

WALTER HALLSTEIN-INSTITUT FÜR EUROPÄISCHES VERFASSUNGSRECHT



FORUM CONSTITUTIONIS EUROPAE

**FCE 13/00
(Spezial 3)**

**NETWORKS AND NATIONS:
TOWARDS THE NEW EUROPE**

FRANCIS MAUDE, MP

VORTRAG AN DER HUMBOLDT-UNIVERSITÄT ZU BERLIN
AM 8. JUNI 2000

Das Forum Constitutionis Europae ist eine gemeinsame Veranstaltung des
Walter Hallstein-Instituts und der Robert Bosch Stiftung.

1 1. INTRODUCTION

Anniversaries are a time for taking stock. The fiftieth anniversary of the Schuman Declaration is no exception.

On any audit of achievement, the European Union has much to be proud of. Working together through trade and co-operation, behind the NATO shield that made it possible, has helped to make war between member states unthinkable. The prosperity of Europe's citizens has improved greatly, with the biggest single market in the world and with free trade in a continent previously more prone to protectionism and national insularity. The opportunities open to millions have expanded, with travelling, working or studying across Europe now easier than ever before.

- 2 We should relish these benefits. So in this spirit, let me reaffirm: membership of the European Union is of real value to Britain.

It contributes to our prosperity and, as one of a number of networks to which Britain belongs, it contributes to our influence in the world. So for those who may be anxiously analysing the nuance of every phrase to detect a shift in the Conservative Party's European policies, this will be fruitless. Lurches – in either direction – are emphatically out.

- 3 A year ago this week, the Conservative Party won the European election in Britain. We did so comprehensively. And we did so because we campaigned on a view of Europe – that Britain should be in Europe, not run by Europe – which is shared by the mainstream majority of the British people. We have always wanted to see a stable, prosperous, outward looking, free market and democratic Europe.

- 4 We have always wanted to see such a dream realised – and spent a good many lives in maintaining that vision. We have no intention of moving from this ground, in either direction; rather we are building on it. So there is nothing new, no change of direction, in upholding that dream. We want to see an open Europe of free, democratic and independent kingdoms and republics, stretching from the Brest on the Atlantic coast, to the Brest on the border of Belarus, co-operating closely but flexibly.

- 5 For as I will show, it is becoming increasingly apparent – to many who have a very different perspective from mine – that the EU model of endless uniform supranational integration has got to change.

For, on this fiftieth anniversary, by far the EU's greatest challenge is not to look back but to look forward. So today I will set out a positive vision for the EU. For a relentless process of ever closer political union should no longer be seen as the only, or indeed the best, way to bind peoples together.

- 6 In the network age a rigid and centralised model of European power will not just

be inappropriate – it will be a recipe for division and fracture. We now have the duty to be every bit as imaginative and every bit as forward-looking as was Robert Schuman, and every bit as attuned to the needs of our age as he was to his.

2. *THE FORK IN THE ROAD*

Enlargement

- 7 For the world is changing. The EU has not begun to catch up with that change.

With its enlargement to cover the post-Communist states, as well as Cyprus, Malta and eventually Turkey, the Union will begin to reach out to the whole continent. This is a solemn obligation, not a choice.

Enlargement is a cause at least as noble as that which prompted the founding of the Union fifty years ago. We who have benefited from the security and prosperity that have accompanied European construction have an obligation to extend it to our European neighbours. Nations once bound up - against the will of their peoples - in the shackles of Soviet control see EU membership as the end point of their journey to freedom and free enterprise. We should be welcoming them with open arms. Hungary. The Czech Republic. Poland. Estonia. These countries are an integral part of Europe.

- 8 Taking full part in the family of European nations is their birthright. Yet, eleven years after the fall of the Berlin Wall, the haggling over membership continues. With the sole exception of the former East Germany, each of the former communist states is still waiting in line.

And why this shameful delay? It is that the EU hides, ostrich-like, from the implications of enlargement.

Implications of Enlargement

- 9 For enlargement points up stark choices; choices we would face before long anyway. Our fast-changing world would see to that. Enlargement means decision-time has now arrived.

