EXECUTIVE SUMMARY

Summer School

"Europe after the Iraq War"

10-16 August 2003 Mangalia, Romania

organized by
the Luxembourg Institute for European and International Studies
in association with
the Black Sea University Foundation and
the European Cultural Centre, Bucharest

B

Table of contents

- 1) General presentation
- 2) Introduction
- 3) History
- 4) To what extent did the Iraq War have an impact on Europe?
 - a) Division of Europe
 - b) New security challenges
- 5) Europe and the impending enlargement
 - a) Economic issues
 - b) Reforming the institutions
 - c) Limits and ends of Europe
 - d) Europe after 2004
- 6) Conclusion
- 7) Appendix: Revising the draft document establishing a new constitution for Europe
 - a) Preamble, objectives and values
 - b) Institutions
 - c) Policy areas



1) General presentation

In conjunction with the Black Sea University Foundation (BSUF) and the European Cultural Centre (ECC), Bucharest, the Luxembourg Institute for European and International Studies (LIEIS) has been organizing summer courses in Mangalia for the past ten years. This year's summer school, with the title "Europe after the Iraq War", gathered more than forty participants from various backgrounds and was supervised by a team of lecturers. Armand Clesse, Director of the LIEIS, chaired all twelve sessions. The following working document aims to summarize the main topics of the discussions.

2) Introduction

The eastward expansion of the European Union (EU) is undoubtedly one of the most decisive steps taken so far in the European integration process. Becoming possible only after the fall of the "Iron Curtain", it is taking place at a time when a new world order is gradually emerging to replace the Cold War system. The challenge is thus twofold in nature: firstly the EU must brace itself to take on an unprecedented number of new states still struggling to overcome the experience of communism. Secondly, the EU must conceive a post-Cold War role for itself. The summer school organized by LIEIS, BSUF and ECC at the Romanian Black Sea resort town of Mangalia focused on these two issues, with a particular focus on "Europe after the Iraq War". This topical title reflected the idea that America's unilateral war to purge Iraq of Saddam Hussein had further widened the gulf between the cold war allies of the "West" and thus fuelled forces within Europe striving to redefine and ultimately strengthen Europe's position in the world.

3) History

In order to prepare for the debate on the future of Europe, the opening sessions of the summer school referred to the past, namely to the construction of the Europe as we know it today. In the introductory session, A. Clesse reminded the participants that the proponents of European integration in the 1950s could scarcely have imagined the Eastern expansion of the EU scheduled to take place in May 2004. Indeed, even the accession of Portugal and Spain – countries then in the hands of right-wing dictators – would have been difficult for the EU's founding fathers to imagine. It follows that future generations may well be reminded that the architects of an expanded Europe were similarly unable to predict the developments of Europe. A. Clesse did nevertheless venture to make certain observations on the evolution of Europe which are relevant when attempting to anticipate the effects of the current wave of accessions. He explained that past experience has shown that each expansion has increased the heterogeneity of the entity originally set up by continental European neighbors, the majority of whose populations were Catholic. Prof. Coker of the London School of Economics reinterpreted Donald Rumsfeld's controversial distinction between "old" and "new" Europe and used it to describe the different attitudes of early member states whose populations were predominantly Catholic and Protestant. The very European principle of subsidiarity is linked to Catholic doctrine and therefore less comprehensible to, for example, the United Kingdom. At the same time, the legitimacy of foreign intervention in sovereign states (such as former Yugoslavia) is derived from the notion of a trans-national moral order, which is less comprehensible for Catholics. Historical experience suggests not only that religious and cultural heterogeneity makes union difficult but it also shows that more practical problems arise from diverging sizes, economic structures and per capita income of the member states, all of which necessitates reform.

Reforms, however, have been slow. The stalled attempts at making vital changes to the Common Agricultural Policy (CAP) before countries with large agricultural sectors such as Poland join the EU are perhaps the most serious current example of this trend. Moreover, since the process of European integration has focused largely on economic integration and been driven by intergovernmental cooperation rather than through democratic processes, the political and institutional dimensions have generally been found wanting. Mario Hirsch, the editor in chief of "d'Lëtzebuerger Land", expressed disappointment that the planned deepening of the EU has not happened in time for the largest expansion of the EU. Even the constitution, should it be approved and should it resolve at least some of the core issues, risks being outdated by the time ten more countries join.

