

# Between Nation and world, reconnecting with the urge for Europe

Abstract, symposium "Notre Europe Tomorrow"

18 November 2006 The Senate, Paris

*"The EU must reassert the trade-off or else we must stand ready to fall back behind the borders of the Nation- State", Pascal Lamy warned as he closed the "Notre Europe tomorrow" symposium organised on 18 November at the French Senate House in partnership with Le Nouvel Observateur-Challenges.*

Arguing that the latter option is neither possible nor desirable, **Pascal Lamy, Director-General of the World Trade Organisation (WTO) and Honorary President of Notre Europe** proposed: *"The European project is still relevant but is hampered by a definition issue, between two visions. On the one hand, the vision of a Europe seeking to protect herself from globalisation, on the other, a European construction adjusted to globalisation thus (intending) more regulation".* With this, he brought to a close the debate that had gathered at the Senat European figures from the political, economic and trade-union stage, there to ponder the future of the European Union.

*"A trade-off is feasible, and essential if we are to matter, for globalisation is neither to be stopped nor to be taken lying down," Pascal Lamy went on. "It is to be taken in hand so that its benefits can be had and its faults corrected. This is not just an internal debate: the rest of the world is watching us. If Europe says 'protection', it is a signal for developing countries. This issue must be debated and a compromise reached. The points on which we are in agreement must be identified, as well as the countries in agreement to mark out a zone."*

## >The European Union in crisis.

Speakers pointed out that the "Period of reflection" resulting from the French and Dutch rejection of the Constitutional Treaty is over and that time has come to define EU priorities. **Etienne Davignon, Minister of State and former Vice-President of the European Commission** called for the resumption of the debate: *"Has Europe ceased? The answer is no. Is it losing some of its significance? The answer is yes. The current crisis is acute when bereft of debate."* He further expressed his surprise at the fact that *"rescue today rests with UE Presidencies: It is not for the Presidency to make alternative proposals"*. He went on to deplore *"Europe's educational dearth regarding schools, which have not been given the tools to speak of Europe"* and urged the promotion of students' mobility, in particular through the injection of funds into the Erasmus Programme.

**Guy Verhofstadt, the Belgian Prime Minister**, stressed that *"the constitution was not to be built bottom up but top down. The text was rejected for what it was lacking and reflection must bear on what needs adding"*.

**Jacques Santer, former President of the European Commission**, protested: *"People forget Europe is a success story<sup>1</sup> and has known the longest period of peace in its history."* He noted *"young people's passivity"*, not that they are *"anti-European but they don't feel the need to fight for a thing"* and confessed himself *"disappointed that enlargement had not given the European construction a fresh breath, had not brought it home that we have a unique chance to unify our continent in peace and freedom."* Other speakers highlighted the importance of reengaging younger generations.

## >Reform to meet globalisation head-on

A number of speakers sighted the necessity of reforms in Europe in order to face up to globalisation. For **Peter Medgyessy, ambassador extraordinary and plenipotentiary, and former Prime Minister of the Republic of Hungary**, *"Europe is falling behind. The constitutional crisis is superficial, the deep crisis is to be found in lack of competitiveness, flexibility, mobility and reforms as against China, India and the USA"*.

As for **Nicole Notat, President of Vigeo**, she reckoned that *"it is very French to be pondering whether Europe is the right or the wrong answer. Many political parties have not updated their political stance and have not given any thought to what instruments could be useful to face up to globalisation. The cultural shift needed to understand the world as it stands and the better to construct real action capabilities has not taken place."*

---

<sup>1</sup> In English in the original

## >Provide the EU with economic and social governance

**Guy Verhofstadt** set forth his project for the creation of the United States of Europe: *"In 2008/9, the mid-term review for the European budget will take place, for which an allocation of 'own resources' has been provided. In the United States, the federal budget represents 20% of the GDP whereas in the EU, it represents only 1%. Even Tony Blair acknowledges the necessity of own resources."* He was glad that *"France had aligned herself with the small number of countries ready to create these own resources for the EU"* and went into details: *"Internal community taxes must be created and labour taxation must be shifted towards consumption taxation, and more specifically an eco-tax. This means we can export our goods rather than our jobs. We need a socio-economic governance and a convergence policy like for the Stability Pact with minimum values – to avoid social dumping, and maximum values – to make European economy competitive. If this cannot be achieved with 25 or 27 countries, then we must create the United States of Europe at least within the eurozone."*

**Peter Medgyessy** added: *"Groups should be created, e.g. on the basis of the eurozone and left open to those who are able to join them, and mechanisms found to motivate countries to join them. Europe will not come of age for all 27 members at once because of huge differences in development: this is not nice to the newcomers but it can't be helped"*

**Josep Borell** reminded the participants that a proposal for social and economic governance, as set forth by Guy Verhofstadt *"had been thrown into the pot during the proceedings of elaboration of the constitution and unanimously rejected"*. **Emilio Gabaglio, former Secretary General of the European Trade Union Confederation**, also voiced his disappointment at *"the difficulty to advance reflection on a Social Europe at the European Convention"*.

## >Get social systems to converge

**Poul Rasmussen, President of the Party of European Socialists (PSE)**, introduced the PSE's *"New Social Europe"* project. *"The peoples' sense of dread stems from a lack of political leadership. Europe has not come up with a clear path between social market economy and market society. We need a coherent road map for a massive reform modernising the social protection systems. We are not talking of harmonising social policies but of transforming them, taking differences into account towards a common goal. To this end, life long learning, flexibility and social security during the transition periods must be linked."*

These proposals to *"reconnect, between world and nation, with the urge for Europe"* followed from an analysis provided by six witnesses from the founding countries of the European Union who recalled the many crises Europe has known in the past, and successfully overcome. The current crises, all speakers agreed, is both real and more serious than past crises because it threatens to undo what has been achieved, but it is also an opportunity to reconstruct a project driving future developments.