- 10 Don't just take my word for this.

"The simple but fundamental question is how the Union is to operate effectively when it has 20, 25 or even 30 members".¹

So states the European Commission in its submission to this year's inter-governmental conference. It continues:

¹ European Commission, Adapting the Institutions to make a success of Enlargement, COM (2000) 34, 26th January 2000, p. 5.

“Decision-making in a Union of 28 members is clearly not the same thing as decision-making in a Union of 15. The Union will inevitably become less homogenous; the economic, cultural and political differences between the Member States will be more pronounced than ever before in the history of European integration”.²

- 11** In his seminal speech to this University last month, the German Foreign Minister raised some pertinent – and fundamental - questions.

“Just what”, he asked, “would a European Council with thirty heads of state and government be like?... How long will Council meetings actually last? Days, maybe even weeks? How, with the system of institutions that exists today, are thirty states supposed to balance interests, take decisions and then actually act? How can one prevent the EU from becoming utterly intransparent, compromises from becoming stranger and more incomprehensible, and the citizens’ acceptance of the EU from eventually hitting rock bottom?”³

- 12** I believe these are the right questions. But, of course, the real issue is getting the right answers. The most dangerous course of all would be to pretend these issues don’t need answers; to pretend that the EU can go on as it has up to now. Yet this is precisely the approach taken by the British Government.

- 13** For domestic political reasons, it refuses to participate in the debate raging in Germany and across Europe, or even to acknowledge its existence. That is not the act of a good European. That’s why the Inter-Governmental Conference is so badly needed.

- 14** This IGC is no unnecessary distraction. For the EU now faces an historic choice. Its response will set its course over the next fifty years just as surely as Robert Schuman and his colleagues determined its course over the last fifty.

The Fork in the Road

- 15** The EU today has reached a fork in the road. It must choose one of two routes.

Only if we have the right vision will we make the right choice.

One route at this fork leads to an open, flexible, free-enterprise Europe; a Europe which celebrates diversity. This can be a “network Europe”, a Europe of nation states co-operating together.

- 16** But there is another route at the fork. The route of uniformity and uniform integration.

² European Commission, *ibid.*, p. 23.

³ Joschka Fischer, "From Confederacy to Federation – Thoughts on the finality of European Integration", Speech at Humboldt University, Berlin, 12 May 2000, FCE-Spezial 2/2000, www.whi.berlin.de/fischer.htm, paragraphs 27 *et seq.*

An EU where the national veto is all but abolished. An EU with eyes bigger than its stomach – starting tasks but not completing them; with a tangle of subsidies and protective practices still in place; an unreformed budget; and agricultural and fisheries policies that belong to a bygone era.

- 17** An EU with its own government, its own taxes, its own foreign policy, its own criminal justice system, its own constitution and its own citizenship, as well as its own currency.

This would be “bloc Europe”, a single European superstate.

Both these routes could overcome the danger of gridlock in an enlarged Europe. But bloc Europe, superstate Europe, would imperil exactly the security, prosperity and unity that Schuman dreamed of.

The Changing World

- 18** Why do I believe so fervently that the first – the network – route is right? The first reason is the one given by the Commission, in the extract I read earlier about enlargement:

“The economic, cultural and political differences between the Member States will be more pronounced than ever before in the history of European integration”.⁴

The wide diversity, in culture, ethnic background, language, history, outlook and perspective, is one of Europe's major strengths, not a threat to be submerged.

- 19** The British philosopher JS Mill identified the dangers of uniformity in his essay “On Liberty” a full century before the EU was conceived:

“What has made the European family of nations an improving instead of a stationary portion of mankind? Not any superior excellence in them, which, when it exists, exists as the effect, not as the cause; but their remarkable diversity of character and culture. Individuals, classes, nations, have been extremely unlike one another: they have struck out a great variety of paths, each leading to something valuable...Europe is, in my judgement, wholly indebted to this plurality of paths for its progressive and many-sided development”.⁵

- 20** An EU of six might have got by with the bloc model of rigid uniformity. It barely works for one of fifteen.