Thus the way to debate on the future of the EU was paved. The EU, it was agreed, has changed considerably and will continue to do so. The core questions posed throughout the course related to what kind of Europe we can realistically envisage in the context of the EU enlargement and the challenges and opportunities presented by the post-Cold War global context.

4) To what extent did the Iraq War have an impact on Europe?

a) Division of Europe

At the beginning of the seminar A. Clesse raised the question whether the Iraq crisis had a major influence on the EU or whether it had no impact at all on the European integration process. Two different perspectives emerged during the discussion.

On the one hand, the major disagreements between EU member states about how to handle the Iraq problem as well as the inconsistent European positions with regard to US plans to wage war on Saddam Hussein's regime were a major indication for the symptom of "Eurosclerosis". This could, in time, lead to the fragmentation or even disintegration of the European Union. On the other hand, every crisis represents an opportunity for innovative change. Hence, it could also be argued that the crisis over Iraq has been a major event in favor of the process of European integration. At the outset, the Irak crisis certainly had discouraging effects on the ongoing Convention on the Future of Europe and the (slowly but surely) emerging Common Foreign and Security Policy (CFSP). With regard to the treaties, however, the CFSP has not been undermined since the legal provisions of this highly intergovernmental process do not strictly rule out what happened during the European division over Iraq. If the political process has been damaged, this episode merely showed that the intergovernmental way of handling a "common" policy is not efficient.

Two further elements speak in favor of the hypothesis that the process of European integration has been strengthened by the Iraq crisis in the long term. If there was a clear lack of common political will at the intergovernmental level, the European-wide demonstrations and transnational debates might have triggered a growing European consciousness and could, in time, lead to the emergence of a transnational European society. Above and beyond institutions and treaties, the Iraq war has also been a first opportunity for the future member states to get involved in European decision-making – even though they did not do this in a way many of the "older" member states would have expected from them.

These issues lead to discussions on the differences between the "European" and the "US" approaches with regard to international organization. Prof. Coker pointed out that multilateralism is a means to an end for the US (and that they avoid it if there are more efficient means). For the Europeans, multilateralism is a means by itself. In this light, it seems as if the US and its allies cared less about the negative effects of their means (war) than the end (regime change) whilst some EU members had a more legalist and moral position toward making pre-emptive war against a dictatorship.

b) New security challenges

Another topic raised was the transformation of security-related issues in international relations. After 11 September 2001 it has become tricky to address security issues and threats in a geopolitical way since the notions of "inside" and "outside" are increasingly blurred. In the same way, warfare has radically changed. Prof. Coker highlighted the fact that the despecialization of security implies that non-state actors increasingly challenge the idea that international security is mainly related to inter-state struggles. However, states remain the only insurance against "terrorism" since no private insurance is to "enter this market" and cover such contingencies.

Whereas, at first sight, the "have-nots" now target the "haves", it also appears that fundamentalist, religious actors (i.e. Al-Qaeda) and other groups labeled as terrorists are often mobilized by western-educated, rich actors with rather utopian political goals (i.e. a global Oumma). The mobilization of frequently uneducated civilians for terrorist actions, the uneven effects of globalization and fast-traveling ideas through mass media and the internet imply that security problems cannot be fought in traditional ways any longer. In this sense, simplistic scenarios where the poor fight the rich (or vice versa) or civilizations would clash do not explain much anymore since the world has become much more complex. However, the so-called "terrorists" do attain their goals of destroying Western societies when these react to their violence by restricting the fundamental rights they are built upon. Hence, it rather seems that the "war against terrorism" is a war between reactionary groups to the detriment of human dignity.

