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CROCODILE

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Dear colleagues,

At the end of the present letter we enclose the *Motion for a Resolution on the European Parliament's Position concerning the Reform of the Treaties and the Achievement of the European Union*. The Institutional Committee approved the motion in its session of 26 May, and will present it

for debate and vote at the July session of the Parliament. Some reflexions on its political significance seem to us to be of some usefulness.

Altiero Spinelli
Felice Ippolito

A Broad Consensus in the Institutional Committee

In carrying out its assignment, the Institutional Committee has been fully aware that it is breaking new ground — decisive for the future of the Community — where everything, including its method of working, has to be invented. For this reason the

Committee devoted four months to the preparation of this initial document before submitting it for discussion in plenary session.

The text was rewritten several times by the rapporteur to take account of the general discussion

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2 in committee. In its last meeting, on 24, 25 and 26 May, the Institutional Committee examined 90 amendments, and nearly all the contents thereof were incorporated in a final redrafting that was then approved article by article and finally in its entirety.

The amendments had been offered by a large number of MEPs, coming from all the Parliamentary groups, which ensured significant participation by all the political families in the formulation of the text. The full freedom of thought exercised by the Committee members, and their attention to the arguments of the others, made it possible very

often to achieve syntheses among the various texts that enjoyed very large majority support. In the end, the draft resolution was passed by 31 votes in favour, none opposed, 2 abstentions, and 4 absent, of the Committee's 37 members.

We have mentioned this broad participation in the drafting and passage of the resolution because it is the first sign, highly eloquent if still provisional, of how much the «innovators» (1) count in Parliament, showing their presence in all the political groups and their ability to carry very large majorities with them.

To What End the July Debate?

So the Institutional Committee has decided to ask Parliament to approve the Guidelines the Committee intends to follow in its constitutional work. Why this interlocutory stage? Wasn't the 9 July mandate enough to allow the Committee to proceed with its labors right up to the presentation of its definitive proposals to Parliament?

Actually, the procedure adopted by the Institutional Committee demonstrates better than any argumentation what difference lies between the political philosophy inspiring Parliament and that which underlies the attitude of the Council and the Commission.

In fact, the Council, too, is at present working on institutional modifications, using the Genscher-Colombo Plan as a basis (2). Truth to tell, it is something of an exaggeration to say the Council is working, as all it has done so far has been to assign a committee of diplomats, known as the de Schouteete Committee, to work on the topic. We do not intend here to go into the merits of what

these worthy diplomats are concocting. For us, it is enough to note that the Council seems convinced that the citizenry, their political parties, public opinion, and the European Parliament itself have no role whatsoever in the preparation of these reforms. They are being drawn up in secret by the diplomats, to be bestowed one fine day upon our peoples.

Nobody knows anything about what the de Schouteete Committee is preparing. The committee has consulted no one, neither experts nor representatives of public opinion. Consequently, this body is quite ignorant of the degree to which our respective countries support or oppose the Genscher-Colombo Plan, where and how they want to amplify or narrow it. On the other hand, each nation's committeeman knows perfectly well the degree of acceptance or rejection enjoyed by the Plan's various propositions inside the establishment of his own Foreign Ministry, whose natural calling and inclination is to defend and protect its nation's sovereignty, even when such sovereignty is outdated or is harmful to the national interest. Finally, they know very well that each of these establishments with wonderful

(1) For a definition of the term «innovator» and of its opposite, «immobilist», see Crocodile, letter 4 page 7.

(2) For a critique of the Genscher-Colombo Plan, see Crocodile letter no. 7.

assurance asserts that its own vision of what European Union can and cannot be is automatically the view endorsed by the country as a whole.

Since this whole arrogantly myopic travail is shrouded in secrecy, the outcome can only be that the «Act» which the de Schouteete Committee is drafting will be nothing more than a solemn ratification of what already exists. *Much ado about nothing.*

What can one say, next, of the way the Commission is treating this issue? It, too, feels it has nothing to learn from and nothing to say to public opinion and to political parties, the only valid interlocutor for it being the Council, to which it must present its proposals. But it has long since — since its 1975 report on European Union, to be precise — abandoned all claim to ideas of its own on the subject. So the Commission has formed a task force, its task being to do the Commission's thinking for it. But the worthy functionaries of this task force lack even the resource available to the Council's diplomats of relying on the traditional doctrines of their respective nations' Foreign Ministries. So they just put their noses to the wind — the wind from the Council, of course, the only one the Commission notices — to find out what's up and then inform their commissioners, deciding on their own what is and what is not possible in the institutional sphere.

We sympathize indeed with President Thorn, who came to tell the Institutional Committee that Parliament alone is capable of devoting itself to the substantial reform the Community so sorely needs and to urge it not to err on the side of intellectual and political timidity.

However, if the commitment undertaken by Parliament on 9 July 1981 is to have some chance of success, the Assembly must not imitate the Council and the Commission; it has to do more than just naming a committee to work on institutional reform amidst general ignorance and indifference.

The Assembly must not passively await the recommendations which its Institutional Committee will bring in at the end of its labors. It must not neglect the issue in the interim.

Parliament must participate as such, with debates and subsequent open votes, in the formulation of the reform plan while the project is taking shape. Only on this condition can Parliament feel that the reform is truly *its own*; only thus will the Assembly as such, as well as all the members who will have taken part in the formulation and approved the final text, feel themselves really committed to defend the reform in every Community country against the immobilists who are sure to raise their voices.

Of course, participation by Parliament alone will not be enough. We shall have to get the attention of public opinion, win the interest of the pro-European parties, make our views and our influence felt inside the national Parliaments that will have to ratify the project, alert the governments that they will be asked to present the plan to their Parliaments.

If the European Parliament and its Institutional Committee abide by the timetable laid out in the last article of the Guidelines (see the last § of page 8 of this letter), the governments and legislatures of our Member States will have been presented with the reform treaty by the time of the 1984 European elections. But they will certainly not have ratified it by that time, and the hostile voices of the immobilists will have begun to make themselves heard everywhere.

In this situation, the main issue for Europe-oriented parties in the 1984 election campaign will be an appeal to the voters to endorse, in the balloting, the pro-reform parties and individual MEPs. Such an electoral outcome is indispensable if the re-elected European Parliament is to have the political authority needed to oversee and encourage the ratification process.

4 The battle will be highly complex, and victory will require considerable political tenacity. But its premise — both logical and political — will have to be a wholehearted endorsement by Parliament of its reform project.

This is why the Institutional Committee has adopted the procedure outlined above. After drafting

guidelines for further elaboration, and before embarking upon this second stage in its labors, the Committee asks Parliament as a whole to endorse its Guidelines. The Assembly would thus at one and the same time give the Institutional Committee its political support and offer European public opinion a harbinger of things to come.

Designation of Rapporteurs for the Second Stage

As proposed by Mr Ferri, the chairman, the Institutional Committee has named six rapporteurs, who in conformity with the Guidelines shall draft detailed reports over the second half of this year. They are:

1. Jacques Moreau, for economic policy
2. Gero Pfennig, for social policy
3. Derek Prag, for foreign policy

4. Michel Junot, for finances
5. Karel De Gucht, for Union law
6. Ortensio Zecchino, for institutions.

The rapporteur-coordonateur, Mr Altiero Spinelli will ensure the coordination and consistency among the six reports.

We wish the six rapporteurs all the best in their work.

Crocodile Club Activities

Since the Institutional Committee has begun its work, the Crocodile Club has been concerned not to intrude, but at the same time it has sought to keep on with its own work of in-depth study of the great issues of Community life. Thus the Club has decided upon a modification of its forms of activity.

Starting in April, the Crocodile Club has been holding a regular working lunch, on Wednesdays of each plenary session, from 1:00 to 3:00 o'clock. The aim is to allow regular encounters and exchange of views among the European Parliament's «innovators».