Low turnout in European elections; falling support in opinion polls. Bloc Europe

⁴ European Commission, Adapting the Institutions to make a success of Enlargement, COM (2000) 34, 26th January 2000, p. 23.

⁵ JS Mill, Essay "On Liberty", 1857.

is failing the public, and the public knows it. To expect it to work with almost 30 is optimistic in the extreme. Especially in today's globalising world.

- 21 Replacing the world of blocs and hierarchies is a world of nations and networks; networks between people, commercial networks, networks between nations. Trade and competitiveness is more global and less local. The EU's tariff wall is absurd and obsolete.
- 22 In this new world, nations and groups of nations can choose whether succeed or fail. The EU can choose whether to join the fast world or slow. Whether to be future or past.
- 23 Of course some believe we can simply rest on our laurels. Europe can sit back and admire its history as it watches the world go by. But I don't believe that is its destiny. We must lift our sights higher than that. If we want to succeed, we need agility, adaptability, flexibility, a light touch from the state. Europe has no opt-outs from these universal laws.

A democratic Europe needs flexibility and diversity. Its nations need freedom and choice. With this IGC, there is a tremendous opportunity to start to fashion just such an EU. We must not let it pass.

3. *THE FEDERALIST ROUTE AND THE IGC*

The Wrong Route

- 24 Tragically, we are in danger of doing just that. Too many of the statements from Europe's institutions and Europe's leaders still seem wedded to the old dogmas of the bloc era, and to the false safety of the old introspective, integrationist, regulatory orthodoxies. And as the EU heads in the wrong direction, Tony Blair timidly tags on behind.

"The concept of Europe as a superstate", says Foreign Secretary Robin Cook, "is one that is deeply unfashionable".⁶

- 25 He still claims that "Maastricht was a high water mark of integrationism".⁷ But events disprove him every day.

Meanwhile the French Prime Minister says the EU must harmonise more of our taxes and reduce the national veto, the German Foreign Minister calls for a European Parliament and a European government to exercise real legislative and executive power within a Federation, and the Commission President says the Commission behaves like a growing government, "step by step".⁸

The tide of federalism on the continent of Europe is still inexorably rising.

The Treaty of Nice

⁶ *The New Statesman*, 14 August 1998.

26 So what actually is going on in the IGC?

We hear nothing of substance from British Ministers; the agenda is "minimalist", they say; it is just a matter of mopping up the leftovers from Amsterdam, it insists; all in all, the Treaty will be of little consequence to the future of the nation state. The reality is rather different.

Qualified Majority Voting

27 For one thing is certain: the IGC looks set to agree, extending qualified majority voting, to scrap the legislative veto in yet more areas. The British Government conceded this principle before the discussions had even begun. It will be considered case by case, it says. Case by case, stage by stage, step by step. That is how the one-way process of integrationism proceeds.

28 We are all too familiar with the pattern by now – under governments of both colours. First the veto is conceded in a seemingly innocuous area of policy. Ministers claim that there is no legislation planned and that the concession is therefore cost-free. Then when harmful legislation does appear, it's too late.

29 Then the cycle repeats itself at the next IGC. Case by case. Step by step. Stage by stage. This process of uniform one-way integrationism has got to stop. Any further loss of the legislative veto would be highly damaging. Of course, it would make it easier to decide things. But it would do so by overriding national interests.

There should be no further extension of QMV on European legislation at all.

Charter of Fundamental Rights

30 But that's not the only step towards the superstate likely to be taken at Nice. The Charter of Fundamental Rights is now taking on a life on its own.

Of course it is important that countries co-operate together to protect citizens from the unnecessary diminution of their rights by the European institutions. But that is not what this Charter is achieving. Instead, it is emerging as a route for further interference in national life. It will not be binding, we're told. It'll just be in an Annex to the Treaty. We know that is tantamount to being fully incorporated. It mustn't happen. Otherwise step by step, stage by stage, fewer decisions get taken by nation states and more taken by European institutions.

