, or SER), composed of representatives of employers and employees and independent experts and
intended to act as the government’s advisory body for national and international social and economic policy. The SER was designed to be independent of the government (it was to be financed through a levy which it had the right to impose on all companies registered at the Chamber of Commerce – a sort of tax that every registered company has to pay, rather than a contribution) and could give advice, solicited or unsolicited, on all major social and economic issues. Its primary role was to find and encourage consensus and advise the government accordingly.

Thus, by the time that the ECSC’s founder member states were beginning to think about taking the integration process further, three of them had recently created economic and social councils or similar bodies and though each was quite different from the others, they all shared an advisory capacity and played a flanking role with national parliaments. A fourth was to join them.

As seen above, the old (founded 1903) Italian High Council of Labour had pioneered the institutional advisory approach, and although it had been dissolved as early as 1923, the memories of its conception and of the positive, consensual role it had been intended to play remained. The Constitution of the post-war Italian Republic had come into force on 1st January 1948, following the 1946-47 work of a Constituent Assembly. But Italian statesmen and politicians continued to monitor closely the founding constitutional and political developments in France and Germany in the late 1940s and early 1950s and were, naturally, closely involved in the talks and negotiations leading to the Treaties of Rome and Paris. With regard to the consultative function envisaged for a future European Economic and Social Committee, Italy effectively decided to parallel and anticipate the Treaty of Rome. Thus, on 5 July 1957, the Italian Consiglio Nazionale dell’Economia e del Lavoro (CNEL) was established by law (and later incorporated into the Constitution). The sixty-four member CNEL was to be composed of members representing social dialogue, associations of social promotion and associations of voluntary work, and of qualified experts on economic and social subjects. The President, appointed by the President of the Republic, would represent the Council and promote, lead and coordinate the CNEL’s activities. The CNEL’s primary role was to contribute, through its advisory opinions, to the elaboration of national and regional legislation on economic and social issues.  

As to the sixth founding Member State, Luxembourg, its Economic and Social Council of the Grand Duchy of Luxembourg (CES) would only be established by law in 1966.
The European dimension (2); the 1957 Treaty of Rome and the creation of the (European) Economic and Social Committee

In the years following the creation of the European Coal and Steel Community several attempts were made to strengthen European cooperation and integration. Most notably, on 27 May 1952, the idea of a European Defence Community was born, only to be rejected by the French National Assembly on 30 August 1954. In the light of this failure Jean Monnet, still wedded to his idea of a more pragmatic and incremental sectoral approach, proposed in the spring of 1955 the creation of a specialised authority to deal with nuclear energy (EURATOM), while the Netherlands favoured the idea of a general common market. Even though the 3 June 1955 Conference of Messina did not result in any concrete decisions, a high-level study committee of independent politicians under the chairmanship of Paul-Henri Spaak was created. On 29 May 1956 the Foreign Ministers, meeting in Venice, approved the Spaak Committee’s report. There was no mention at that stage of an economic and social committee. However, as described above, France, Belgium and the Netherlands had established economic and social consultative councils and Italy would soon follow suit. At the same time, the social and economic partners in the various member states were increasingly active in the field of collective bargaining. Thus, the involvement of economic and social interest groups in the legislative process of the future Communities was raised on many occasions during the negotiations prior to the establishment of the European Economic Community (EEC) and the European Atomic Energy Community (EAEC). On 27 December 1956 the question was first officially discussed.

From the very beginning the Netherlands’ delegation, encouraged by the success of the Dutch ‘consociational’ model, proposed that the consultative body be authorised to advise the Commission and the Council of Ministers on any joint economic or social problem of general importance. A majority of the delegations, conscious of the need for institutional balance with the future assembly (which would in due course become the Parliament, and which itself would not have the right of legislative initiative) rejected the proposal.

The German delegation, meanwhile, expressed scepticism about the need for such a ‘Fourth Power’ and institution at supra-national level for three particular reasons. First, as a component part of the ill-fated Weimar Constitution, the Weimar Republic’s Economic
Council was felt to have contributed to the political instability that had led to the country’s economic depression and re-militarisation. Second, no such body existed in the young Federal Republic of Germany and its existence at European level, with no mirror institution at national level, would be difficult to justify. Third, the conservative minister of economics, Ludwig Erhard, felt the proposed new body smacked of socialistic and corporatist practices. As a result of German scepticism, the term ‘Council’ was reserved solely for the Council of Ministers and replaced with the less implicitly powerful term, ‘Committee’. Moreover, although each of the Treaties devoted a special chapter to the Economic and Social Committee (EEC Articles 193-198 and EAEC Articles 165-170) it was not listed as an Institution but, rather, as an advisory body.

The Treaty of Rome was signed on 25 March 1957 and entered into force on 1 January 1958. On 24 April 1958 the first 101 members of the new Economic and Social Committee (ESC) were nominated by the Council and on 19 May 1958 the ESC held its inaugural plenary session in the meeting hall of the Belgian Senate, rue de la Loi, Brussels. The long evolutionary process towards the complex institutional body that the EESC has become today\(^9\) had begun but, as this paper has hopefully illustrated, its creation was already the result of an equally long, if not longer, evolutionary process.

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\(^9\) This research paper was drafted to be published contemporaneously with Westlake, *The European Economic and Social Committee: The House of European Organised Civil Society*. The latter brings the Committee’s story up to the present day.
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