Three of these working lunches have already been

held, dedicated to the following topics:

- a) 21 April — Can the Community survive despite the ineffectiveness of its decision making body? What kind of reform does the Council need?
- b) 12 May — The 1984 European electoral campaign: an opportunity and a means to mobilize public opinion in all Member countries at once around the topics of the ratification of the new Constitution-Treaty of the Union.
- c) 16 June — Variable-geometry Europe, multi-speed Europe, Europe *à la carte*: is it a step forward or a great leap back?

The Motion for Resolution of the Institutional Committee

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The European Parliament,

— whereas membership of the European Communities and the forms of cooperation based on them has brought the Member States and the International Community benefits, but whereas time, experience and the appearance of new political and economic challenges make reforms necessary;

— aware that the political, social and institutional development of the European Community is far from fulfilling the needs and aspirations of the citizens of Europe to live together in peace, liberty and justice;

— convinced of the need for the European Community, in the face of increased international conflicts, finally to play its full role in the world, i.e. as a catalyst for peace and development;

— convinced that a reform of the institutions is indispensable for the improved operation of the Community, in order to enable joint action to tackle the political, social and economic challenges of the future;

— whereas the efforts being made to achieve a better functioning of the institutions within the ambit of the existing Treaties should be tenaciously pursued pending the necessary reforms which Parliament has undertaken to prepare;

— having regard to its resolution of 9 July 1981, in which it decided to take the initiative in a new political and legal process to establish European Union;

— more than ever convinced that texts introducing institutional changes must be drawn up by Parliament itself, if necessary in successive stages;

— convinced that public opinion, if properly informed, will strongly support moves towards European Union;

— having regard to the first report of the Committee on Institutional Affairs.

The objective of European Union and the initiative of European Parliament

1. Recalls that:

— the objective of achieving European Union was fixed as early as 1952 by the Treaties establishing the first Community and has been reaffirmed since then on numerous occasions in treaties, various agreements, declarations and initiatives, as can be seen from the Collection of Texts assembled by the Committee on Institutional Affairs;

— progress towards the objective of Union, though important, has been spasmodic, inadequate to meet the economic and political challenges faced by the Community, and increasingly threatened by nationalistic practices and the re-establishment of traditional diplomatic procedures;

and declares that:

— the achievement of the Union remains essential in order to develop common actions which are stronger, bolder and more deeply rooted in popular consent than those pursued hitherto, in view of the increasing dependence and vulnerability of the Community;

— the forthcoming enlargement of the Community to include other Member States makes these reforms all the more urgent.

The need to draw a new draft treaty

2. Considers therefore that, on the basis of the Treaties and Community agreements, declarations and Acts currently in force, a draft set of modifications to the Treaties should be prepared de-

6 fining clearly the tasks, powers and institutions of the Union, based on the fundamental values of the Community.

The main guidelines proposed

3. Proposed as the basis for such a draft the following broad guidelines:

The Tasks of the Union

4. The tasks of the Union — as notably proposed by the Paris summit of 1972 and by the 1975 reports of the Parliament, the Commission, the Court and Mr Tindemans — will be formulated in a perspective of:

a) the growing political, economic and social solidarity of its peoples, based on respect for human rights (individual and collective), and democratic freedom, as well as cultural and ethnic diversities, progress in social justice, stable economic growth, the search for full employment and an improving quality of life and the elimination of regional imbalances;

b) genuine efforts to achieve balances and just economic and social development for all the countries of the world and a stable and open economy;

c) a strong and responsible contribution to peace and security encompassing respect for the rights of all peoples;

d) of the responsibility for conserving and restoring nature and natural resources as a basis for continued sustainable development.

5. The principle of subsidiarity, which is one of the essential principles of the Union, means that the Union will undertake only those tasks which can be carried out jointly more effectively than by the Member States individually or in which the involvement of the Union is indispensable, implies that:

a) the Union will act only in clearly defined areas;

b) the Union's powers will take strict account of the division of tasks and of areas of activity between the Union and the Member States;

c) the division of tasks, of areas of activity and of powers will take account of the present stage, but also the outlook and inevitable evolution of the Union.

The Powers of the Union

6. In order to carry out these tasks, the content and scope of which may vary according to the Union's rate of development, the latter must possess appropriate powers: (i) to ensure compatibility and convergence between the policies of the Member States, (ii) to permit the formulation and application of common policies, and (iii) to propose new initiatives, whenever the principle of subsidiarity so requires, in the following areas:

a) those objectives laid down in the Treaties of Paris and Rome;

b) general economic policy (including credit, investment, taxes, research) and policy in specific sectors of the economy (industry, agriculture, tertiary sector), energy and commerce, notably in raw materials.

c) monetary policy, and the parallel development of the economic and monetary aspects of economic and monetary union, in particular the development of common instruments;

d) the implementation of a policy for society, notably in the fields of social policy, regional policy and environment policy, culture, and information policy;

e) the gradual transition from national measures of cooperation with the countries of the Third World to a vigorous common policy of development aid aimed at promoting a more just world economic order;

f) the gradual framing of a common European policy in the field of international relations and security.

The Institutions of the Union

7. The European Union shall be endowed with institutions according to the principle of separation of powers, which will provide democratic legitimacy and scrutiny of Community decisions, ensure the involvement of the Member States and improve the operational capability of the Community and its willingness to take decisions.

The Institutions of the Community prefigure those of the Union, but in particular the distribution of powers between them will have to be altered to strengthen the role of the Commission, to emphasise the political control exercised by Parliament and to redefine the role of the Council in order to strengthen their ability to act and make them more responsible to the needs of an organisation which unites not only states, but also peoples and citizens.

8. Taking as a starting point the Community's existing institutions — which must be adjusted in such a way as to remedy existing deficiencies and allow the Union to assume new tasks and extend its responsibilities — the Institutional Committee shall define the structure and powers of the institutions of the Union according to the following criteria:

a) a new balance must be struck between the institutions in which each one, within the limits of the competence of the Union, will be a vital element in the European edifice and will play an essential role within the limits of the Union's powers,

b) the Commission will play its full role as executive and initiator as the pivotal institution of the Union. To this end, its statute will be revised with regard to its appointment, its internal structure and its responsibilities,

c) the Council and the Parliament, whose mandates derive from the Member States and the citizens of the Union respectively, will exercise legislative power jointly, on the basis of proposals from the Commission or on their own initiative.

Similarly, they will ratify jointly any treaties con-

cluded by the Union and jointly constitute the budgetary authority of the Union.

d) the Parliament will exercise political supervision of the executive and participate in an appropriate way in its appointment, as well as in the nomination of members of the Court,

e) the Council must be able, through appropriate procedures, to take decisions promptly in areas of its competence,

f) the role and competences of the European Council shall be defined,

g) the institutional ties between European Political Cooperation and the Community Treaties shall be strengthened,

h) the Court of Justice will retain its central position in a system based on the law and the separation of powers,

i) the nature and the role of the Economic and Social Committee and the Court of Auditors will be adapted to the needs of the Union.

The Union's Finances

9. From time to time, and in any case at intervals that will be defined, in accordance with appropriate procedures involving the Union and the Member States, tax resources shall be apportioned between the Union and the States according to criteria based on the tasks and obligations of the Union. Within the limits of this apportionment, the Union and the States shall autonomously assess their resources and draw up their budgets.

Transitional Measures

10. The Community patrimony, embracing the existing laws and policies of the Communities, political cooperation, and the European Monetary System and all the other organs or institutions created within the Community context, shall remain in force within the Union unless and until any of these are altered by new laws or policies of the Union.

8

Constitutional Revision

11. The rules for the revision of the Treaty of the Union shall be differentiated according to the extent of the revision proposed and to the stage reached in the achievement of the Union at which they are to be applied.