The risk is that this charter would lock Britain into the steel handcuffs of the old

⁷ *The New Statesman*, 14 August 1998.

⁸ *The Independent*, 4 February 2000.

continental social model, at the very time when countries like Germany are seeking to escape it.

Defence Identity

31 The third part of the integrationist package likely to emerge from Nice is the Common European Security and Defence Policy. We strongly support greater European defence co-operation, and a stronger European commitment to NATO. Indeed, it was a Conservative Government which started the process, with the Petersberg tasks. There is a crying need for the European nations to step up their capability, to share more of the burden.

32 But this doesn't do that. Indeed, nearly all EU countries are cutting their defence budgets. All this does is to construct new institutional architectures, autonomous from NATO and within the EU, which threaten to encase European defence in committees, bureaucracy and the creeping embrace of the EU institutions.

There is absolutely no military case for giving the EU a role in Europe's defence. The case is purely political – a challenge to supposed American dominance of NATO, the establishment of a rival power bloc, the move towards what Romano Prodi habitually calls a European army.

33 It is designed by people who are concerned first with endowing the EU with another of the trappings of statehood. In a speech last month M. Jospin talks of a "single European defence structure", of the "pooling" of Europe's armies. If this were done the EU would have "crossed a milestone towards the creation of a united political Europe".⁹

Not about creating a superstate?

34 It would be folly to lock Europe's defence forces into a single structure when it is inconceivable that Europe will have a single foreign policy. NATO already provides the ideal flexible structure for different combinations of European nations to move together on a particular mission. At its worst ESDP is a visible expression of a chilling, and growing, anti-Americanism in some parts of Europe.

This mindset is worse than simply being unrealistic and vain. It is actively harmful. If it encourages America to turn its eyes further westward to the powerful allure of Asia, we will have inflicted a devastating blow at the basis of our security, the Atlantic Alliance. We must not allow the cancer of anti-Americanism, now growing in some parts, to get hold.

Summary

⁹ Lionel Jospin, Statement to the French National Assembly on the aims of the French Presidency of the EU, 9th May 2000.

35 We have no doubt, then, that the integrationist agenda for the Nice IGC is damaging and wrong:

- More qualified majority voting on EU legislation.
- A Charter of Fundamental Rights eventually incorporated in the Treaties.
- An EU defence identity, autonomous from NATO.

Three integrationist solutions - each one of them giving the wrong answer to some important questions.

36 Yes, the EU needs to adjust to enlargement. But it should do so through greater flexibility, not through a further loss of the national veto.

Yes, Europe needs to reassure the public. But it should do so by ensuring that more decisions are taken at national level, not through a binding Charter that threatens yet more interference.

And yes, of course Europe's nations should co-operate more closely on defence. But they should do so through NATO and through greater co-operation between the nations of Europe, not by setting up new competing bureaucracies.

Ratification

37 So the Conservative Party will campaign strongly against an integrationist Treaty containing such measures. Such a Treaty should not be ratified by the British Parliament without the people first having their say, either in the general election or in a referendum.

And I make it clear: a Treaty which had won the support of the public neither in a referendum nor in an election could not be left unchanged. After the election we would insist on revisiting its provisions.

4. THE CONSERVATIVE VISION FOR EUROPE

Support for Europe

38 Our view of the future shape of Europe is drawn strongly from our long history of dogged support for British membership of the EU for 40 years. Unlike Labour, we have never wavered in our support. We have perhaps been boringly consistent.

And it is precisely because Britain's place is within the European Union, that we want it to be a success.

Vision for the Future

39 Just as Conservatives believed that British entry into the EU was right in the 1970s; just as we helped to press for the internal market in the 1980s and 1990s; so today, we must set out our vision of how the EU must adapt to the new century.

40 For, if enough vision and imagination is shown, this year can be just as clear a milestone in Europe's development as was 1950. It can have just as profound an impact on preparing our continent for the half-century ahead, this time fashioning a flexible network of nation states. This doesn't need a dramatic big bang "fundamental renegotiation".

The new Europe will be a Europe of constant adjustment, continuous change.