Two different, but probably complementary, perspectives dominated the seminar with regard to the question on how to tackle the issue of terrorism. On the one hand, it was argued that we should focus on the root causes of terrorism and solve the problem in a preventive manner, for instance by increasing human security and reducing the development gap between the different regions of the world. On the other hand, some maintained that it was equally important to fight terrorists directly, since organizations like Al-Qaeda neither have any realistic demands or goals nor negotiate with their declared enemy.

A. Clesse wondered whether the perceived threat, which emanates from terrorism, is not largely overestimated and if one really should deal with these problems in the way the Bush administration does. Are the recent terrorist attacks mere epiphenomena or worth making a case for military action all over the world? To what extent do politicians distinguish between perceived threats emanating from states on the one hand and from transnational groups on the other hand?

Indeed, it appears that in a post-Cold War world, security issues can no longer be narrowly defined in a military sense, but have to be seen in a broader, all-inclusive way. As Prof. Coker pointed out, managing international security today is less about "world order" as it used to be during the "Cold" War than about managing insecurity. As the threats and security challenges have become more diffuse, international organizations have to adapt themselves radically. However, this international insecurity stems from multiple forms of violence, which cannot be reduced to terrorism or so-called rogue states. Indeed, environmental and health issues are, for example, equally important issues to tackle in the quest for a more peaceful world. One other issue to tackle new security issues is knowledge and the distribution of knowledge. At the end of the day (or at the end of the seminar) it is hard to tell whether one should be optimistic or pessimistic about the future. But this would certainly be the wrong question to wonder about since the radical change of international relations and the transformation/acceleration of the process of European integration since the end of the 1980s have brought about many opportunities for change, a growing awareness of global interdependence, but also a few dark sides.

5) Europe and the impending enlargement

a) Economic issues

The economic discussions were primarily led by Gerhard Michael Ambrosi, Professor of European Economic Policy at the University of Trier. During the introductory session, it was already stated that economic integration had been far more successful than political integration of the EU member states. This can be seen as a direct result of Jean Monnet's functional approach to European integration: by integrating the economies of the member states, especially those of France and Germany, one could expect a spill-over effect from areas of "low politics" to those of "high politics". The participants agreed that through the European Economic and Monetary Union, the Community had already reached a very high level of economic integration, possibly the highest level that it could ever achieve.

The economic challenges of the impending enlargement were largely discussed within Prof. Ambrosi's working group. The fears that were expressed depended both on personal views and, of course, on the geographical origin of the various participants. Thus the Eastern European participants saw the big challenge of the enlargement primarily in terms of capital: would Romania be able to compete with economies in which capital was much more abundant and capital accumulation much faster? This concern was mainly connected to the fact that Romanian agriculture is composed of a large number of small farmers who do not possess much capital and can only produce small amounts of agricultural products according to obsolete production processes. The other view was exposed by the Western European students in terms of labor and not in terms of capital: if the EU, by enlarging its borders, integrates economies where labor costs are so much lower than in the West, how will the incumbent states be able to compete? In the end, the question had to remain open, as it is not possible to predict which part of Europe would have higher levels of productivity.

Additionally, it was argued that the integration of the economies of the future member states would provide an unprecedented challenge for the EU economy as a whole. While the Union has had some experience integrating weaker economies, such as those of Spain, Portugal and Greece, it has not yet have had to cope with the integration of so many economies with such varying levels of growth, per capita income and productivity.

An optimistic conclusion was drawn concerning entry into EMU. Even if many new member states were not able to adopt the euro immediately following their entry, it was felt that they would be strongly encouraged to tie their own currency to the euro so as to establish a higher degree of economic stability.



Another challenge that the participants identified as very important was the necessity of the European Union to reduce the wealth gap between richer and poorer regions. One way to accomplish this traditional aim of European integration is to establish a coherent regional and social policy. The participants were reminded that this might take a long time, particularly with the financial funds going only in one direction for a few more years. In fact, the new member states are required to contribute to the EU's budget, without expecting any return until 2006 when some of the structural, regional and agricultural funds will be available to the new member states.

