

Enrique BARON CRESPO

SPEECH BY MR ENRIQUE BARON CRESPO, PRESIDENT OF THE EUROPEAN PARLIAMENT, TO
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Rector,
Your Excellencies,
Ladies and Gentlemen,

I am very honoured to be able to speak today to the College of Europe, and I should like to take this opportunity of thanking the Rector for his invitation.

Five days from the European Council in Maastricht, I should like to try to explain how the European Parliament's sees the future for the Europe of the Twelve. In a world where everything is changing, our idea of the future is still the same as that of the founding fathers of our Community. They saw a federal Europe as a means of laying the ghosts of the past. Peace was to be guaranteed by the wealth of our resources and our united determination. This powerful message resulted in a success which we must perpetuate, both in time and in space.

The failure of the European Defence Community compelled the founders of the Community to adopt pragmatic means to achieve their objective. It is not my intention today to expand on the positive aspects of this method, with which you already sufficiently familiar, but to show its limitations, which recent history, particularly over the last two years, has shown up even more clearly. To meet the major challenges at the end of the twentieth century, the Europe of the Twelve must honour the memory of the great men who first conceived the Community, by accomplishing the great leap towards federalism.

Our Community has to a large extent to bear the responsibilities resulting from the disappearance of a bipolar world, which formed an excuse for Europe's attitude, which could be described at best as 'wait and see', at worst as failure to act. The fall of the Berlin Wall, the democratic revolutions in Central and Eastern Europe, the Gulf crisis and the failure of the Moscow coup on 19 August, opened the way to a new world, but at the same time called it into question again.

Democratic values, which are the foundation of our Community, have put an end to totalitarianism in Europe and elsewhere. Human rights have gained the upper hand over state expediency. The wind of freedom is blowing away the traces of a world whose time has passed.

The worldwide spread of democracy, ideas, market economics and information gave rise to many hopes. But hardly had the yoke of terror disappeared when long-repressed frustrations rose to the surface. The world is made of light and shadows, and Europe cannot hope to be an exception to this rule.

These global trends should not mean the resurgence of the small-state mentality and the exclusion of everything and everyone different. Unfortunately, this risk does exist. In places, particularly here in Europe, this mentality threatens the return of the intolerance, racism and aggravated nationalism of the nineteenth century.

The only possible response to this is the organization of a multipolar world, based on the strengthening of the United Nations and of regional groupings which respect each other's integrity and the rights of their citizens.

In the face of this challenge to its existence question the Community can, if it has the will, respond to the new geopolitical situation. Everything points to the Europe of the Twelve having a special responsibility for moulding this new world society. Just as it once dominated the world by colonialism, the Europe of the Twelve is now a major force whose values may help to fashion a fairer world order.

THE COMMUNITY, A CENTRE OF ATTRACTION FOR EUROPE AND THE WORLD

The sudden rush of historic events has proved, among other things, that our Community has to some extent been overtaken by its own success. From north to the south, from east to the west, it has become a model for others to copy.

A MODEL FOR THE CONTINENT OF EUROPE

Who would have thought, two and a half years ago, that the principles of the CSCE's inaugural charter would be claimed by every state in Europe? These principles were defined in the post-war period by our senior partner, the Council of Europe: parliamentary democracy, respect for human rights, political pluralism and the market economy. Gradually, all the states in Europe are joining the Council of Europe, for it is the training ground for European democracy.

The CSCE, the Council of Europe and the Community form the foundation on which the new architecture of Europe will be built, in which hope will take precedence over fear. But, as we are aware, this is a long-term project in which President Mitterrand's 'set theory' may be helpful to us.

Our most immediate challenge is the creation of the European Economic Area (EEA).

The EEA will be the largest economic area in the world and will manage relations between the Twelve and the Seven. Hardly had this agreement been signed when new difficulties arose at which some people expressed surprise. I should like to remind them that the European Parliament, eager for the emergence of the European Economic Area, had made all the institutional preparations for it. We said yes to the EEA, but no to institutional chaos. For us it was inconceivable that the parliaments of EFTA should indirectly have more powers over the EEC's decision-making process than the European Parliament itself. And our view prevailed.

The Court of Justice of the European Community is currently looking at the question of the division of powers between itself and the Court set up as part of the EEA. It is right to do this, and should receive a clear answer before the agreement is initialled.

I have no doubt that the negotiators will succeed and that the EEA will enable our countries, which share the same democratic values as well as centuries of history, to lay the foundations for one pillar of our Common European Home.

It is particularly important that negotiations should succeed, since the EEA represents the antechamber of the EEC for two EFTA members, Sweden and Austria.