Further work of the Committee

12. Instructs its Committee on Institutional Affairs to undertake the necessary consultations

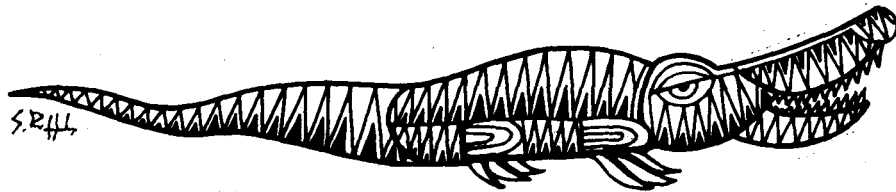
with national and Community authorities when developing these guidelines, to draw up on their basis a series of proposals which the Parliament will consider early in 1983; and, in the light of these deliberations, to draw up a preliminary draft of the Treaty which shall be submitted to Parliament in the autumn of 1983.

The title of this letter indicates that its aim is to support the action of the Crocodile Club. However the responsibility for its contents lies solely with its authors.

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LETTER TO THE MEMBERS OF THE EUROPEAN PARLIAMENT



BIMONTHLY
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CROCODILE

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Dear colleagues,

In this issue we print two of Spinelli's speeches to the European Parliament, as we feel that the ideas he set forth on these two occasions deserve the attention of those MEPs who were not present when they were delivered as well as of this letter's many readers outside the Parliament.

On 19 November 1981, when Mr. Genscher and Mr.

Colombo presented their draft of a European Act to Parliament, Spinelli had just five minutes available, which explains the extreme brevity of his reply. On November 3rd, with a full hour allowed to him as rapporteur on the '82 budget, he had an opportunity to develop his thinking more fully. We have excerpted the politically most significant portions of this report.

Altiero Spinelli
Felice Ippolito

Reply to Mr Genscher and Mr Colombo

I shall attempt to persuade you, Mr. Genscher and Mr. Colombo, to try to place yourselves, as it were, above yourselves, at the lofty height of the task you have yourselves assumed.

We are grateful to you for your initiative, because by proposing this European Act you have shattered a taboo that has too long weighed down the construc-

tion of Europe, the taboo that forbade looking beyond the Community's specifically economic business. You deserve our praise for having said that time has come to begin acting in favour of the progressive creation of a political Union pledged, certainly, to further development of common economic policies, but also to carry on a common foreign policy and a common security

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2 policy, hence to undertake joint initiatives of a diplomatic and strategic nature that can make an active contribution to the building of peace. Thank you, then, for forcing our governments, our Community, our peoples, to grasp clearly the notion that these new common policies require common means of decision and of action.

And yet you have also been, in this initiative, men of little faith and of little imagination !

I have not forgotten, Mr. Genscher, that six or seven years ago you persuaded your party to commit itself in favour of a European Constituent Assembly. But you have forgotten.

More recently, on November 26th, 1980, in the Bundestag, you spoke the following words : « It is not my impression that the impulse (to draw up a Constitution for Europe) can come from the national governments. It can only come from the directly elected European Parliament. » At the time you spoke these words, you were aware of the Crocodile Club's initiative. I am the first to admit that Parliament has been guilty of excessive slowness in taking on this task. At last, however, it has taken it on, and shortly it will set to work.

But you have not been patient, you have too soon lost your faith in the Parliament, you were quick to turn the task of drafting this Act over to your diplomats. And what you got from them was precisely what you yourself had foreseen. In effect, they proposed and got accepted an umpteenth version of intergovernmental cooperation.

I do recognise, however, that for the time being such intergovernmental cooperation is all you have available and that it is with that implement that you must move to confront the most burning international problems. But we ask you to be fully aware of the provisionality, unpredictability, and fragility inherent in this method. Please don't come to tell us that in five years the Council will evaluate this experiment and, if necessary, propose a treaty to consolidate the Union. Say rather that there is no experiment to be done, because

everything is already known in this matter, but that you will do your best to keep this uncertain and fragile cooperation alive in order to give Parliament the two or two-and-a-half years needed to prepare its draft of a Fundamental Law for the European Union and submit it to the Member States for ratification.

In that case, we should applaud your initiative wholeheartedly, and we should feel encouraged to accelerate our constitutional work so as to come as soon as possible to your aid, in that trench of yours which in the long run is untenable. And you will have served Europe well.

In a word, gentlemen, have faith in this Parliament, which is the only institution with the right to speak and to make proposals in the name of the emerging European people that elected it.

You have also shown a lack of imagination. You have well understood, that in order to have at least a minimum of common policy, especially in security matters, our governments — provisionally but urgently — cannot but cooperate. And you saw that you could not limit yourselves to proclaiming its necessity but had to ensure that it have a certain efficiency.

Yet with your Act however, you seek efficiency in a proliferation of Councils, Committees and Subcommittees, in a bizarre itinerant secretariat of variable structure — in short, in a proliferation of structures and mini-structures, all of the same intergovernmental character. And then, once everything has been ground up and digested by these committees and councils, the policy thus agreed upon is to be carried out, in your view, by each individual State acting on its own account.

Haven't you heard that during the First and Second World War the Allies found themselves in an emergency situation that forced them to institute a common military policy on the battle fronts, a common supply policy, and so on ? And that to meet such emergencies they decided, through Acts similar to your own, with no juridical formalities, with no institutional commitments, with nothing binding for

the future, to appoint Foch or Eisenhower as Commander-in-Chief of their armies, Monnet as administrator of their supply agencies? Have you never heard of those Acts?

Your own Act, highly provisional though it is, would carry immense political significance if it were to suggest that the main guidelines of European security policy shall be determined, certainly, by the Member States meeting in the European Council — but that to negotiate and reach accords with Washington, with Moscow, in Madrid they shall name a plenipotentiary minister bound to act under their control and on their mandate, until such time as the European Parliament

Reflections on the 1982 budget

Parliament Asks...

This is the third time the elected Parliament will deliberate and vote on a Community budget.

In 1979 Parliament rejected the proposed budget because it could « not permit the adoption of this budget unless and until the unjustified reductions the Council has made in non-compulsory expenditures are withdrawn and unless and until the initial measures to bring agricultural spending under control have been effectively implemented. »

In 1980, in the course of the budget debate, Parliament delivered to the new Commission and to the Council « a solemn injunction that there be presented in 1981 a preliminary draft and a draft budget which presume the adoption in the course of the fiscal year of the necessary agricultural and fiscal reforms and which translate into financial terms an overall policy that provides for a proper balance among the various parts and which is worthy of a vigorous and growing Community ».

In March 1981, prior to the presentation of the Commission's preliminary budget draft and the initiation of the budget procedure, Parliament requested that the Commission « move up to mid-April the date

has laid a more solid groundwork for our security policy.

Cannot you find among your peers statesman whose bright mind, large experience and proved ability to act on behalf of the Community as a whole, would fit him to act as minister plenipotentiary for security affairs on behalf of the budding European Union?

I say to you, Foreign Ministers of West Germany and Italy, that in your Act and in your words we sense with dread such a lack of faith in the European Parliament and of imagination in present action. « With dread », I say, because our countries are slipping back toward the abyss and presently you, gentlemen, bear the greatest responsibility for this danger.

for presentation of proposals of decisions modifying the agricultural regulations and establishing own resources, in order that the Commission take them into account in the preliminary draft which it will adopt in mid-May. »

A few months later, in September, after hearing the Council's presentation of the draft budget, Parliament observes that this is a stagnation budget at a time when further development of the Community is more necessary than ever and calls upon the Commission to « present, in the course of the month of October, a schedule containing a global and properly motivated list of proposal of decisions and regulations, in order to enable Parliament to take account of the financial consequences they entail for the 1982 fiscal year » during the first reading of the draft budget.