The problem of immigration was not addressed in significant detail, probably because this issue does not represent a fear in the minds of Eastern Europeans. It was mentioned that economic studies did not see the free movement of labor as a very important issue, because the projections that had been made showed that the migration figures would probably be much lower than the ones politicians have put forward with view to stall the European integration movement.

b) Reforming the institutions

The institutional aspects of an enlarged Europe were primarily discussed by M. Hirsch within his working group. It was stressed that the new institutional arrangements made before the accession of the member states would certainly not be significant enough to make the EU work more effectively. Thus the discussions were primarily concerned with necessary further changes to the institutional framework of the EU, rather than concentrating on what had already been done. In the first session concerning the reform of the institutions the participants decided on the topics that should be discussed within the group. These would be:

The integration of national parliaments into the European decision-making process.

M. Hirsch explicated the new propositions in the draft constitutional treaty that provide for a stronger role of national parliaments, which are to be implemented as the guardians of the principle of subsidiarity. He also pointed out the fact that 1/3 of the population can oblige European decision-makers to reconsider a legislative project.

The students considered the provisions of the draft Constitutional treaty to be a major breakthrough, but questioned whether they were sufficient. Along this line they also discussed the fact that national parliaments can only take an active role in the ratification of fundamental treaties and the implementation of directives into national law.

Voting arrangements within the EU

The participants discussed how the contemporary voting arrangements within the EU are mainly based on the population of the member states and how the EU comes under pressure with the forthcoming enlargement. In the process of integrating the new member states, these arrangements should be reconfigured according to genuine power, including economic power and contributions to European social and cultural life.

1. Composition of the Commission

Concerning the Commission, M. Hirsch also informed his group about the provisions of the draft Constitutional Treaty that provides for a Commission of 15 members with full voting rights and a representation of the other member states through commissioners without actual tasks or actual influence in the decision-making process. It was decided that one principal



competence of the Commission is to work out proposals to be submitted to the Council of Ministers.

2. Division of powers

The participants decided that a major aim of their "Constitution" should be a clear division of powers between the executive and the legislative. A problem in achieving this aim was the weak position and reputation of the European Parliament.

After defining the main aims, the group came up with four concrete proposals:

- 1. The Commission should be reduced to a body of 5-6 members with a supporting institution in which all 25 members should be represented. Additionally, the links between the Commission and the Council of Ministers should be strengthened.
- 2. The EU should have the right to raise taxes on its own and the contributions from national states to the EU should be raised from 1.28 to 3 %, to provide for a more flexible implementation of EU policies.
- 3. The Court of Justice should become a constitutional court for the EU with the powers to control human and civil rights in the EU as well as the accordance of the CFSP and the common internal policy with the provisions of the constitutions.
- 4. It was also decided that the Court of Justice should have the power to decide if bilateral treaties of the member states are in accordance with the European Constitution.

The afternoon session was steered by the coordinators that had been nominated in the morning. In this session the participants tried to come up with concrete proposals concerning important questions of the institutional framework of the EU, including the question of presidency, the composition and powers of the parliament and the role of the Council of Ministers. During the session, a good inclusion of the participants was achieved, with almost everyone participating and contributing to the final proposal. It was interesting that most of the participants came from Romania and worked for the very first time on questions concerning the institutions of the European Union.

The following points were discussed:

1. The European President

- There should be only one president who is, at the same time, the head of the Commission. With this arrangement, the president is the head of the European government and at the same time its highest representative.
- The President should be elected by the Parliament. Candidates for the presidency should be proposed by the European parties.
- The President nominates every member of the Commission. Each member must be confirmed by the Parliament.

2. The European Parliament

- The Parliament should have the power to dismiss the Commission with a 2/3 majority. The Commission can appeal against the dismissal at the Court of Justice.
- The Parliament should have the power to enact EU laws and the right to approve the judges of the Court of Justice.



The budget of the European Union should be approved by the Parliament.

3. Division of powers between the EU and the member states

- Every issue that can be treated at its best on the European level should be resolved on this level (subsidiarity).
- At a minimum such issues that have an external aspect should be treated on the level of the Union. This includes CFSP, defense policy and foreign trade policy.