The second challenge which the Community needs to face is the return of the countries of Central and Eastern Europe to the European fold. In fact, these countries have to meet a three-fold challenge: consolidating democracy, restructuring their economies, and learning to live together.

The upheaval brought about by the fall of communism showed that parliamentary democracy is an essential organizational model for political society.

As early as September 1989 the European Parliament responded by calling for a new approach to relations with Poland and Hungary and later with Czechoslovakia. These countries' aspirations to democracy, could best be understood by attending the parliamentary sittings which followed their first direct elections by universal suffrage. I shall never forget the atmosphere there when I had the honour to speak to the new members of parliament. For them, our institution represented the democracy withheld from them for so long.

Europe very quickly entered into negotiations with these three countries, which it concluded by the initialling of association agreements on 22 November 1991. These agreements should be signed on 16 December by the Ministers of the Twelve, after which the European Parliament will be asked for its assent.

Clearly, these agreements are not enough. We also need to reassure these countries in the face of the political upheavals which their neighbours are undergoing. The initial consultations within the WEU and NATO have been our first response to these concerns.

As we know, the dearest wish of Poland, Hungary and Czechoslovakia is to become members of our Community. They stated as much in the preambles to these agreements: the Europe of the Twelve is not an exclusive club, and one day they will become members, just like the other applicant countries. But it will be a long, hard road, as it was for Portugal and Spain. Much work still needs to be done on both sides. They, with our support, must mature and create the economic conditions for accession. We must complete our own integration in order to be able to receive them.

At the same time, these countries have every interest in forging bonds among themselves, as the Community did in the past. This is the purpose of the plans outlined by President Havel, President Walesa and Prime Minister Antall, whom the European Parliament has had the honour of welcoming at its sittings.

The first stage has been completed: they have joined the Council of Europe, where they will serve their apprenticeship in democracy while consolidating in their own countries.

Bulgaria has held free elections. Romania, and especially Albania, are currently experiencing much greater difficulties on their road from totalitarianism. Their democracies are emerging and their economic development is beginning. The Community's duty towards them, as towards their neighbours, is to help them to make this transition successfully.

The Baltic States, who have just regained democracy, have now embarked with the Scandinavian countries upon the exciting project of recreating the Baltic as a European sea, a sign of hope for new regional cooperation.

This group of countries represents one more pillar of our European home, though one which is still under construction.

The future of the Union of Sovereign States, that giant with feet of clay, is still in the balance, and at present it seems more likely to realize our fears than our hopes.

In the space of four days, 75 years of its history were swept away by the wind of democracy. Resistance to the coup centred round the national parliaments, particularly Russia's White House. The sight of a whole nation standing guard outside its parliament to assert its right to freedom was powerfully symbolic.

The USSR has ceased to exist. The Union of Sovereign States has not yet come into being. The signature of the Union Treaty is continually postponed, and the number of republics prepared to sign is decreasing. Nevertheless, a certain level of coherence needs to be maintained between the centre and the republics, at least in the essential areas of the economy, external relations and defence. What form will the Union of Sovereign States take? Will it be a federation? For the present, it will certainly not be the old federation, for that was based on force. Federalism is the result of a voluntary choice. Or will it be a confederation? Probably, or at least we hope so. What will its outlines be? In the initial stages, they will inevitably be vague.

Indeed, it is hard to see how one could impose coexistence overnight on peoples whose only unifying bond was one of terror. It is quite natural that expression is now being given to long-suppressed frustrations. Once this stage has been passed, let us hope that they will not fall into the trap of excessive nationalism.

Certainly the notion of a process of union freely entered into by the countries which invented the concept of the Nation State - in its absolute, nineteenth century form - is out of step with the revival of xenophobic nationalism in Central and Eastern Europe with their manifold problems. History teaches us that concepts such as independence, the right to self-determination and the creation of nation states must be relative. If they are made into absolute, and (if I may use the term) sacred values, they will inevitably lead to conflict which will, unfortunately, degenerate into war. We should consider the question posed by the Czech philosopher Jan Patočka. Why, he asked, did Europe, the economic ruler of the world in the nineteenth century, destroy itself in the mid-twentieth century? In his view, the answer was simple. 'The cause', he said, 'was partly its disunity and partly the enormous power at its disposal.' It was this collision of disunited powers

which had such a devastating effect on two occasions. This threat should not be allowed to become a reality again.

It would be highly desirable for the republics of the former USSR, which have now proclaimed themselves independent states, to preserve a single currency, not to set up customs barriers among themselves and to preserve the essential features of foreign and defence policy - and that they should be able to maintain central control of their nuclear weapons. This, however, presupposes that we know who is doing what within this embryo Union of Sovereign States.