Let it not be thought that Parliament has been so exigent on budgetary affairs while lacking ideas of its own as to the policies the Community should adopt. Quite the contrary. Confronted with the inertia, or at best the sluggishness, of the Commission, Parliament has established, on its own initiative, a series of quite specific guidelines concerning Community policies in such areas as economic and monetary, structural, agricultural, and cooperation policies.

As it is utterly impossible to continue and develop these policies within the limits imposed by present fiscal means, Parliament spent a full year working on a resolution on own resources. In this resolution, the Assembly did not limit itself to merely sketching out a medium-term prospects for the achievement of a Community fiscal system that is more equitable than the present one; it also proposed three objectives to be implemented in the short-term :

- 1) abolition of the 1% ceiling on VAT, in concomitance with the harmonious development of all those programmes the Community needs;
- 2) introduction of a system for bringing about a more equitable distribution of the fiscal burden between Member States with low and high per capita income;
- 3) establishment of a system of five-year agreements between the Community and the Member States with a view to instituting long-term programmes for the development of the Community and for a consequent distribution of fiscal resources between the Community and the Member States.

Certainly, our resolutions are not without their occasional omissions and contradictions. But the task of drawing up a consistent governmental programme for the legislature is properly one for the Commission. Parliament has taken this task upon itself only by default, through the Commission's failure to perform it. Quite evidently, all Parliament could do was draw up veritable « *cahiers de doléances* », which nevertheless do indicate sufficiently clearly the general outlines of the political direction desired by this Assembly. Parliament has continually appealed to the Commission to translate these « cahiers » into operative proposals.

The Commission responds...

The answers we have received from the Council and the Commission have always been enveloped in an almost excessive effusion of compliments and praise for what Parliament has done, of respectful apprecia-

tion of Parliament's role, of unctuous pledges to cooperate with it.

Behind this luxuriant verbal vegetation, however, one can easily discern a cool and hard resolve to pay very little heed to what Parliament wants, a cool and hard resolve to tame and domesticate this Assembly, which has God-knows-what exalted notions of itself merely because it has been elected — and must be trained to limit itself to the emission of sentiments, wishes, protests, applause; it must learn that it is not and will never be that real democratic power which it claims to be, namely a power which takes part in the determination of policy and intends to play an ever-greater role therein.

The Commission, whose domestication, alas, is by now almost fully accomplished, has ignored the requests we addressed to it in the March guidelines, in the Pfennig Resolution and in the September resolution.

We were demanding a political linkage between the '82 budget and the proposals for decisions which the May 30 mandate requested of the Commission. This would have enabled us to include the initial effects of the new policies in the budget.

The Commission answered coolly that the preliminary draft would have ignored the mandate. As to all our resolutions, the Commission quite simply proclaimed itself unaware of their existence.

Subsequently, the Commission said that its refusal to institute the demanded linkage was only for « technical reasons » — and these two words, have to be added to the word « pragmatic », to mean the simple refusal to adopt any policy, to defend it, to translate it into detailed and specific proposals. The « technical reasons » are now quite plain to see : they amount to the fact that in the execution of the mandate, far from complying with Parliament's request, the Commission neither has presented any proposals for decisions, nor has any intention of doing so in the near future. All the Commission is ready to give a programme of memoranda which, after making the round of the

Council table and after debates timed down to the minute in this Assembly, will allow its bureaus to plunge into interminable talks with the bureaus of the COREPER. The Commission undoubtedly hopes that these mountains will ultimately give birth to some tiny mice at least. The newer members of the Commission aren't familiar with the game. But we — my dear friends Haferkamp and Ortoli — we veterans know this sad game of memos only too well, don't we? It is this attitude on the part of the Commission that explains the fact that the budget has come into being with the major defect of not being based upon any political vision.

Let no one come to tell us that this is a « transitional budget ». A transition is always a transition to something. But the text which the Commission submitted to the budgetary authorities is designed only to enable the Community to maintain its day-to-day existence — nothing more.

... and so does the Council

The Council, our partner in the budget procedure, was even drier and more laconic. By the terms of the Treaty, the Council is required to set forth its reasons for any departure from the preliminary draft budget. Yet, though the Council has made extensive cuts in all structural and cooperation expenditures, anyone who has read its meagre so-called explanatory statement knows that this consists of a mere unexplained summary of the cuts effected, with not even the shadow of a justification. For it is not an explanation to say in a couple of lines that we're all going through a period of severe budgetary austerity. A serious justification would have meant on the one hand explaining why austerity strikes essentially credits for structural spending programmes, which are not inflationary since they help to raise productivity, yet leaves untouched the price-support spending, which by its nature is inflationary. And on the other hand, it should have to succeed in the impossible task of demonstrating that at the present moment the

stagnation of the European Community is in the interest of Europe and of its States.

The Dispute over « Compulsory Expenditures »

An ongoing dispute recurs each year, and always in the same terms, among the Council, the Commission and Parliament over the list of expenditures which according to the revised Article 203 of the Treaty of Rome « necessarily result from the Treaty or from the acts adopted by virtue of the Treaty ». These are commonly referred to as compulsory expenditures, and the special importance of this list flows from the fact that these expenditures are approved through a special procedure, different from that used for all the rest of the budget (I repeat: *all the rest of the budget*, that is, all non-compulsory expenditures and all revenues). Moreover, this list determines, by exclusion, the volume of non-compulsory spending which serves to set the maximum rate and determine the margin for manoeuvre within which Parliament exercises its absolute right to the final say.

So each of the three institutions draws up its own list, but in full knowledge that it cannot impose that list on the other two, for this would amount to a unilateral infringement on their powers. All expenditures enumerated in Parliament's list are to be found in the other two lists; the Commission adds some items and the Council adds still others.

As the Treaty does not specifically stipulate who has ultimate authority over the list, the three institutions must necessarily come to an agreement. If they fail to reach agreement on a particular item, that item cannot be considered compulsory, and its approval automatically follows the ordinary budget procedure.

After waiting in vain from one year to the next for some resolution of this dispute, the Budget Committee has asked Mme Veil to call upon the Council to institute a procedure of coordination with the Commission and with Parliament aimed at drawing up a joint list agreed to by all.

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Parliament is resolved, both on first and on second reading, to consider as compulsory expenditures only those items accepted as such by all three institutions. If agreement has not been reached, Parliament will consider as compulsory for all purposes only the items of its own list, because these are the only items that have been accepted by all three institutions. We are still waiting for a reply from the Council to our request for urgent coordination prior to the second reading of the budget.

On FEOGA Guarantee...

I shall ask you to approve all the changes recommended by the Budget Committee for farm price supports. However, there is no hiding the fact that these credit reductions and the transfers to Chapter 100 have minimal political significance. For while the figures set forth in the other titles represent an authorisation for the Commission to make specified outlays, these farm credits are nothing more than forecasts of dubious reliability, based as they are on the weather and world market prices.

If, under these circumstances, the funds provided under Titles 1 and 2 should prove insufficient, it would be compulsory for the Community as a whole, hence for the European Parliament as well, to increase or re-transfer the necessary sums.

As long as the agricultural regulations remain unaltered, that is the way things will go in the implementation of these two titles.

... on the Regional Fund...