4. The Council of Ministers

- The Council of Ministers should become a merely consultative body.
- The Council should have the right to propose bills to the Parliament.

With this quite revolutionary approach, the summer school students hoped to solve some of the fundamental problems of the EU, including the democracy deficit and the lack of clear division of powers (a complete summary of their work can be found in the appendix).

c) Limits and ends of Europe

The session on the limits and ends of Europe proved to be highly abstract and somewhat general, as the EU itself has never defined its own identity or its nature. A. Clesse started the session by raising a number of questions: What are the limits of Europe, what could they be and what should they be? Where will Europe stop if there are no definite limits? What will happen to Russia and the states that composed former Yugoslavia? A. Clesse went on to analyze the case of Russia as a case in point: some say that if the EU agreed to integrate Russia, it could risk an "indigestion", since Russia is too large and in part belongs to Asia. If the EU integrated Russia, the intrinsic nature of the Union would totally change. He further stressed the fact that to define the limits of Europe we would need more flexibility, and more integration between countries. On what criteria can we base our definition of belonging to the European Union: political stability, political utility, or economic advantages? But, more specifically, we would need to define the ends and the goals of Europe. Only in so doing would we be able to agree on the limits of Europe. In the end it comes to answering the question: what is Europe trying to build?

After A. Clesse's intervention, Prof. Coker carried on along the same lines. Invoking Jean Monnet, he insisted on the fact that Europe had not decided on its own purpose yet. Prof. Coker recalled that the founding father of the EU had stated that if he had to start the process all over again, he would make sure that a definite idea about what Europe should look like should be defined beforehand. Prof. Coker also referred to other positions in order to set out the framework of the discussion. For Hegel, for instance, the idea to reintegrate Eastern Europe is much more than just an economic idea. Prof. Coker explained how the age-old division of Europe went far beyond the coming of the Iron Curtain in the late 1940s. From the time of the Enlightenment Eastern Europe was excised from the West European imagination: Hegel even described the Slavs as a "people without history" because they had not shared in the history of Western Europe: in the Enlightenment and the industrial revolution.

For Gerhard Schröder, the idea of Europe is to build a human Europe. Europe is moving towards a Europe of law, building up a European citizenship, so it could integrate Turkey or Morocco. In his conclusion, Prof. Coker emphasized the importance of values in the European construction. Afterwards, A. Clesse raised the important question whether the idea of Europe was now obsolete. Would Europe still be compatible with what was once planned? According to his views, we would need a new idea of Europe, a more modern one that could respond to the needs of the future member states.

The session ended with a round-table discussion in which the opinions of all the participants concerning the limits and ends of Europe were canvassed. To summarize, one could say that the opinions focused on the need for geographical limits. More precisely, the Western European students raised the fears of a lack of political coherence at the European level, the creation of a two-speed Europe, and the inability to have a strong political influence on the international stage if the EU extended its borders even more. Another interesting opinion put forward by a Romanian participant argued that the cultural differences should be the major factor to define the geographical limits, in reference to Samuel Huntington's thesis of a "Clash of the Civilizations". However, not all participants agreed with the idea of geographical limits to define the EU. One student argued that the decision to accept the entry of a candidate state should only be subject to its economic performances. Even the idea that Europe should not have limits at all was supported by one of the participants. Why could Turkey not be part of Europe in that case? As long as a country accepted the common values of democracy and freedom cherished by the EU it should be able to integrate the Union.

d) Europe after 2004

At the beginning of the discussion concerning "Europe after 2004", Prof. Coker proposed an analogy between the Roman Empire and the expanding EU. He argued that the post-modern benign European empire is attracting new member states for three reasons. Firstly, every "free" European can expect to be part of it and obtain European citizenship. Secondly, just as the Roman Empire, the EU also is a big market. Thirdly, EU membership offers the prospect to live under the rule of law – a Roman and European obsession.

While he noted that the disappearing of empires are among the most painful moments in human history, Prof. Coker also drew attention to the fact that benign empires like the EU have a tendency to promote their experience of transnational integration and that, from their point of view, they aim to bring happiness to those places they are expanding to.