Closer Co-operation

41 Some change may be towards closer co-operation.

Single Market

42 We have long called, for example, for the completion of the single market, and the full implementation of the four freedoms: free movement of people, goods, services and capital.

We have long sought a strengthening of public procurement rules, so that taxpayers can be assured of value for money and businesses can compete on even terms.

Environment

43 In the field of the environment, air and water pollution are no respecters of national sovereignty. We would look favourably on moves to co-operate more closely on these issues.

It does not require a loss of the national veto for such co-operation to occur.

For example, the Commission could ensure that every state has its own environmental inspectorate. It could be chasing up those states which do not meet their Kyoto commitments on reducing CO2 emissions.

Defence

44 Nor does it require integrationist solutions to co-operate in the area I have

already mentioned: defence. The EU is certainly the wrong vehicle; but there is still something serious to be done.

Looser Arrangements

- 45** Equally, in a constantly changing Europe, there are areas where the next steps forward would sensibly be to loosen arrangements – with more decisions taken at a national level.
- 46** The need for such reform is becoming more and more apparent. Last year's fraud crisis showed how the EU's institutions have been biting off far more than they can chew. Some £3 billion from the European Union's annual budget is unaccounted for.

It is because the EU's ambitions over-stretch themselves; its reach exceeds its grasp.

Part of the answer is that it should do what it does better. But the main part is that it should do less.

Common Agriculture Policy

- 47** An IGC intended to clear the way for enlargement cannot leave unchanged the biggest impediment to enlargement that there is – the CAP. Born out of honourable motives, with the aims of ensuring support for farming and eliminating the threat of food shortages, the world has moved on since then. As my colleague Tim Yeo has argued, these aims can better be achieved today by giving greater flexibility to Europe's nation states.
- 48** CAP reform will provide an opportunity to examine whether some decisions currently taken at EU level would be better taken by the Governments of individual member states.

Today's CAP is indefensible socially, economically, ecologically, environmentally and morally. It needs drastic change.

No-one seriously believes that a centrally controlled policy for agriculture makes sense today. If it doesn't make sense for fifteen members, how much less will it for twenty or twenty-five?

In Britain, moving to greater national responsibility would allow us to guarantee farmers the same level of support as at present, while still providing a dividend for taxpayers and consumers.

Common Fisheries Policy

- 49** If the CAP is today indefensible, then the Common Fisheries Policy is more so. A policy designed to conserve fish stocks that results in hundreds of tons of dead fish being thrown back into the sea each year doesn't have too many friends. Tony Blair should be pressing for national or local control to be established over our own waters, through zonal management, coastal management or in some other way.

The Common Fisheries Policy currently applies in neither the Baltic nor Mediterranean Seas. It is not obvious why our waters should be different.

International Development

- 50** In few areas has EU policy failed so badly as in the area of international development. Listen to this.

"Anyone who knows anything about development knows that the EU is the worst agency in the world, the most inefficient, the least poverty-focused, the slowest, flinging money around for political gestures rather than promoting real development".¹⁰

Strong words – perhaps stronger than I might use myself. So said Britain's International Development Secretary.

- 51** No-one disputes that there's a problem. Commissioner Patten has announced welcome reforms. But the core problems may be political, not administrative.

In almost every case bilateral aid provides better value for money than EU aid programmes. There is a clear case for looking again at this issue.

The EU should have one year to sort out its aid budget. If it fails, a large part of its development budget should be left with member states for them to disburse bilaterally.

Flexibility

- 52** So these are three specific policy areas –the CAP, the CFP, the aid budget– where Tony Blair should be pressing for specific reforms at the IGC.