As for the Regional Fund, it is my duty as rapporteur to support a transfer to Chapter 100 which binds the Commission for a total of 170 million ECUs in disbursements and 323 million ECUs in commitments, and I shall ask you to vote its approval. I must confess, however, that this decision is somewhat puzzling to me. The image I have of the Commission is of one that shakes off the Council's yoke it has borne for too many years, becomes stronger and assumes more

fully its responsibility to govern and administer the Community. The image I have of our Parliament is of one possessing effective legislative, fiscal, and control powers, but not pretending to govern itself. I invite you to reflect carefully on this matter. We insist tenaciously that the Commission must not have its hands tied in the implementation of the budget by so-called « consultative » intergovernmental committees which in reality have the power to withdraw the implementation of a regulation from the Commission's competence and to send it back to the Council. But by this transfer to Chapter 100 what else are we ourselves doing but trying to take over the proper role of the Commission in the implementation of the budget? This additional yoke which we would put on the Commission's neck alongside that of the Council would have an equally detrimental and paralysing effect on the Commission's capabilities for government.

... and Cooperation

As concerns cooperation, one may well ask whether Parliament has responded satisfactorily, at least for what is under its own control, to the formal request made by this Chamber itself, with the virtually unanimous passage of the Ferrero resolution and, more recently, the approval of the Pannella resolution by the absolute majority of the Members.

Basing themselves on Parliament's adoption of this position, Pannella and others have presented amendments intended to answer to the will of Parliament.

The Budget Committee calls upon you to vote against these amendments, and as rapporteur I communicate that recommendation to you. It is dictated by the concern for budget austerity, which has led the Commission to block appropriations in excess of the preliminary draft levels.

Speaking for myself, however, I must say that never has austerity been more ill-directed or more ill-timed. I have reminded you of the resolutions voted by this

very Parliament, resolutions which are not ancient history but actions of yesterday and the day before. Must I remind you of the Cancun Conference, the cry of desperation to be heard from so many countries, the appeals of the Pope, the hunger strike being

carried on by one of our own colleagues, which — let there be no illusions — the whole world will be watching? After asking, in the name of my committee, for a vote against the Pannella amendments, I myself will raise my hand in favour.

Parliament between resignation and action

Parliament customarily concludes this first reading with the passage of a resolution which gives the Assembly an opportunity to deliver an overall political judgment.

By voting the passage of the resolution as drafted, you will express a severely critical judgment on the draft budget. You will underscore the efforts Parliament has made to improve it but will also emphasize the narrow limits within which it was forced to operate, which means that all our efforts notwithstanding, the budget is and remains one of stagnation. The insurmountable obstacles for Parliament consisted effectively of the 1% ceiling on VAT on the one hand and, on the other, the lack of a programme of budget reform and reform of Community policies.

You will underscore the predominant responsibility of the Council, which should express a much greater degree of joint political intent, so that Parliament could approve a budget containing the outlines of future restructuring of the budget and of Community policies.

You will not conceal the fact that however broad the responsibilities of the Council, it can not even begin to move if the Commission opts not to exercise its power of initiative, which consists in the presentation of proposals for decisions.

You will remind the Executive Commission that up to now it has neglected to act on Parliament's express request to link the budget process together with that regarding implementation of the May 30 mandate.

And finally, you will say to the Commission that Parliament expects it to make up for lost time and for the wasted opportunities; and that upon conclusion of

the imminent debate on implementation of the mandate, the Commission is to present you with a calendar containing specific dates in the immediate future for presentation of proposals for decisions, which are essential if the budget is to be restructured in conformity with the indications of Parliament.

In this draft resolution — whose adoption I ask, in the name of the Budget Committee — there is not a single word, not a single idea, with which I disagree. Yet I feel compelled to recognise the absence of any act of political will, the absence of any *action* by Parliament. And not only I myself but also, I am sure, many of my colleagues in this Assembly, are unhappy with it.

This resolution is a grave act of political resignation on the part of Parliament, because all it contains is the expression of feelings, of wishes. « Parliament notes... regrets... expects... » and that is all.

Once you have voted this resolution, the Council, the Commission and the national governments will tell themselves, with a sigh of relief, that the taming of the European Parliament has made a long step forward.

According to Sallust, Jugurtha exclaimed: « *Senatores boni viri, senatus mala bestia* », that is to say, that it was quite possible to suborn a good many Senators but that no one could shake the proud resolve of the Roman Senate to pursue its policy.

I should not like it if some future Sallust, writing about this Assembly, were moved to say: « *Senatores europaei malae bestiae, senatus bonus vir* », that is, that taken individually you have the proud awareness of your responsibilities and a firm conviction of the need to enhance the role of Parliament in the interest of the Community, but that Parliament itself is a *bonus*



vir, a good fellow lacking self-confidence, quick to yield to external pressures.

If this Parliament wants to become a point of reference and a pole of attraction for Europeans, it must demonstrate that it intends to see to it that its will be respected.

To do this, Parliament has only three tools.

The first is *rejection of the budget*. The Assembly has used it and now knows its limitations.

The second is Parliament's pledge to produce a *new Constitution — Treaty of the European Union* and to initiate a complex political campaign to go directly to the competent democratic authorities of the Member Nations with a request for ratification. This initiative will bear fruit only in the medium-term, however.

Finally, there is the tool of the *motion for censure*, which can be wielded only if it is given full political significance.

Censuring the Commission must not be done simply to punish the present Commission and get another, highly similar, body.

Censure should constitute a solemn warning from a *mala bestia* to the governments whose task it is to renew the Commission: let them take notice of the fact that here sits an Assembly that represents the people of Europe, and that even within the structure of present Treaties, this Assembly will no longer permit the continuance of current institutional and inter-institutional practice; that to start setting things right, it will no longer accept a Commission which, like the present one, conceives its role as that of a secretariat

for the Council and anxiously awaits a nod of approval from the latter before getting to work.

A motion for censure should signify that the new Commission must be aware that although it is appointed by national governments, it is controlled and may be obliged to resign by Parliament hence, that it must pay greater attention to what Parliament wishes.

Meditating day after day for months on the deplorable course of this budget process and reflecting that this debate leads directly into the debate over implementation of the May 30 mandate, where we will be confronted anew with the same attitude on the part of the Council, which considers the Commission as its secretariat, and the Commission, which also considers itself as such, I had felt our resolution should inform the Commission and the governments in clear and unequivocal fashion that the sword of Damocles of a censure motion dangles over the head of the Commission unless it changes its method of work internally, with respect to us, and with respect to the Council.

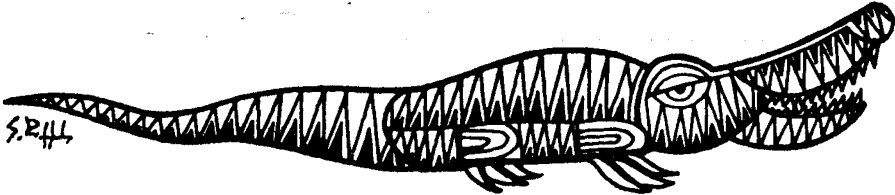
With a *bonus vir* reflex, the Budget Committee struck out that paragraph, which was the only one to go beyond the expression of feelings, and embody an action.

As rapporteur, it is my duty to ask you to vote for the resolution as it is presented to you. But although I cannot vote against what the resolution says, I shall abstain, because I cannot forgive it for its failure to do what it should do.

The title of this letter indicates that its aim is to support the action of the Crocodile Club. However the responsibility for its contents lies solely with its authors.

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LETTER TO THE MEMBERS OF THE EUROPEAN PARLIAMENT



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CROCODILE

Edited by A. Spinelli and F. Ippolito - Editor: Pier Virgilio Dastoli - Direction and redaction: 16, Boulevard Clovis - 1040 Bruxelles

Dear Colleagues,

We express our apologies for our lateness to those who have shown a certain interest in this letter of ours. Week by week we held off publication, hoping to bridle a possibly excessive critical spirit on our part in the face of the desolate spectacle of the disarray that afflicted all the Community's activities in these first

months of 1982. We had been hopefully awaiting some sign, any sign, that the Community was at least on the move. But we waited in vain.

