

The New Challenges of the European Project: A View from the 50th Anniversary of the European Union

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The signing of the Treaty of Lisbon on 13th December 2007 represents a positive release of the Gordian knot that was constricting the European Union (EU), and it allows us to face with confidence the challenges of the future.

We are engaged in building a European Union, a political, economic and monetary union of 27 states and more than 450 million citizens. It is an open constituent process consisting in a collection of Treaties, the most significant being that of Rome. Its 50th birthday was celebrated in March 2007 with the Berlin Declaration, which affirms: "In the European Union we are making a reality of our common ideals: for us, the human being is the centre of all things." In essence, that is what Protagoras said in the Greece of Pericles, when the process of building democracy began. The founding fathers thought the same when they began the task of overcoming embattled nationalisms.

The declaration is an opportune reminder of what has been achieved, peace and prosperity, and a renewed commitment to continue working for a common future, overcoming the crisis over the ratification of the Constitution, to guarantee survival in a globalised world in which it is an ever more minor part. The EU does not live in an ivory tower; in these 50 years its population has fallen from one quarter of the human race to one eighth; powers such as China or India have reappeared on the scene, together with new emerging ones (Mexico or Brazil in America, the Asian Tigers); globalisation has accelerated through the spread of technological progress, as have demographic changes with mass migration, the push of world trade and the need to confront climate change. Besides this, the globalisation of the aspiration to

democracy has created a new political and social scene in which the EU has a pioneering experience. The European Summit in June summoned the Intergovernmental Conference with a detailed mandate to draft the Reform Treaties on the basis of the Constitutional Treaty.

Europe had not succeeded as a constituent political project. The step-by-step advance – *les petits pas* – began with the creation of a sectorial common market, the European Coal and Steel Community (ECSC), the atomic one (EURATOM), and that of defence (CED) – a leap forward that was frustrated in the French National Assembly in 1954 –, and the Common Market signed in Rome in 1957.

The setting was a continent divided by the Cold War, with a collaborative reconstruction in the western part thanks to the Marshall Plan, in which the undue penalisation of Germany was avoided. The USA was decisive in the liberation of Europe from Nazism and in its subsequent evolution, by its decided support to the process of integration, a clear difference in its relation to Franco's Spain.

The concept was as original as it was unorthodox: the cornerstone was the Four Freedoms (movement and settlement of persons, circulation of goods, services and capital); the power of initiative in these matters was conferred on a newly-minted institution, the Commission, together with the power of trade negotiation with the outside world and of upholding competition, to avoid excessive concentrations of economic power. The institutional triangle was designed in its basic lines: the Commission, the community executive, the Council, the representation of the member states with executive-legislative powers, and the Parliament. At the centre, the Court of Justice, a decisive institution in the forming of the Community as an organisation of the rule of law.

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they must be European and, though not expressly stated, democratic. For that reason, General Franco encountered a firm negative reply when he requested the entry of Spain in 1962.

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The results were very different from the disastrous ones that followed the First World War. Then, President Wilson's Fourteen Points which inspired the Paris Conference of 1919 changed the world, but they sowed the seed of growing division in the Europe of nations, with a Germany humiliated and obliged to pay impossible reparations.

The rapid post-war recovery, combined with the initiation of the common market, settled the bases of the system of mixed capitalist economy, based on the Welfare State together with an active economic and fiscal policy – known as “Keynesianism” – and a fundamental pact between social partners. With forms that differed from country to country, the European social model was built up. Although it is not a uniform system, its features can be easily identified. In this field, the functions of the EU are mainly declarative, protective and regulatory, not redistributive.

The fundamental concern of the nascent Community was directed to self-sufficiency in food (the Common Agricultural Policy), the elimination of internal barriers and the creation of the Customs Union. Policies since the social or regional ones initially had a complementary character. The Court of Justice was the pioneer in establishing in the 1960s a direct nexus between the Community and the citizen.