I shall complete this brief survey of European affairs by speaking about the tragic conflict in Yugoslavia. This is a matter of the greatest urgency. Some people say that it reflects our lack of power. I would reply that it reveals our limitations, but also and most of all the collective madness which results from hatred of anyone who is different, the rejection of ethnic, linguistic or religious diversity. It is also the most blatant illustration of the need to construct a new Europe, for here, on our very doorstep in 1991, is a civil war with thousands of victims, a war between Siamese twins who by wishing to separate are condemning themselves to death. And, to quote the words of Ibn Hassan of Cordoba, the flower of civil war bears no fruit.

And yet the Europe of the Twelve, going well beyond the usual bounds of European Political Cooperation, has spoken with a single voice. And it did this on the basis of very different analyses of the situation and of widely varying traditions of historical alliance.

The Yugoslav conflict is a specific and very difficult challenge to a budding common foreign and security policy.

It is true that this issue has been a source of the greatest frustration to us. But those who condemn the attitude of the Twelve should consider for a moment the positions which the various Member States might have adopted if they had not, after many discussions, decided on a common position. The sending of observers, the peace conference under the chairmanship of Lord Carrington, the numerous missions by the Troika and the imposition of selective sanctions, have, I am convinced, so far avoided the explosion of a full-scale war.

In September the European Parliament held a meeting between the speakers of the parliaments of the Yugoslav republics and the Federal Parliament to enable them to hold discussions among themselves and with the European Parliament. It also gave the floor to Mr Mesic, then nominally President of the Federation.

In addition, we have recently awarded the Sakharov Prize for freedom of thought to Mr Adem Demaci, the writer from Kosovo, who has spent 28 years of his life in prison.

At the same time, in addition to this tragic conflict, which is not the only one, Europe is now discovering the full political, economic, demographic and cultural significance of its Mediterranean neighbours. It must also reply to the applications for accession from Cyprus, Malta and Turkey.

All this shows the central role which must be played by the Community in the restructuring of Europe. We must set up the European Economic Area, draw up

an overall plan for new accessions, give hope to the countries of Central and Eastern Europe, support the integration of the Baltic region, work to assist the Mediterranean countries, prevent the disintegration of the former USSR and curb the trend towards Balkanization. In other words, we must learn the lessons of contemporary history, so that the 21st century does not take us back to the 19th.

Is it possible at this stage to organize a European confederation? It may be, but only if the Europe of the Twelve succeeds in becoming a genuine federation as quickly as possible, and if solutions are found to the problem of the protection of minorities in the context of the CSCE and the Council of Europe. In this way a confederation becomes a realistic possibility and a new framework for Europe may emerge, including a common market whose driving force will be the Europe of the Twelve.

But the Community's responsibilities do not stop at its own doorstep. It is also a centre of attraction for other parts of the world.

THE COMMUNITY AS AN EXAMPLE OF REGIONAL INTEGRATION FOR THE WORLD

I would like to stress the worldwide perception of the Community as a factor in regional integration.

This trend is now on the increase, particularly on the American continent.

This has been the case in Latin America where, after years of dictatorship in most countries, democracy has triumphed bringing with it a desire for regional cooperation. Once again I have been able to see for myself how important our values and our actions have been for those who have been held for long periods in totalitarian prisons. In Chile, for example, I heard the mothers of political prisoners and a number of members of parliament, mostly former prisoners themselves, give a moving expression of their thanks to the Community in general and the European Parliament in particular for their unflinching support.

In all these Latin-American countries, those who are attempting to promote regional cooperation constantly refer to the Community as an institutional model.

The United States has also begun to build bridges with its neighbours, through President George Bush's 'Americas Initiative'. The USA, Canada and Mexico have now at least begun a process of commercial integration.

In Asia, too, the return of democracy has given rise to calls for regional integration.

In Africa, the vicissitudes of totalitarianism are still undermining the process of democratization and thus of regional integration. But efforts are nevertheless being made.

Similarly in the Middle East we are seeing the gradual emergence of a desire for peace which will be realized only by the establishment of multilateral relations.

The Europe of the Twelve is involved in this peace process. Clearly, it is not as closely involved as it would like, but if we are realistic, this reflects the Community's real place in international affairs in the absence of any real common foreign and security policy. Even though the Community was not one of the joint sponsors of the Madrid Conference, it has a leading role to play. Accordingly it seems to me that the venue chosen for the opening of this Conference was highly symbolic: a country in which the three great monotheistic religions once coexisted. This is what is at issue today: rediscovering harmony among peoples and religious creeds. At last, everyone seems to have understood that armed conflict does not lead to peace. Whatever the covert intentions of the parties, an historic threshold was crossed on 30 October 1991. The taboo formed by hatred was broken.