ALTIERO SPINELLI
FELICE IPPOLITO

Twenty-five Years After

The reasons behind the Community's present delinquent state can be better understood with the aid of a serious — not hagiographic — historical meditation on the origins of the European Community.

In the 1950s a good number of political, economic, diplomatic and military circumstances put unity among the democratic peoples of Europe on the political agenda. But those circumstances did not, however, indicate

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the path to be taken, which is only normal, as circumstances can only pose problems, while the solutions remain in the hands of men — provided, that they manage to find them.

Beneath the surface of day-to-day politics, that decade saw a lively battle of ideas launched by those who had given some thought to the possible ways and means of European unification, to win influence on the four or five statesmen in whose hands rested, at that moment, the possibility of moving the issue of unity from the realm of vision to that of action. These « inspirators » were divided into two groups - federalists and functionalists.

The federalists felt the central question to be dealt with was the problem of organizing a new democratic political power structure in Europe, alongside the nation-states. This entity was to have certain limited but real authority and competence of its own, for its task of leading our peoples along the long and difficult road to unification of the economy, of international relations and of the armed forces.

Those who were known at that time as functionalists, the most influential of whom was Jean Monnet, felt the central question to be dealt with was the creation of « concrete » common commitments in economic policy, whose implementation was to be delegated to a common authority, with its own administrative apparatus, while the power to decide not only on all further delegation of power should remain in the hands of the Member-State governments. In this view, the accumulation of « concrete » solidarities of this sort would almost automatically engender political union.

The federalists had the force of logic on their side, while the functionalists had the strength of the experience of the « specialized agencies » invented by the Allies during the First World War and used again in the Second.

Fear of the new things impelled the statesmen known as the « fathers of Europe » in the end to choose the method of « specialized authorities » preached by Monnet. The only exceptions were De Gasperi and Spaak, who at a certain moment understood the need for federalism. But they could overcome neither the fears of their colleagues nor the intellectual laziness of the parties.

The federalists were the big losers of the 1950s, and from then on the European edifice has consisted of a « pragmatic » accumulation, rather chaotic and inconsistent, of acts of economic unification decided on by a more and more pretentious but almost impotent Council and implemented by a European administration which felt itself to be ever more dependent on that Council.

In the quarter-century since then, the functionalist option has given everything it was capable of — which has been considerable — but it has now reached the point where we have to return to the idea discarded at that time, of federal political union, because now even what has been achieved by the functionalist method risks being utterly undone.

Our Present Impasses

For years now everyone has recognized that agricultural policy has to be modified, because it is excessively protectionist. But year after year the Community's decision-making body — the Agricultural Council — has failed to reach the necessary unanimity either to fix prices at levels closer to those of the world market, on the one hand, or, on the other, to introduce co-responsibility for the producers and income support for the poorest farmers.

Everyone has known for years that Britain suffers a considerable discrepancy between Community revenue and Community spending in that country. More to the point, it is known that this discrepancy can be corrected — if the Community rectifies its agricultural policy, develops its structural policies and those of solidarity, institutes some progressive taxation, and eliminates the 1% ceiling on VAT receipts, which renders any broad or long-range policy impossible. But the Council is incapable of reaching the unanimity required for undertaking any of these reforms.

For years it has been clear that the countries of the Community need to move from the present institutional stage to the stage of a true Union which will assume responsibility for external and security affairs. But the only thing that the representatives of the Member-State governments manage to do or to propose consists of lengthening the list of topics to be debated in the Council and decided unanimously there.

What Can We Expect of the Council ?

Since the institutional system adopted so far in the construction of Europe makes the Council the decision-making body, and thus the central political body, the time has now come to ask whether its failings are accidental or organic.

To prevent any such analysis of the institutional reality of the Community from emerging, the indiscreet have hitherto been called upon not to raise so-called « theological » questions and to be « pragmatic » which ultimately means: resolved not to distinguish between appearance and reality, between superficial and profound, between improvised and well-founded, between casual coupling of ideas that have nothing in common and the logical connection between ideas that follow one from another. But to see things as they actually are, we need to set this sort of pragmatism aside and begin thinking not only coherently but also with a modicum of courage.

The first few stumbling-blocks met along the path of the Community could still be considered by the prag-

matic as mere accidents along the way, which could be overcome with no great difficulty.

When the failing began to proliferate, two grand explanations were pragmatically discovered, and these continue even today to be drummed into us: the lack of common political will and the requirement of unanimity for Council decisions.

The Issue of Political Will

The story of the lack of common political will bring us to mind Molière's Bachelierius, who explains that « *opium facit dormire quia est in eo virtus dormitiva* ». To say that there is no common political will is exactly the same thing as to say that the Council is a body with little capability for action, which does not actually explain much of anything.

All the institutions of the Community — the Court, the Parliament, the Commission, and the Council — are

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made up of members coming from different countries, with different political, juridical, cultural and linguistic experiences behind them. And none of these institutions can perform acts of will except by collective decision. Now, then, in three of these bodies, every time they confront an issue, a common European will is regularly, though laboriously, formed. And this will is generally oriented toward European construction. In the fourth body — the Council — this will is often lacking. And when it is achieved, it is always at a very low level of European solidarity. Often enough it tends to weaken and downgrade that solidarity.

In the quarter-century of life of the Communities, we have many times seen men move from one institution to another, from the Commission to the Council and vice versa, from the Parliament to the Council and vice versa, from the European administrations to national administrations. And quite regularly, their ability to achieve a common will together with their colleagues from other countries declined or improved depending on whether they were members of the Council or of the other Community institutions. This should make one think that the fault lies much more with the institution than with the men.

It is not difficult to find the explanation for this divergence in behavior between the Council and the other Community bodies. But the ruling « pragmatism » obliges us not to reflect on it, to keep on wringing our hands over the Council's lack of good will, to keep on exhorting it to act like the other institutions.

The members of the Commission, the Parliament, and the Court are bound, in the interest of the Community, to look at the issues they handle from a European point of view; and they are subject to no imperative mandate from anyone, and in particular not from their own country's government. To be sure, it is in the nature of things that they are more sensitive to the needs of their

own countries than to those of others. To be sure, if there were not, in our countries, some fairly widespread feeling that our peoples have a common destiny, each would end up permanently and exclusively representing a national viewpoint.

But that feeling does exist. It is thanks to it that the Communities were created, and by the very fact of existing the Communities have helped make that feeling more widespread. Given this fact, the members of the Commission, the Parliament, or the Court gain the capacity to seek and to find actions of common will. Of course they do not forget the needs of their homelands, but they learn how to view those needs and respond to them within the framework of encompassing European needs. That is the only meaning of being capable of common political will in a constructive sense.

The Council is the only institution founded on a different principle. Its members act in their capacity as representatives of the Memberstates; they get their national administrations to prepare briefs on the issues they will have to deal with in the Council. They are responsible to their own governments and to their own national Parliaments, and they have no room for maneuver beyond what their governments allow them. In other words, behind each member of the Council there is a weighty, complex, traditional policy and decision-making process, designed and installed for the purpose of expressing the national will. Of course, the prevailing of European common destiny is in some way present in national decision-making processes as well, acting as a brake against the natural tendency to consider European problems only as a function of national problems. From time to time, the national policy making must confront crucial basic choices: to return (or remain) at the perception of national interest pure and simple, or else to keep the Community alive and even, at times, move it a

step forward. The fear of what intra-European relations would become if the European idea were to vanish, and the obvious superiority of the European perspective over the purely national stand-point, are such that the Council (above all in the guise of the European Council) is capable in such crucial moments of taking — and normally does take — fundamental pro-European options.

If endorsing an option were the same thing as realizing it, the unity of Europe would be accomplished by now. Just think of all the commitments jointly entered into by governments to create a common currency, common armed forces, a common presence on the international scene, or to endow the Community with adequate own resources, to strengthen Parliament's role in the legislative domain, to broaden the Commission's field of action — and the list is far from complete.

