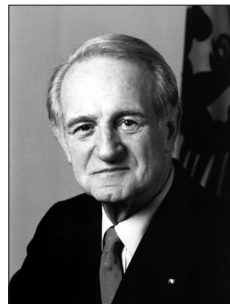


# A Constitution for Europe

## Johannes Rau



I don't know if anyone has ever worked out how large the total assets of the banks are which are represented here today. It is beyond doubt an impressive figure which just goes to show that there are people gathered here who have influence and can actually effect change.

European integration needs impulses. It needs impulses and it needs the active involvement of all those people who can and want to help shape Europe. Banks play an important role in the economic process of all states and so play an important role in the process of European integration.

I am glad that you come together here in Frankfurt each year to discuss European subjects. Banks have influence and they have power and since they have both, they also bear social responsibility way beyond their responsibilities to their employees, customers and shareholders.

I do not want to talk to you today about money, although there would certainly be much to say about it, particularly in the context of Europe, but I have the impression that public criticism of the euro has weakened considerably. Naturally, most of us will continue to convert euros into deutschmarks and vice-versa in our heads for a long time to come whenever we go shopping, but even that will soon give way. Seen economically, the common European currency was, all in all, a good, sensible and correct step.

Another matter I do not wish to go into here is the European Stability Pact and the discussion going on about it at the present time. What I would like to talk about is the political future of Europe.

In two weeks' time, at its summit in Copenhagen, the European Union will, in all probability, decide to enlarge itself by eight central and eastern European countries and also Malta and Cyprus. In the coming year, a decision will also be made on a European constitution based on the results of the European Convention. We are currently witnessing what must be the most decisive phase in European cooperation since the 1950s.

Then, it was a matter of securing peace and stability for a Europe ravaged by war and of creating new prosperity. Today, now that we have overcome the division of Europe, it is a question of those people who were not able to decide their own fate during the Cold War era now being able to enjoy the benefits of European cooperation. At the same time, we must reform the legal and political structures of the European Union so

that an enlarged community of more than twenty-five states can retain its capacity to act, internally as well as externally.

Globalization poses major challenges for the European states. No individual European country can deal with them alone. It is only together that we Europeans can react to the globalization of trade and financial flows. It is true that no other region in the world is so well prepared for globalization as the European Union. And in no other region of the world do countries work so closely together. And yet it is only if we intensify our cooperation that we will be able to exploit to Europe's advantage the opportunities offered by globalization. That is what we have to do now!

Previously we debated the alternatives "enlargement or deepening". Today that is no longer the question. We must do both, simultaneously. This is an extraordinarily difficult task. Nevertheless, I am convinced that we can manage it. However, limits to both enlargement and deepening will become apparent that were not yet an issue for the founding fathers of European cooperation. Today, we must ask ourselves the following questions:

- How far should the European Union be enlarged?
- How should we allocate the various responsibilities so that they can both be fulfilled efficiently and controlled democratically?

Each of these questions deserves to be discussed more deeply than my talk today will allow. I therefore wish to say only this: on no account can there be another big enlargement round. And as for the question of the division of competences, we need to find a solution today. On no account should we have to hold a new convention or a new intergovernmental conference to reform the European treaties every few years. What we need is a permanent framework that provides confidence and certainty. I agree with Valéry Giscard d'Estaing, the President of the European Convention, that once they are implemented, the results of the Convention must shape the European Union for many years to come.

A few weeks ago the Convention presented its first draft, or rather, a framework, for a European constitution, which seems to me to be an excellent basis for the concluding consultations. It is a good thing that concrete proposals are now being discussed.

Today, I wish to take up a few questions that are raised by the current debate. First, the familiar question about the finality of European cooperation: what is the European Union going to be in the future?

First of all, I am convinced that the European Union will not become a federal state, at least not at any time in the foreseeable future. Here again, I am in agreement with Valéry Giscard d'Estaing, who does not wish to talk of a United States of Europe, but of a United Europe. Of course, we will have to find a name that is appropriate to the particular nature of European cooperation. The European Union is without parallel in history and in the world today. Countries collaborate in it voluntarily and on equal terms while ceding some of their sovereignty. I, therefore, like to refer to it as a federation of nation-states.

We need clear rules for such a federation of nation-states of twenty-five and more sovereign member states to function. For me, the question of whether the term constitu-

tion is appropriate for it is of merely academic interest. Call it, if you will, a “constitutional treaty“ or a single treaty resembling a constitution as Prime Minister Paavo Lipponen of Finland recently suggested. Whatever the case, it will have to be an international agreement that sets out the rights and obligations of the member states, the common institutions and their responsibilities and a charter of fundamental rights which can be invoked by the citizens of the Union. It is therefore a question of an agreement that shows how the “United Europe“ is constituted. A European constitution of this kind can and will have the effect of conferring an identity.