This raises the question whether everybody wants this happiness which "we good Europeans" (Nietzsche) want to deliver to the rest of the world. How far the EU itself will have to adapt and change way beyond institutional reform. However, the notion of "empire" has also been put into question to explain European integration. How should we qualify the European process of integration? Is it an empire, a federation, an original mode of governance, and what will it look like after 2004?

These issues led to the question where we should locate European decision-making in the future. This problem was discussed from two different angles. From a "geopolitical" point of view, M. Hirsch pointed out that the Franco-German axis would probably remain very important as far as the deepening of the process of European integration is concerned. A. Clesse noted that in the future the EU was going to be composed of a higher number of small member states than ever before. From an institutional angle, M. Hirsch pointed out that an upgraded European Council would probably become the most powerful body in the EU's political system. Prof. Ambrosi reminded us, however, that the Commission still has its monopoly for proposals with regard to the EU law. Consequently, it looks as if we are confronted with three different scenarios "after 2004" which are not necessarily mutually exclusive. One scenario would be a "directoire" of big member states in a configuration opposing big and small member states. This would be a probable scenario when it comes to treaty changes for instance, but it is less likely for everyday EU decision-making. Possibly,

we could also witness increasingly issue-related coalitions no matter the size of the respective countries. This would be a likely scenario as it comes to voting in the Council of Ministers. Of course one should not forget the role of the Commission and the Parliament. A third scenario would be the emergence of a highly differentiated and fragmented polity in which multiple centres of power overlap and interact.

6) Conclusion

This year's summer school proved to be very successful thanks to the interesting interaction of Western European and Eastern European participants. Worth of mentioning also is the team of extraordinarily competent professors coming from different horizons who gave us a global perspective on European issues. Thanks to the inspiring location that gave way to hot debates and revolutionary thoughts, we woke up the spirit of Vama Veche. Salvate Vama Veche!

7) Appendix: Revising the draft treaty establishing a new constitution for Europe

a) Preamble, objectives and values

The workgroup directed by Prof. Coker scrutinized the preamble, values and objectives set out in the draft constitution. Its goal was to propose an improved preamble for the constitution incorporating aspirations of the participants. Needless to say it was easier to criticize than to manage to draft a text that satisfied all. Only Florin Lupescu, advisor to the Romanian President, succeeded in drafting a preamble in the limited time available. His suggestion while very clear and evidently well thought-out, was not acceptable to all members of the group. While the group did not produce a text as a whole and one member ventured to ask whether Europe actually needs a constitution, the experience exposed participants to the problems faced by a constituent assembly. The key obstacle was the different visions of Europe harbored by the participants. Without a shared vision, the draft could only represent a condensed version of the combined treaties and laws already in existence.

On the other hand, there was much criticism of the draft produced in June 2003 by the European Convention. The constitution was considered too long by most participants. Such a text could prove inflexible. Moreover, the way in which the text was generated – "a treaty establishing a constitution for Europe" – was questioned. Indeed the quote on democracy by Thucydides, a 5th century BC historian who wrote most famously about the Peloponnesian wars, was considered unsuitable. The fact that Thucydides – a general aged 30, who exercised considerable political influence – should make us wary of integrating his ideas on democracy into our constitution. Indeed, the conception of European history as it is portrayed in the preamble was severely criticized. This extremely flowery text contains a somewhat Hegelian idea of history. It suggests that Europe has been, "since the first ages of mankind" on "a path of civilization, progress and prosperity". This struck many participants as overly simplistic and unnecessary. The first line of the preamble – "conscious that Europe is a continent" – moreover suggests a geographical limit to the European integration process. Furthermore, its emphasis on shared values was considered by some workgroup participants as being overly restrictive. Indeed, some participants drew heavily on an earlier intervention by Prof. Coker,



in particular his distinction between nation states and trans-national states, the latter being states in which the state does not coincide with the nation and instead relies on the rule of law acting as a moderator between different groups.