Broad commitments, however, are generally only orientations that reveal the perception of European problems; they are not yet the solution. In order for the commitment to be followed by realization, it is necessary that the decision-making body be capable of undertaking a whole series of deliberations, decisions, and actions, with continuity — because things can never be done at a stroke — and with consistency, so that the inevitable difficulties that arise do not cause people to lose sight of the commitment itself.

Now by its very nature the Council is capable neither of such continuity nor of such consistency, because even though a European orientation has been adopted, in principle, at the highest levels, its implementation remains always founded on the effort to reach agreement among ten independent national decision-making processes. Designed to express national viewpoints, these processes have an inherent tendency to diminish, if not entirely eliminate, the scope of the European commit-

ment. The tendency is to give priority to the particular interests of each nation, to seek the lowest common denominator among them, if it exists, and, if it does not, to postpone any decision.

It is not true, then, that a common will does not exist. The truth is that it cannot express itself with the requisite continuity within the Council. If a fish out of water dies, it's not because he lacks the will to live, it's because he needs water to live, and in the air there is not a sufficient quantity of water to enable him to live.

The Issue of Unanimity

A second pragmatic explanation of the Council's political ineffectiveness assigns responsibility to the fact that, in violation of the Treaties, it makes decisions only when internal unanimity is reached.

If this practice were of but a few weeks' or months' date, we could still hope that it was no more than a slight infraction due to our governments' lack of familiarity with the rules of the Community. One could hope for a return to the Treaties.

But in fact abandonment of the rule of majority vote dates back to 1966, the time of the Luxembourg « compromise » — that is, to the very moment when, with the end of the transitional period, the rule of the majority vote was to initiate. What this means is that that rule has not been abandoned, as we often hear it said — it has never been applied. The only exception is the Budget Council, and the reason for this will become clear further on.

Since the Luxembourg « compromise », the Commission and the Parliament have repeatedly urged respect for the Treaty, and the Council itself, particularly in its most prestigious manifestation, has recognized that ef-

forts are indeed in order to restore the majority vote procedure, at least when no Member State has vital interests at stake; each State, of course, being the sole judge of whether this or that interest is « vital ». But even under this formula, which would have reduced the commitment to vote by majority to virtually nothing, the Council has never abandoned the rule of unanimity.

Such obstinacy forces us to conclude that there must be some profound cause at work here, and that if there has been a failure to apply the Treaty the fault lies not with the governments but with the Treaties themselves. In short, an absurdity remains an absurdity even if it is enshrined in a treaty.

A group of States may decide that certain national policies shall be put in common, thus becoming *one* common policy. In this case, these States must relinquish the power to make certain decisions, i.e. must renounce certain aspects of their individual sovereignty in favor of an appropriate group of common political bodies. If these bodies are democratic, the citizens regain as citizens of the Community what they have lost as citizens of their nations, but the Member State's own sovereignty is reduced. As the individual State no longer decides certain matters, it cannot even happen that the state finds itself opposed to a decision but obliged to accept it because it is in the minority.

A group of States may decide that certain policies, while remaining the province of the individual States, should cooperate in a certain manner. In this case, each of them reserves the power of decision on these policies, that is, it maintains sovereignty in those areas. All that these countries need is a more or less permanent conference of representatives of the individual governments to try to agree on what each shall do to ensure cooperation. The decisions in this case can be taken only unanimously, for a sovereign State can accept only what it

itself has decided to accept. In this case, acts of cooperation are necessarily modest and precarious. But no one expects more from this method than what it can produce.

The absurdity of the system enshrined in the Treaty is to have proposed the progressive building of common policies while entrusting decision-making power on them to a body capable of seeking only precarious cooperation between policies are and remain national. In this situation, is there anything strange about the fact that the Council maintains the rule of unanimity and does not succeed in performing the task assigned it by the treaties?

If the Institutional Committee of the European Parliament wishes to open up the prospect of renewed progress of the Community toward true political Union, it must without doubt face the problem of broadening the duties and the jurisdiction of the Union, of transforming the Commission of the Communities into a true executive and the Parliament into a true legislative assembly. But above all it must be aware of the fact that no real progress is possible unless it proposes the demolition of that massive obstacle represented by the Council in its present form.

For a long time to come there will be, in the building of Europe, a grey area between common policies and national policies, the area of cooperation among national policies. In this domain the present Council still has its role, and for the reasons laid out above, it will continue to decide only unanimously.

We call this area grey because it is characterized by the fact that agreement has been reached that certain matters can no longer be the exclusive preserve of the individual nation but there is as yet no general conviction that those matters must be the object of common policies.

When the issues under discussion are the object of common policies that already exist or are in the process of formation, however, there is no place for the Council in its present form, with its national ministers, its decision-making power, its procedural unanimity.

To be sure, a Chamber of States must exist alongside the Parliament, and it must be endowed with special powers in order that the points of view of the Member States as such be perceived and taken into account. Thus there shall be national delegations to the Chamber of States, named by the various national governments. But they shall be named for fixed periods. The governments will trust their delegates to represent the national interest in what they say and do in the Chamber, but they will not be empowered to issue them with any imperative mandate, or to remove them from office before the end of their term. The Chamber will participate along with the Parliament in legislative activity and in monitoring the executive; but it will neither hold exclusive responsibility for those functions nor be endowed

with ultimate responsibility for them. Only under these conditions would it be reasonable to do away with the requirement of unanimity; for the delegates, while certainly pleading the case of their own States, would not be representatives of a national decision-making process. That is, they would not represent their nations' sovereignty.

It is no accident that the only case in which the Council votes on a majority basis, despite the Luxembourg «compromise», is in the Budget Council — namely, precisely where the Council holds neither exclusive nor ultimate power of decision, where in effect it acts only as a sort of Chamber of States in a bicameral system known as the «Budget Authority».

Here we can merely sketch out the main idea of how the present Council should be reformed. However, we are convinced that this reform will be the central point of institutional reform, and that everything else will depend on the fashion in which we manage to resolve this issue.

The Work of the Institutional Committee

The Institutional Committee held its first regular meeting 27-28 January 1982. Since then it has:

- 1) Named its Bureau made up of Mr. Ferri, Chairman, and Messrs Nord, Jonker and Pannella, Vice-Chairmen;
- 2) Named Mr Spinelli as rapporteur-coordinator;
- 3) Established the political time-table for its work, on the basis of which:

— Parliament will be asked to pronounce itself, in the course of the July session, as to the overall orientation of institutional reform.

On the basis of the general guidelines:

— The Committee will assign the following topics to six rapporteurs:

- a) jurisdiction of the Union in matters of internal and external economic policy;

b) jurisdiction of the Union in matters of policy for society;

c) jurisdiction of the Union in matters of political cooperation, security, and development assistance;

d) the finance of the Union;

e) the law of the Union;

f) the Institutions of the Union.

—The reports, coordinated by the rapporteur coordinator, will be submitted to the Parliament for approval in about January of 1983.

— In the course of 1983, on the basis of these reports, the Institutional Committee will prepare, with the aid of jurists, a proposed draft treaty establishing the European Union.

— At the end of 1983, the Parliament will be called upon to vote on this draft.

— In early 1984, a Parliamentary delegation will visit the various capitals to deliver the draft treaty-constitution to each government, requesting it to have it approved by the competent institutional bodies.

Throughout all this work, the Institutional Committee will carry on broad consultations and will undertake an information campaign aimed at the national Parliaments and political parties.

This timetable means that the European elections of June 1984 will be held with the draft treaty already submitted to the national Parliaments for consideration; consequently, the European election campaign will be dominated by this issue.