Since its 1980 Venice Declaration, the Community has been working towards a just and lasting peace in the Middle East, on terms with which you are more familiar than anyone. Our institution is also involved in this process and is trying, within the limits of its ability, to help both sides to establish a dialogue. Since September we have received King Hussein of Jordan, Mr Yitzhak Shamir, Prime Minister of Israel, and President Hosni Mubarak. Their presence at European Parliament sittings confirmed that Europe is one of the few places where the parties to the Middle East conflict can all express their views.

It was before the European Parliament that President Mubarak launched the idea of a Mediterranean forum, embracing the whole of Europe and the Middle East, where a dialogue between all parties could take place.

In addition, as the Middle East's major trading partner, the Community is perceived as a model of successful regional integration after centuries of fratricidal wars. I am convinced that Europe will play a very important role in the Middle East once peace has been restored. I was confirmed in this view by what I saw on my official visits five weeks ago. All those to whom I spoke, even the most reluctant, accepted or expressed the wish that Europe should have a fundamental role to play, once multilateral negotiations had been opened, in implementing regional cooperation without which there could be no peace. The issues to which such cooperation could relate include the vital resources of water and energy.

As we have seen, democracy and pluralism are an issue of worldwide importance. Before embarking on the theme of European Union, the importance of which I do not need to explain to you, I should like to quote, as an example of Europe's force as a centre of attraction, the words of King Hussein of Jordan before the European Parliament:

'I was very moved to have the opportunity of speaking, but I was also rather sad. I hope one day, in the not too far distant future, to be able to address an Arab parliament.'

Our Community will only retain its force as a centre of attraction if it embarks resolutely on the road to Union.

EUROPEAN UNION: THE ISSUES AT STAKE IN THE MAASTRICHT EUROPEAN COUNCIL

The stakes at Maastricht are high: no less than the creation of Political Union and Economic and Monetary Union. This is in accordance with the wishes of the Rome European Council of December 1990 which, in its conclusions, confirmed the need for a more democratic and more effective Community. The European Parliament considers that this objective is still valid. This view does not seem to be shared by the Intergovernmental Conferences, which are giving us cause for concern. The Union should be founded on clear principles.

FUNDAMENTAL PRINCIPLES OF THE UNION

First and foremost, the Union must be based on dual legitimacy. This legitimacy is embodied by the European Parliament which, if I may make so bold, reflects the will of the people of Europe, and by the Council of Ministers, which represents the governments deriving from majorities in national general elections. This is the basic premise, in accordance with the constitutional principles of parliamentary democracy. It reflects the democratic organization of both national and Community structures, and provides the logic behind Political Union.

This worries some people, who fear that the balance between these two sources of legitimacy would lead to federalism. It is strange that they should be so afraid of the word 'federal' appearing in the Treaties. Like M. Jourdain in Molière's 'Le Bourgeois Gentilhomme', who spoke in prose without realizing it, they are forgetting that federalism is already practised in the Community in many respects. As early as 1950 the Schuman Declaration which led to the ECSC Treaty, the cornerstone of our history and an integral part of the Treaties, stated that this Treaty would be 'a first step towards a European federation'. The practical method adopted by the founding fathers of the Community was therefore inspired by this federal objective. Since then, it is clear that we have been living in a continuing process of evolution, and practice has shown that federalism is what works in the Community.

Put another way, progress is being made when decisions are taken by qualified majority in the Council and are made subject both to democratic control, through the EP/Council cooperation procedure, and to legal supervision. Moreover, we are making this progress towards Community democracy, by adopting what the English-speaking nations call 'Constitutional Conventions' such as the Constitutional Conventions signed jointly by the European Parliament, the Council and the Commission on budgetary discipline or on combating racism and xenophobia.

At intergovernmental level, on the other hand, things do not work so well. Those who refuse to acknowledge this reality are not afraid of the future but of the present. Anyone who denies the urgent need for progress in democracy is opposed to the effectiveness essential to the proper running of our institutions.

One former Prime Minister said that she need only shake her handbag to stop Europe's march towards federalism. I hope that her successor will not brandish his briefcase to hinder the progress of the Community's history!

At any rate it would have been sad to see the conclave amending the Schuman Declaration simply to remove the word 'federation' as an objective of the Community. Even now, 40 years on, there are still some people urging us to change tack.

Secondly, our Community must structure itself on the principle of subsidiarity. I realize that you have fully discussed this subject.

With this in mind, I should like to quote Wilke and Wallace, who stated that every time a higher level of authority arrogates to itself tasks which could have been perfectly effectively carried out at a lower level by small organizations, it violates the principle of subsidiarity. You may be surprised to hear me refer to this opinion, but in fact it summarizes our approach perfectly: the organization of a natural hierarchy of responsibilities appropriate to local, regional, national and Community levels. It is in the last of these areas that the issues essential to the European Union will be determined.