Spain's entry in 1986 took place in the second creative stage of European construction. The Delors Commission proposed that the construction of the common market as an interior market with a social dimension should be completed with a careful preparation of the Economic and Monetary Union, after which the time would come to talk about Political Union at the turn of the millennium. The priorities of the Spanish policy were to enlarge and strengthen its political dimension, with the inclusion of citizenship,

economic and social cohesion, the incipient foreign policy and membership in the first group of the Euro countries. Besides this, Spain negotiated and received from the Community, as it was then, a Marshall Plan, jointly with Portugal, Ireland and Greece, in the shape of duplication of regional and social funds and the creation of the cohesion fund.

The fall of the Wall in the *annus horribilis* 1989 was not the end of history but a new drive which led to the unification of Germany, the implosion of the Soviet bloc and of the former Yugoslavia and the end of the Cold war. The European leaders gave the right political response with the Maastricht Treaty, creating the European Union as a Political, Economic and Monetary Union, with the introduction of European citizenship, the single currency, cohesion and the pillars of the Foreign, Security, Justice and Interior Policies. With that began the second great stage of European construction, in which we are fully immersed. Two new enlargements have taken place which have changed the map, with the admission in the nineties of three prosperous neutral or non-aligned countries (Sweden, Austria and Finland), and in the present decade the group of ten (the whole of Central Europe – Hungary, Poland, Slovenia, the Czech Republic, Slovakia – together with Estonia, Latvia and Lithuania – and two Mediterranean countries, Malta and Cyprus), besides Romania and Bulgaria. At present, Croatia and Turkey are in the process of negotiation.

From another point of view, the EU has asserted itself as a world monetary power with the successful introduction of the Euro, with fifteen member states from 1st January 2002 and applying candidates and a possible reconsideration by Denmark on its self-exclusion. A common economic culture has been put in place, which, to be lasting, needs an acceleration of the Political Union, as historical experience shows.

The Lisbon strategy systematised the socio-economic objectives of the EU (employment, RDI, education and cohesion) from the year 2000, with the aim of keeping up a sustained effort to play a leading role in an increasingly more competitive world in which economic adjustment is a continuous process where life-long learning, research and investment in high-technology sectors play a decisive role.

In the development of an area of freedom, security and justice, Schengen fulfils a pioneering role, to which Plum is added in judicial cooperation.

This impetuous open constituent process continues to accelerate. Since its creation, the EU has expe-

rienced a quadrennial rhythm of periodical attempts (Treaties of Maastricht, Amsterdam and Nice) to find an adjustment to the new European and world reality. The method of the Convention, open and public, with the participation of the European institutions, the governments, States and their Parliaments has allowed their lines to be traced for the future. The first Convention drafted the Charter of Fundamental Rights. The second drew up a Constitutional Treaty in which were defined for the first time the principles, values and objectives of the European Union, the Charter was introduced, essential reforms were made and the policies agreed were systematised.

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The balance sheet of the ratification process for the Constitutional Treaty, drawn up in the Madrid meeting of the Friends of the Constitution, was as follows: 18 states had ratified the Treaty (Spain and Luxembourg in referendums), another four were in favour, two had tried it with adverse results (France and Holland) and three had not even initiated the process (United Kingdom, Poland and the Czech Republic). Although more than two thirds were in favour of the Treaty, unanimity means that whoever does not approve in fact vetoes.

The solution was the agreement of the European Council in June to abandon the constituent method for one of reform, transposing the greater part of the Constitutional Treaty into two others, the Treaty on European Union (TEU) and the Treaty of functioning of the EU (TFEU). Clarity falls a victim to the mandate, there is a return to a labyrinthine accumulation of amendments and symbols (flag and anthem, the Ode to Joy), the object of a stupid suppression. The result is a basic text which embodies the principal advances:

- The explicit proclamation of the values of the Union: democracy, respect for human rights, the Rule of Law, with a special emphasis on plural-

ism, non-discrimination, tolerance, solidarity and equality between men and women.