One obstacle to a “United Europe“ which is raised from time to time is that there is no European nation. But is it not gradually emerging at the same pace as Europe is growing together? Europe's citizens have a common currency, they vote in joint elections and European public opinion is emerging not just as a result of the way the media does its reporting. Among all the diversity there is also an awareness of the European identity. It is the result – paradoxically – of cultural similarities and political conflicts that have been overcome. The nations are part of this identity. The historian Hermann Heimpel put it this way: “The fact that there are nations is, historically speaking, what makes Europe European“.

Like the European currency, a European constitution can contribute to a common European awareness. If the complicated regulatory framework of the treaties from Rome to Nice are summarized in a clearly structured European constitution and if the European Union receives its own legal personality, then European cooperation will be more easily comprehensible. We all know how important transparency and openness are if the people are to be won over to a greater degree of common European action. After all, it is the concern that decisions cannot be understood or influenced that is at the root of many people's euroscepticism.

In my eyes, therefore, transparency and openness represent a very important first requirement for a European constitution.

Allow me to spell out three further expectations for a European constitution:

I expect the European Charter of Fundamental Rights to be included in a future constitution. It sets out a binding framework for the European institutions and also stipulates the areas in which the member states must implement and apply European law. It thus protects the liberties of its citizens. It also shows that the goals of the European Union are more than just safeguarding the prosperity of its citizens and advocating peaceful coexistence worldwide. I am pleased that on this question there is a far-reaching consensus in the Convention.

My second expectation concerns the division of tasks between the European Union and the member states. Obviously, there is much that has to be dealt with at the European level. The single market, for example, can only work if it is based on common rules. However, there is much that is better off in the hands of the member states, for example, in the fields of education and culture. Citizens must be able to see clearly who is responsible for what. Then perhaps the game of passing the buck that some are so fond of playing in Europe will also stop.

Naturally, a division of responsibilities that has been agreed on once is not set in stone forever. Yet everything must be based on the principle that tasks must be dealt with at the level at which they provide the best results in the eyes of the citizens.

My third expectation is that we should also strengthen the Union's democratic legitimacy. This would contribute to the credibility and transparency of European cooperation. Wherever political power is exercised, it must also be democratically legitimized. For this reason the European Parliament should participate on equal terms in the legislative process in the European Union. The European Parliament should also have full budgetary powers rather than the limited ones it has now.

In any case, it would seem sensible to me to create a second chamber of the European Parliament, to be formed from the Council of Ministers. Moreover, the work of the Council of Ministers could be divided into a legislative part with open sessions and – as has been the case until now – a closed part in which, among other things, questions of foreign and security policy would be discussed.

The issue of democratic legitimacy also plays a role in the question of the way the European Union is represented abroad. Improvement in this must not result in the weakening of the internal institutions of the Union. I therefore advocate strengthening the role of the Commission and enhancing the legitimacy of its President by having him elected by the European Parliament. Should the institutions decide to install a European President alongside the President of the Commission, then he must have the same democratic legitimacy.

Right from the beginning, European integration was characterized by states both large and small participating on equal terms. Smaller member states, such as the Benelux countries, have provided outstanding contributions to European integration. They have taken mediating positions whenever there have been tensions in relations between the large members. The enlargement of the European Union will also entail an increase in the number of smaller member states.

This must be taken into consideration when we vote on decisions in the future. We ought to think about taking account of population numbers and introducing a double majority. A double majority would mean that for decisions to be agreed in the Council, a majority of the states would be needed which until now have had a certain number of votes while, at the same time, a majority of the population of the European Union would now also be represented.

So much for my ideas for a European constitution, which could form the basis of a future European Union or a United Europe. This matter is of such importance that I hope that there will be a broad public debate about it. As representatives of European banks and companies you can make your contribution to this debate, for the future of Europe affects us all.

The dream of a peaceful and united Europe is centuries old. Many have argued for it in their time, among them Henry IV, Victor Hugo, Aristide Briand, the Heidelberg Programme of Germany's Social Democratic Party in 1925, Winston Churchill and Konrad Adenauer.

More than fifty years after the end of the most horrific of all European wars, which led Europe towards the abyss, and more than ten years after the end of the Cold War, which caused the division of Europe, this dream can finally become reality.

We are all aware that nothing is as potent as an idea whose time has come. I am convinced that the time is ripe for a united Europe.