The Europe of the Twelve does not aim to interfere in everything, to regulate all areas of our fellow citizens' daily lives, or to deprive Member States of powers which they are fully able to exercise. We are not arguing for the abandonment of sovereignty but for a pooling of sovereignty to enable Political Union and Economic and Monetary Union to function. With this in mind we held last week in Strasbourg a conference between the European Parliament and the regions of the European Community.

Finally, the Community must be based on a single Treaty in the interests of unity and cohesion. At the Rome European Councils the Heads of State and Government clearly expressed their wish to ensure the internal and external cohesion of the Community. This is a wish which we, too, share. In the European Parliament's view, the Treaty must be like a tree with many branches. The Union must have legal personality and must include within the same text Community powers, common foreign and security policy, internal security and judicial policy, and Economic and Monetary Union. The unifying element of this system will be its institutional structure.

In other words, we will not be able to build a Community with a unified structure unless its decision-making procedures are essentially identical.

It is on the basis of these principles of dual democratic legitimacy, subsidiarity and the unified structure of the Treaty that we hoped to initiate a dialogue with the members of the Intergovernmental Conferences. To strengthen this dialogue, I took the initiative of proposing interinstitutional conferences. To date we have met 15 times with the ministers of foreign affairs and of economic affairs and finance. Tomorrow we will complete our tour of the capitals during which we will have met all the members of the European Council. This type of interinstitutional meeting is an innovation in the history of the Community: the representatives of the Member States at the highest level and the European Parliament have exchanged their visions of Europe's future freely and openly.

What, then, is the position today?

ECONOMIC AND MONETARY UNION AND POLITICAL UNION: THE PRESENT POSITION

One cannot help observing that with each draft we are moving further and further away from these fundamental principles. What has become of the legal personality of the Union? What of our labyrinthine decision-making system? How are we going to create links between matters dealt with at Community and intergovernmental level? What are the links between Economic and Monetary Union and Political Union?

The Political Union which we are now offered resembles a marriage contract in which the only property held in common is that acquired since the marriage: and of course, in such marriages, divorce becomes much easier!

The European Council's initial intention, however, was quite different. In the Kohl-Mitterrand Declaration at the Rome European Council, our Heads of State and Government expressed their wish to progress along the road of European Union. What has been the practical result of this at the Intergovernmental Conferences?

ECONOMIC AND MONETARY UNION

The completion of the single market is an essential task for the Community in 1992. In the face of the power of the USA and Japan the Community must define an economic strategy which will guarantee economic growth and employment by eliminating all obstacles to the free movement of persons, goods, services and capital.

The Community's impact on economic growth and employment is no longer disputed. Over the past ten years, Europe has created more jobs than the USA and Japan.

In many industries the Community's internal market machinery has already been set up. However, this is by no means enough. We need to take the next step by completing Economic and Monetary Union.

I would like first of all to list the essential features of EMU. A single currency is essential. It will have several advantages, including eliminating transaction costs and the uncertainty of exchange rates, and will represent a saving of 0.5% of the EC's annual GNP, no mean figure when one considers that the elimination of customs barriers represents a saving of 0.25%. The ECU will therefore be both a symbol for our citizens and a spur to our economies.

The ECU will be an everyday symbol of European identity. This, perhaps, is what its detractors dislike about it, claiming that it represents an abandonment of sovereignty. Without going into philosophical discussions, I wonder whether they would prefer a Community based on the Deutschmark to one based on the ECU.

A single currency implies a European Central Bank. We believe that the Central Bank should be independent, provided it is subject to democratic control, which will enable us to check whether the policies followed are compatible with the overall economic and monetary policy goals set out by Parliament and the Council.

In this area, too, all Parliament is requesting is the application of democratic rules. The principle of EP/Council co-decision must prevail for all measures concerning the statutes of the Central Bank, short-term political and economic management and medium-term economic policy guidelines. If there is one area in the draft Treaty in which there are still large gaps, it is that of the EP's powers in relation to EMU. The text is bristling with brackets and inverted commas: they should be replaced by provisions of substance.

As for the steps by which EMU should be achieved, we realize that a degree of flexibility is called for. We would like to see a commitment to an irreversible transition from phase II to phase III. This is why we oppose the principle of opting out, particularly if it becomes more widespread. It is ironic to hear a country claim to defend its sovereignty by asking the other participants in the conference for permission to put an issue twice before its national parliament.

Since last night, we are a little more reassured about the creation of a single currency.