Building a diverse EU

- 53** But there is today a more fundamental choice to be made about the future shape of the EU. As the Economist said recently:

¹⁰ Clare Short, BBC Today Programme, reported by PA News, 17 May 2000

“the EU’s main modus operandi – that all should move together, or not at all – looks unworkable. Different countries have different aims, and for perfectly good reasons, not the least of which is that their electorates feel differently about the whole process of European integration.... A multi-system Europe, in which groups of countries proceeded to integrate and co-operate in different ways according to their different choices, would offer a more stable and viable way to run a large, liberal community of 30 or more countries”.¹¹

54 I agree with that analysis. Others are heading in the same direction. Herr Fischer said in his recent speech:

“Precisely in an enlarged and thus necessarily more heterogeneous Union, further differentiation will be inevitable”.¹²

Valéry Giscard d’Estaing and Helmut Schmidt, in their recent article in the Herald Tribune, came to the same conclusion:

“It is obvious that full integration is not a realistic goal for thirty countries that are very different in their political traditions, culture and economic development. To attempt integration with that many countries can only lead to complete failure.”¹³

55 I think it is time that in Britain we accepted that among much of the political class on the continent the federalist drive towards full political union is alive and well. For years we have tried to persuade ourselves that “Europe is coming our way”; that federalism has reached its “high water mark”.

56 I profoundly wish it were so. But it isn’t. Nor should we take any satisfaction in endlessly railing against those who seek it. There is nothing dishonourable or evil in such a desire. It is simply a desire that very few in Britain share.

57 A modern European Union must accommodate those who wish to retain their nationhood, while accepting that others may wish to abandon their own. I could not support the Commission’s proposal for “reinforced co-operation” to be created by QMV. That would allow smaller groups of member states, as few as a third, to proceed with schemes of closer co-operation on their own, using the EU’s institutions.

58 It would be rash to give up the veto on such schemes of new integration. But I will say this: that I would expect the presumption to be against Britain exercising its veto, save where necessary to protect our national interests.

59 A readiness to allow others to proceed in this way would of course provide the opportunity for those countries concerned to retain a robust national independence to develop such a relationship within this more heterogeneous Union. Joschka Fischer’s view is that such an arrangement would allow a hard

¹¹ "The void in Europe", *The Economist*, 20-26 May 2000

¹²Joschka Fischer, "From Confederacy to Federation – Thoughts on the finality of European Integration", Speech at Humboldt University, Berlin, 12 May 2000, FCE-Spezial 2/2000, www.whi.berlin.de/fischer.htm, paragraph 44.

¹³ *International Herald Tribune*, 11 April 2000

core, built around France and Germany, to forge ahead alone. I believe this is unlikely.

- 60** The notions of inner circle and outer tier, of concentric rings, of first and second class members; these belong to yesterday. Far more likely an outcome is the gradual development of a Europe of interlocking and overlapping groupings, of nations, as the Economist predicts, combining in different combinations for different purposes and to different extents. Europe has already edged in this direction, with the Maastricht opt-outs, Schengen and the single currency. John Major's speech at Leiden in 1994 foreshadowed such a Europe.
- 61** But if such a hard core did emerge, perhaps based around the Euro 11, however much we might regret it, it is not obvious that people who believe in the sovereign right of nation states to decide their own destiny should be seeking to prevent other nation states from dissolving themselves. Some may fear that accepting condemns Britain to being forever on the edge, excluded from the heart of Europe. This misses the point.
- 62** A network Europe in a network world would not have a centre for anyone to be "at the heart" of. Equally there may be some in Britain who reject such an idea simply because it is supported by prominent pro-Europeans on the Continent; who see in it some dark plot. This is old-think.
- 63** There are some who might oppose it on the grounds that there is always a tendency for countries to give up their opt-outs. But we must point out that no country has ever been compelled to give up an opt-out; when Britain signed the Social Chapter, it was a democratically elected Government that exercised a free choice to do so.
- 64** There is nothing inevitable about an opt-out being subsequently surrendered, as the continued robust health of the single currency opt-out in Britain and Denmark amply attests. So greater flexibility would reduce the constant tension between those countries which feel the process of integration is going too slowly and that others are holding them back, and those which feel they are being dragged against their will into a superstate.
- 65** In short, a diverse and flexible Europe would be a Europe able at last to be at ease with itself.

Accession arrangements

- 66** If this flexibility is to be the shape of the future Europe, then we should start today to shape enlargement appropriately.