- The definition of objectives, beginning with peace and welfare. Sustainable development, based on a balanced economic growth and price stability, a highly competitive social market economy, tending to full employment and social progress, the combating of social exclusion, the promotion of justice; social protection, inter-generational solidarity and the rights of the child, a high level of environmental protection, promotion of scientific and technical progress; economic, social and territorial cohesion and respect for cultural and linguistic diversity. In its relations with the world, it will contribute to peace, security and the sustainable development of the planet, solidarity, free and fair trade, the eradication of poverty and respect for human rights, according to the United Nations Charter.
- European citizenship now again occupies the place it deserves thanks to the efforts of the European Parliament (EP).
- The Charter of Fundamental Rights is juridically binding and has the same rank as the Treaties. A protocol establishes measures for the United Kingdom and Poland, which wish to exclude themselves from its application. The Charter is innovative in some rights, such as the protection of the human body from capitalist exploitation, data protection in the IT world or the right to good administration.
- Participative democracy is reinforced with the recognition of the right to citizen initiative, starting from one million citizens of a significant number of states.
- The juridical personality of the EU is recognised, with the consequent disappearance of the structure of pillars.
- A clear and precise division of competences is introduced with a flexibility clause.
- The EP-Council joint decision becomes the ordinary legislative procedure, with an enlargement of subjects from 35 to 85. There is a strengthening of the juridical bases for action in the fields of climate change, energy, patents, tourism, sports space and administrative co-operation.
- A horizontal social clause ensures that in the definition of policies account will be taken of a high level of employment, appropriate social protection, the fight against social exclusion, and a high level of education, training and health pro-

- tection. A legal base is established for services of general economic interest.
- A control mechanism is introduced for subsidiarity with an “orange card” (if one third of the Parliaments of the member states reject a proposal, the Commission has to reconsider it).
 - In the matter of budget, the complete equality of the EP and the Council is assured, eliminating the distinction between obligatory and non-obligatory expenses.
 - Qualified majority becomes the general rule in the Council, with a double majority of 55% of states and 65% of the population, with a minimum of 4 states to block a decision. The system will come into force in 2014 with a security mechanism called the Ioannina mechanism.
 - Access to reinforced co-operations is provided, for which the EP needs to give its consent.
 - The proposal for the distribution of seats in the EP is accepted, with one more for the President.
 - The President of the Commission will be elected by the EP at the proposal of the Council, on the basis of the results of the European elections. The High Representative for the European Security and Defence Policy (ESDP) joins the Commission as Vice-President, and will be in charge of the external service.
 - The Commission, after 2014, will be composed of commissioners drawn from $\frac{2}{3}$ of the states with a rotation system ensuring equality.
 - In Defence, states with the ability and wish to develop their cooperation will be able to do so, with a solidarity clause with regard to any external armed attack.
- The area of Freedom, Security and Justice becomes a community matter, with joint decision and qualified majority voting (QMV), with some emergency braking mechanisms and exceptions for the United Kingdom and Ireland.
 - The jurisdiction of the European Court of Justice (ECJ) is extended to all the activities of the EU, with the exception of the ESDP.
 - The post of President of the European Council is created, with a mandate of two years and a half, to prepare, co-ordinate and represent the European Council.
 - In the revision process, the EP strengthens its role: it has the right of initiative, it is part of the Convention, which becomes the normal revision procedure, and its approval is binding. In addition, the simplified revision procedures allow the passing by unanimity to decision by majority.
 - Finally, the TEU includes a clause providing for the voluntary secession of any member state that wishes to withdraw from the Union.
- The next challenge is to crown the ratification process in all the member states promptly by 2008, which will call not only for synchronisation but, more importantly, for political initiative, solidarity and mutual good faith. In its first stage, the construction of Europe was carried forward by pragmatic and functional means without putting to the fore the principles and values that inspired it; since the creation of the Union, the states and citizens have been the two fundamental pillars of the Union. Now, the task is to achieve the definitive consolidation of the European Union with the active defence of European citizenship and the development of its social dimension, open to the world as a pioneering form of political response to globalisation.