It also seems that the danger of a two-speed Europe has been avoided. However, transitional measures to help countries which cannot accede immediately will have no point if economic and social cohesion becomes the Treaty's poor relation. This cohesion is the link between EMU and Political Union and is thus one of the fundamental elements of European integration. It was included in the preamble to the 1957 Rome Treaty, and has found a place in the Single Act. However, EMU must permit the accent to be placed on the qualitative aspect of cohesion, not purely on its quantitative (financial) aspect.

Social and economic cohesion is thus one of the central elements of European Union since it forms part of both Political Union and Economic and Monetary Union. As we have seen, its aim is to even out economic inequalities by means of a common economic and monetary policy founded on the principles of progressivity and ability to pay.

However, in order for Political Union to acquire its full significance, it needs to have a major social element.

It was with this in mind that the Social Charter was adopted in December 1989. Unfortunately, the fundamental social rights listed there have been only very incompletely implemented - particularly when one considers that the Charter was signed by only 11 Member States. Parliament, together with those concerned with social matters, is convinced of the urgency of including social policy among the areas of Community responsibility. Unless decisions can be taken by qualified majority in the Council, no progress will be made in the achievement of the social Europe or the citizens' Europe. The Maastricht European Council must not leave workers on the fringes of European integration.

We have no shortage of challenges, but we are equal to them. We have shown this on many occasions, particularly on the question of German unification.

The European Parliament enthusiastically welcomed the end of the division of Germany and the German people's decision to restore their national unity, and thereafter monitored closely the practical consequences of this historic decision.

In this context we invited Chancellor Kohl and President Mitterrand to speak to our Assembly in November 1989. We also set up an ad hoc committee to study the effects of German unification, particularly with regard to the application of Community legislation. Briefly, the Community approach made it possible, in spite of the fears expressed by some people, for unification to be carried out successfully in the context of Community integration. This was a great victory for the Community.

The Europe of the Twelve now has 17 million new citizens who are still awaiting the opportunity to vote in a European election. The European Parliament has condemned this state of affairs, for which the Council is chiefly responsible. This brings us to the problem of Political Union.

POLITICAL UNION

There are now 340 million Europeans who need to be convinced of the need for Political Union. It is up to us to make the Community more democratic and more effective by applying the basic principles I referred to earlier.

The first prerequisite for this is the political legitimacy of the Commission. In view of the many criticisms levelled against the Commission for its technocratic, administrative nature and its political irresponsibility, it is essential that the EP be involved in its appointment. This long campaign by Parliament should reach its conclusion at Maastricht. A compromise to this effect has been reached at the Conferences. The appointment of the Commission will take place in two stages: first the nomination of the President, and then the appointment of the other members of the Commission. The members of the Conferences have finally understood that the European Parliament's sole right, to dismiss the whole Commission, was insufficient. The Commission needs democratic legitimacy.

However, the Conference, while courageous, is not foolhardy. There is nothing in the draft Treaty to state that Parliament and the Commission shall have simultaneous five-year terms of office. This is an essential step if the Commission is one day to become a real government, and if the election of Parliament by universal suffrage is to achieve its full significance. So much for the Commission's role.

We hope that our fourth electoral term will be the one which will immediately follow the first genuine European debate on political issues. At Maastricht, at the request of the chairmen of the Christian Democrat, Socialist and Liberal groups at European level, I will propose that the role of the Community confederations of parties be recognized in the Treaties, or at least in the annexes. When this is done, our voters will finally be in a position to make a choice at European level. With this in mind, I have drawn up a proposal to permit the establishment of European electoral lists. Finally, it is important that there should be a single statute for Members of the European Parliament.

Still with a view to the principle of dual legitimacy, there needs to be a framework for relations between Parliament and the Council. This presupposes co-decision making from the moment when the Council has taken its decision by qualified majority - which, in our view, should be in all areas of Community responsibility.

There is all the more justification for Parliament's making this demand since we can show positive results from the cooperation procedure adopted in the Single Act. More than 32% of Parliament's amendments have been adopted by the Council, and these frequently relate to qualitative rather than quantitative aspects.

The two branches of the legislative authority, Parliament and the Council, with the essential assistance of the Commission, have shown that they are able by goodwill and political determination to overcome the gaps and inadequacies in the Treaty.

But it has taken many fruitless debates and much campaigning to have the subject of co-decision even touched upon. Co-decision is now entering the Treaty by the back door. For some it is a taboo subject, for others it is merely an alibi, devoid of substance, but for us it is the essential condition for a democratic Political Union. As long as the two sources of legitimacy, Parliament and Council, do not take decisions jointly, there will be not merely a democratic deficit but a democratic vacuum. How can such essential attributes of sovereignty as economic policy, currency or foreign policy, be dealt with jointly without making co-decision a reality?