Labour should press at the IGC for the accession states to be given the opportunity, if they choose to take it, to have exemptions from some Community law – the "*acquis communautaire*" – outside the areas of the single market and core elements of an open, free-trading and competitive EU.

- 67** The candidate countries may not be pressing for this publicly. They have been

made to feel that any request for derogations will be treated as an admission that they are not "ready" for membership. Accepting the full *acquis* is seen as some kind of test of a country's *machismo*; query it and you're derided as seeking only to be a "second class member". But it simply doesn't make sense for countries that have only recently escaped from the yoke of supranational domination to be required to accept burdensome centrally imposed obligations that have nothing to do with fair trading and everything to do with outdated collectivism.

Future legislation

- 68 In addition, outside the areas of the single market and core elements of an open, free-trading and competitive EU, the Government should also press for a new Treaty provision which would allow countries not to participate in new legislative actions at a European level which they wish to handle at a national level.
- 69 There is growing hostility to the way in which extra burdens can be imposed by a majority of states on a dissenter. This inevitably creates strains and tensions. They need to be allayed.
- 70 We regard such a clause as being an essential component of an acceptable Nice Treaty. A more flexible EU would be good for jobs and prosperity, allowing countries to reject new regulations which eroded our ability to compete in the new world economy. And it would reinforce the link between government and the taxpayer by supporting democracy, with governments accountable to their electorates for their decisions.

5. REASSURANCES IN BRITAIN

Reserve powers

- 71 Changes along these lines would start to create new Europe fit for a fast-changing world. And just as we accept that the European Union is the appropriate level at which to take certain decisions, so there are some matters where the supremacy of our national Parliament ought to be recognised.
- 72 There is a great deal of concern in the United Kingdom that the institutions of the EU – and in particular the European Court of Justice – have sometimes extended their competence beyond what was set out in the Treaties. In order to prevent such "Treaty creep", the next Conservative Government will amend our domestic legislation in order to guarantee the supremacy of Parliament over certain areas of policy. This is not to say that Britain would then be precluded from joining common European initiatives in these areas.
- 73 But such participation would come about only after a deliberate decision by Parliament, and not as the result of some imaginative re-reading of the law by the Luxembourg court. By creating reserve powers, we should in effect be

bringing ourselves into line with other member states, where such powers are enshrined in written constitutions.

- 74** This would prevent EU law from overriding the will of Parliament in those areas which are currently excluded from the Treaties – for example defence matters and the armed forces, education, health and direct taxation. It could also prevent EU law override where the Treaty specifically required unanimity, but where treaty creep has permitted a proposal to be passed under majority voting.
- 75** Such a change would reassure our voters that their parliament remains accountable to them. By giving them the same reassurance that other Europeans have, we would Britain a more confident, and thus an easier, partner in Europe.

Scrutiny

- 76** The second change to be brought about by the next Conservative Government will be to provide for better scrutiny at Westminster of European legislation and its implementation.
- 77** It has been too easy for the implementation of EU directives to become a cloak for the imposition of domestic regulation going well beyond what is required. This gold-plating should stop. Both Houses of Parliament need much greater power to scrutinise such measures.

There needs also to be better scrutiny of decisions in the Council of Ministers as well.

6. CONCLUSION

- 78** All these measures will help to safeguard the EU and Britain's place within it.

They have the aim of finding a way of allowing the EU to develop much more diverse and flexible structures in the future, while safeguarding some extraordinary benefits that the European Union has delivered. We must shed at last the illusion that the EU can only change in an integrationist direction.

Such a trend is neither 'inevitable', as some defeatists argue, nor is it the badge of good Europeanism, as others suggest. The EU should not feel like a one-way street taking us deeper and deeper into a superstate of full political union.

- 79** That old one-size-fits-all dogma belongs to yesterday. Down that road lies discord and disharmony, as national interests are overridden, as diverse nation states are forced into rigid uniformity.

There is a better way, a flexible Europe, where nations have greater freedom to match policy to their own requirements, in a diverse and fast-moving world. Then and only then will we have a Europe open to all, and an EU in which all its members feel at ease.