The Draft Guidelines of the Institutional Committee

After extensive debate lasting several sessions, Mr Spinelli was asked by the Institutional Committee to prepare the preliminary draft guidelines, which are to present under discussion in the Committee. The text is as follows:

The European Parliament,

— *whereas the Communities and the forms of cooperation based on them have served our peoples well for 30 years, but whereas time, experience gained and the appearance of new political and economic challenges make reforms necessary;*

— *whereas the efforts being made to achieve a better functioning of the institutions within the ambit of the existing Treaties should be tenaciously pursued pending the more fundamental reforms which Parliament has undertaken to prepare;*

— *having regard to its resolution of 9 July 1981 in which it decided to set in motion itself a new political and legal process aimed at effectively establishing European Union;*

— *having regard to the first report of the Committee on Institutional Affairs.*

The Objective of European Union and the European Parliament's Initiative

1. Recalls that:

— *the objective of European Union was fixed as early as 1952 by the Treaty establishing the first Community and has been reaffirmed since then on numerous occasions in treaties, and in various agreements, declarations and initiatives, as described in the Committee on Institutions Affairs' White Paper,*

— *for 30 years most of these initiatives have ultimately become caught up in the trammels of traditional diplomatic procedures, but declares that the achievement of the Union remains essential in order to develop common actions which are stronger, bolder and more deeply rooted in popular consent and those pursued hitherto,*

— *the forthcoming enlargement of the Community to include other Member States makes this development all the more urgent.*

The Need to Draw a New Draft Treaty

2. *Considers therefore that, on the basis of the Treaties and Community agreements, declarations and Acts currently in force, a draft of a new Treaty should be prepared defining clearly the tasks, powers and institutions of the Union;*

3. *Invites the Committee on Institutional Affairs to formulate the elements of such a new draft, to engage in extensive consultations and to encourage a wide-ranging public debate on the issues of the Union.*

The Main Guidelines Proposed

4. *Proposes as the basis for such a draft of a Treaty the following broad guidelines).*

The Tasks of the Union

5. *The tasks of the Union shall be formulated in an historic perspective*

(a) *of greater political, economic and social solidarity of its peoples in a context of respect for human rights and democratic freedoms, progress in social justice and efforts to achieve full employment and growth with stability,*

(b) *of a strong and responsible contribution to the harmonious and just economic and social development of the whole world and to keeping the world economy as open and as stable as possible;*

(c) *of a strong and responsible contribution to the preservation and restoration of peace, security and the right of all peoples to decide their own destiny;*

6. *The principle of additionality, which is the essential principle of the Union, means that the Union will undertake only those tasks which can be carried out jointly more effectively than by the Member States individually or which are essential to the existence of the Union.*

The Powers of the Union

7. *In order to carry out these tasks, the content and scope of which may vary according to the rate of evolution of the Union, the latter must possess appropriate powers to ensure compatibility, convergence and co-operation between the policies of the Members States, and to exercise its own initiatives (whenever the principle of additionality so requires) in the following areas:*

(a) *the accomplishment of the objectives laid down in the Treaties of Paris and of Rome,*

(b) *the various aspects of general economic policy (such as credit, investment, taxes, research) and policy*

in specific sectors of the economy, (industry, agriculture, tertiary sector),

(c) the gradual transition from the phase of inter-governmental agreements to that of common instruments of monetary policy, and the maintenance of the necessary parallel development of Monetary Union and Economic Union,

(d) the implementation of a policy, for society (such as social policy, regional policy, environment policy),

(e) the gradual transition from national measures of cooperation with the countries of the Third World to a vigorous common policy of development aid aimed at promoting a more just world economic order,

(f) the gradual framing of a genuinely common European policy in the field of international relations and security.

8. These powers must be determined flexibly, according to the fields of action and possible stages of evolution, but they must in any event meet the following conditions:

(a) they must be sufficiently precise to enable the institutions of the Union to exercise them effectively,

(b) they must take account of the outlook and inevitable evolution of the tasks of the Union, and may therefore have to be made subject to conditions of time or events which shall be carefully defined.

The Institutions of the Union

9. The Institution of the Community prefigure those of the Union but in particular the distribution of powers between them will have to be altered to strengthen the governmental role of the Commission, to emphasize the political control exercised by Parliament and to redefine the role of the Council;

10. Taking as its starting point the Community's existing institutions, and drawing upon both the last 30 years' experience and the new definitions of tasks and powers proposed above, the Committee on Institutional Affairs shall therefore define the structure and the powers of the institutions of the Union according to the following criteria:

(a) the Executive: the central institution with which the Union must be equipped is one which, within the limits of the powers of the Union, proposes policy guidelines, exercises legislative and financial initiative, adopts texts implementing the laws of the Union, administers the execution of the laws, financial measures and appropriate policies; the existing executive Commission will be able to assume these powers provided considerable modifications are made in the nature of its appointment, its internal organization, its powers and responsibilities,

(b) the Parliament: the Union must have a directly and uniformly elected Parliament which, within the limits of the powers of the Union, can make laws, vote taxes, exercise political control over the executive and have an appropriate but determining say in the latter's appointment,

(c) the Council: the Union must have a body in which the Member States as such can be represented by delegations of their governments; the functions and membership of this body however, would differ according to the field of action; two separate institutions should therefore be envisaged to replace the existing Council:

— in those areas where executive power lies with the European Executive the latter should be the supreme political decision-making body, and the body representing the Member States would participate with Parliament (with appropriate but not — as at present — exclusive or predominant powers) in the Union's legisla-

tive and financial decisions and in the appointment of the Commission. The best name for this body would seem to be 'Chamber of States'; its members would be appointed by the governments but its membership should not vary as at present,

— in those areas where the executive power still lies with the Member States, and where the only commitment is the determination to reach joint conclusions, the intergovernmental body would remain the supreme policy-making and decision-making body; the consultative role of the European Parliament and the role of the Commission should be strengthened however, to ensure that in the intergovernmental body, there are always voices to defend common view points and provide the stimulus for the transition from the intergovernmental level to the level of the Union; the governments would remain responsible at all times for the membership of their delegations, from the level of Heads of Government to that of ambassador; this body should keep the name 'Council' since it retains all the features of the existing Council,

— the Court: the existing judicial power of the Community is susceptible of becoming — with slight alterations — that of the Union; the European Parliament, however, should have an appropriate say in the appointment of the judges of the Court; the Court should give final rulings on cases of violation of fundamental human rights, on the conformity of laws with the constitution of Union, and it should be empowered to impose sanctions; all the citizens of the Community should have direct access to the Court within the limit of its powers.

The Union's Finances

11. From time to time, in accordance with appropriate procedures involving the Union and the Member States, the tax resources shall be shared out between the Union

and the States according to criteria based on the general outlook for the development of the Union;

Within the limits of this apportionment, the Union and the States shall autonomously assess their resources and draw up their budgets; the resources and the budget of the Union shall be proposed by the Executive and voted, according to appropriate procedures, by Parliament and Council.

Transitional Measures

12. The Community patrimony, embracing the existing laws and policies of the Communities, political cooperation and the European Monetary System and all the other organs or institutions created within the Community context, shall remain in force within the Union unless and until any of these are altered by new laws or policies of the Union.

Constitutional Revision

13. The roles for the revision of the Basic Law of the Union laid down in the Treaty shall be differentiated according to the extent of the revision proposed and to the stage reached in the achievement of the Union at which they are to be applied.

Further Work of the Committee on Institutional Affairs

14. Instructs its Committee on Institutional Affairs to undertake the necessary consultations with national and Community authorities when developing these guidelines; to draw up on their basis a series of proposals which the Assembly will consider early in 1983; and, in the light of these deliberations, to draw up a preliminary draft of the Treaty which shall be submitted to Parliament in the autumn of 1983.



CROCODILE

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