I wonder if the Council is not playing at cat and mouse. It is not offering us a true power of co-decision. What we are offered is once again a right of rejection, a negative power in the context of a procedure which is complex to the point of absurdity. Even specialists such as yourselves find it hard to fathom. How will our voters fare? We should explain to them that this so-called negative assent procedure is aimed purely at excluding us from decision-making. The third reading is unacceptable.

It would be so much simpler to establish a parallel between budgetary and legislative procedure. Budgetary power is the essential right of a democratic parliament. I may remind you that budgetary conciliation is not mentioned in the Treaties. It is the result of a long political battle, culminating in a judgment of the Court of Justice, which established peace between the two arms of the budgetary authority. It enabled us to reach an agreement on the financial perspective and to save the Member States and their citizens nearly 40 billion ECU.

It would therefore be possible to transpose this procedure to the legislative field. Once the means of conciliation had been exhausted and their results submitted to a positive vote by both institutions, any legislative act would have to be jointly signed by the President of the Council and the President of the Parliament.

In the same spirit of transparency and simplicity, it is essential that the Council's legislative debates be held in public.

At any event, the system must be put to the test. History shows that the system is fashioned by use. This is particularly so if we apply the unwritten golden rule of inter-institutional relations: Community loyalty. This puts us

under an obligation to each other and compels us to seek the best possible compromise for joint action.

In the interests of democratic legitimacy it is necessary that in constitutional matters, as in those areas where the Council still exceptionally takes decisions unanimously, the assent of Parliament should be required.

Is it possible to take a decision on citizenship, to allocate new areas of responsibility to the Community or to revise the Treaties, without the assent of Parliament?

I shall not say anything further about qualified majority voting in the Council, for this is of the very essence of the integrated Community. Unless it becomes the rule, the Community will be paralysed. Together with co-decision and the appointment of the Commission by the Parliament, it constitutes part of the three-fold basis of the Union.

Furthermore, in order to implement European Union, there is a need for close cooperation between the EP and the national parliaments. I may remind you that since the Single Act came into force, we have held more than 100 working meetings with national parliaments. In addition, I set the wheels in motion for the first Conference of Community Parliaments in Rome in November 1990. The conference's declaration, adopted by a very large majority, stated that the parliaments wished to lay the foundations of a more democratic and more effective Community, in accordance with the principle of subsidiarity. The declaration also stressed their wish to improve national parliaments' control over Community affairs and to grant the EP a right of co-decision in the legislative field. The representatives of the parliaments also expressed their support for the holding of conferences when the discussion of guidelines of vital importance to the Community justifies it, in particular when Intergovernmental Conferences are being held. Here again we have the idea of the institutionalization of a Congress or Conference of Community parliaments. I clearly indicated to the participants in the Conclave that the EP, supported by a majority of national parliaments, will not accept this new institution. It would lead to confusion and would reflect a wish on the part of the Twelve to give precedence to intergovernmental cooperation over Community action.

Will the fourth elections to the European Parliament by direct universal suffrage turn into a new crusade for greater powers for the EP? The main issue of these elections should really be the implementation of European Union. History will not wait for us. It also requires a common foreign and security policy.

FOREIGN AND SECURITY POLICY

In order to bring about European Union, the Intergovernmental Conferences must answer the questions which I have just put. To recapitulate: does the Community want to speak with a single voice in the face of the current upheavals in the world? Does it want a role in the emergence of a multi-regional world? Does it want to defend the democratic values which have made

it a centre of attraction throughout the world? Finally - and everything else depends on this - will the Community choose the option of integration or of dilution?

All these questions presuppose the creation of a common foreign and security policy, an essential instrument of political union. In reply to those who dispute the need for such a policy, I would point to the weight of public opinion, which is often ahead of the political reality of the moment.

Foreign policy, and a fortiori defence policy, constitute together with finance policy one of the pillars of the sovereign power of states. It has always represented an instrument of power, domination, and even conquest, for a state.

Nowadays - fortunately - foreign policy serves the cause of peace. At least, this is the case in our Member States. After centuries of murderous wars, the Europe of the Twelve is at peace. The Community has created an irreversible state of affairs.

Unfortunately, a defence identity has not emerged as a result of the failure of the European Defence Community and the Community's political vocation, although enshrined in the Rome Treaties, has taken concrete shape only in a European political cooperation the effectiveness and limitations of which we have been able to see over the past few weeks! Without legal and institutional instruments, EPC is a form of intergovernmental cooperation, as illustrated by the Fouchet plans.

Today, the communitarization of the Common Foreign and Security Policy (CFSP) is unavoidable, not only because of current events but also because of the state of progress of European integration. Can we be content with being a club of affluent nations incapable of facing up to our international responsibilities?