Continuing with the objectives and values, the workgroup identified many contradictions in the text. A good example is article 3.3 within which the economic objectives of the union are laid out. In this section of the text all possible economic aims are laid out regardless of compatibility. Competitiveness, balanced economic growth and social progress are some of the key-words included.

From these observations it may be concluded that designing a constitution acceptable to all is impossible and that drafting a constitution for Europe implies finding a near impossible compromise of a plethora of ideas from fifteen member states. Realistically one can thus only expect a document vague and similar in content to past treaties and not the blueprint of Europe individuals hope for. While it is possible to debate the necessity of such a constitution, now that the process has been launched we have little choice in the matter.

b) **Institutions**

The aim of the working group was to develop a strong Europe that would be able to become a major actor on the international scene. We therefore opted for a federalist, national state model for the institutional framework of the EU. We also agreed that the Parliament should become a more important institution within the EU and that there should be a clear division of powers between the executive and the legislative.

I. Voting procedures

Shall be rearranged along the lines of real power, including economic power and contributions to European culture. These changes are necessary, especially because of the inclusion of the new members.

II. The Parliament

- The Parliament elects the President of Europe. First voting round: 2/3, second round: simple majority.
- There is only one President because of the following reasons:
 - o strong representation of the Union
 - o better cooperation between the European Council and Commission
 - o a stronger role for the Parliament.
- The candidates for Presidency are proposed by the European Parties. The members of the Commission are nominated by the President and elected by the Parliament.

Powers of the Parliament:

- can dismiss the Commission with a QMV. The Commission can appeal to the Court of Justice
- o is responsible for every law on the level of the Union and must approve the budget of the Commission



o the Union Parliament is responsible for every policy that can best be performed on this level (e.g. foreign policy, the defense policy, foreign trade policy).

III. The Council of Ministers

- Should remain as a consultative body with the right to initiate bills.

IV. The European Court of Justice

- Competence to control the fundamental rights granted to European citizens in the Constitutional treaties.
- Controls the accordance of political acts of the Union and the bilateral treaties of the member states with the Constitution, if called to do so.
- European law enforcement, EUROPOL and EUROJUST, should get more competences, more personnel and more financial resources

V. The European Commission

- The Commission is reduced to 5-6 members with full voting rights, instead of 15 members.
- The Commission should also have an underbody with all 25/27 members. A more politicized role for the Commission as the future European "government" is envisaged.
- The aim of the Commission should be the drafting of proposals for bills and the implementation of European policies.

c) Policy areas

Prof. Ambrosi's working group was assigned the task of reforming the economic and social policies of the European Union in the light of the draft document establishing the new Constitution.

<u>Common Agricultural Policy</u>: New proposals to reform the CAP included the establishment of an agricultural agency, the European Food and Drug Administration. Its aim would be to promote biodiversity, to control food safety and to strengthen the environment through new agricultural policies.

<u>Social Policy</u>: The proposals concerning the reform of social policy stressed the need to enhance redistributional aspects on the regional level. For instance employers who receive state aid should be forced to redistribute among their workers some of the extra profits obtained through Community aid. One possible means of doing this is by having profit-sharing schemes with their workers. There is a multitude of profit-sharing schemes in the West and one could take some of them as model for the present proposal. The purpose of this proposal is to increase the regional "trickle-down" effect coming from Community aid.

Monetary Policy: Three problems were identified in the actual monetary policy of the European Union. a) monetary policy is a "one-size-fits-all" policy, b) the sole aim of the ECB is to guarantee "price stability". What about employment? c) The ECB lacks transparency and is not accountable to any other EU body. After discussing these three points, the participants came to the conclusion that reforming the monetary policy would mean, in a sense, destroying



any progress that had been accomplished in economic terms so far. Thus, it was concluded that this specific policy was not a fertile ground for any revolutionary ideas.

<u>Fiscal Policy</u>: The working group proposed that the EU adopt more than just a coordinated fiscal policy, namely a truly unified fiscal policy, in order to regulate economic activity on the European level more efficiently.

Camille Dansette Karen Giffaut Michael Sander Laurent Scheeck Caroline Thomas