We are also confronted by the challenge of events in Eastern Europe, the Gulf conflict and the Yugoslav crisis. In the case of the last two, we have shown that common positions were not only fragile but difficult to reach and maintain. Hence the difficulty of agreeing on CFSP within the Intergovernmental Conference. The chaos of the Conclave of the last two days serves only to confirm this.

For its part, the European Parliament aims to prevent CFSP from becoming a mere empty shell. The results of the Conference makes me wonder why we should make things more complicated when we could simplify them. It is in the nature of the issue that common interests must be defined unanimously by the European Council, and implementation decided by qualified majority in the Council. The Commission must have the power of joint initiative, and the EP must participate fully in working out and monitoring the application of this policy. Those who do not wish to see this procedure used should not speak of 'joint action'. They should speak plainly and call for action to remain at intergovernmental level, i.e. at the stage of political cooperation. It is unacceptable to do as one state has done and introduce the pernicious 'Luxembourg compromise' into CFSP - originally the Council did not even dare include it in the Treaties!

In fact the procedural difficulties and those relating to the scope of CFSP conceal both the resistance of some states, which claim to fear a loss of national sovereignty, and disagreements on Europe's defence identity.

However, as we can see, the reshaping of Europe's security is already under way. The framework provided by the Cold War has vanished. NATO is considering restructuring and is even said to be seeking to enhance the political dimension which was at the origin of the Atlantic Alliance.

During the Gulf crisis, the WEU showed the role it could play by coordinating, at least in the initial stages, military operations by Member States.

In Parliament's view, if we want a European defence identity the logic is clear: the WEU should eventually be integrated into the European Union. In the meantime, bridges need to be built between the WEU and the Community and between the WEU and NATO. This, however, raises the question of the nature of the Community's independence in relation to NATO. One proposal has been made by the French, German and Spanish governments and another by the Italians and the British. This led immediately to sides being taken. One thing is for certain: we have the enormous responsibility of providing security for 340 million Europeans whose prosperity has increased, whereas the 240 million Americans who have provided our security hitherto have become less prosperous, in a world in which major resources can be released by disarmament.

In Rome, NATO went so far as to recognize the existence of a European security identity. Thirty years after President Kennedy expressed a wish for a European pillar of the Alliance, this was not before time. Let us now build this pillar!

This is our vision of European union. I have not tried to conceal the difficulties it involves, but I am sure that it is the right way to obtain our citizens' support.

CITIZENSHIP AS THE SOURCE OF ALL LEGITIMACY

This view of a federal-style European Union is one to which the European Parliament has devoted a large proportion of its endeavours and its hopes for most of this first half of the electoral period now drawing to a close. There is one final point, however, which I have not yet discussed because it is the very source of European Union and should be its crowning achievement. I am speaking of European citizenship, which we intend to make the symbol of unification, the sign of belonging to a common future and a shared plan.

The Union not only creates a link between states: it also unites citizens. It is from the citizens, by means of universal suffrage, that our power derives. It is they who delegate to us the part of sovereignty which they hold to make the best use of it, in other words to simplify the everyday life of 340 million Europeans.

To seal this link, we need to give the citizens of the Union their own specific status. This status, based on respect for fundamental human rights, including social rights, should provide them with guarantees as well as imposing obligations. Nor must we forget the third-country nationals legally

resident in the Community. They, too, must be given a common status in all our Member States.

Now, at a time when intolerance is on the increase and we are haunted by the ghosts of the past, it is essential for the Community to embark resolutely on the struggle against racism and xenophobia. In 1986 we signed an inter-institutional declaration to this effect. It is high time that that declaration was transformed into Community measures.

We therefore need to give concrete form to European Union, and to show that the grand theoretical speeches which we sometimes make have not lost all contact with reality. On the contrary: the real meaning of the Union resides above all in freedom of movement, freedom of residence and the freedom to carry on gainful employment.

It also means the right for everyone to vote and stand for election at local and European level in his or her Member State of residence, and the extension of every European citizen's right of petition before the European Parliament.

Finally, it means respect for a very varied European cultural heritage and giving full value to the national and regional diversity which are the wealth of Europe.

As you can see, European citizenship is not just a necessity, it is an urgent necessity. It is the source of all legitimacy and gives meaning to European Union.

The challenge of Maastricht is a genuinely historic one. The European Council must not be allowed to fail. We all hope for its success, but not at any price. Jacques Delors has said that the plan is unambitious. And the European Parliament has declared by a large majority that, if the plan were to remain at the stage of the work achieved in the Intergovernmental Conferences, it would be forced to reject it. But before passing judgment, let us make one final and solemn appeal to the Maastricht European Council.

Let us trust the Heads of State and Government to enable the Europe of the Twelve to live up to its responsibilities.