



Debate

The Laeken Summit: A Milestone for Europe

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The meeting of the European Union Council of Ministers at Laeken, near Brussels, in December 2001 is likely to prove an historic milestone in the development of European integration. Its centrepiece was the Laeken Declaration on *The Future of the European Union* which established a Constitutional Convention under the chairmanship of former French President Giscard d'Estaing. This has the task of preparing a European constitutional treaty in time for the expected ten EU Member States to take part in the June 2004 European Parliament elections. So far as Wales' constitutional development is concerned the importance of the Convention is that part of its agenda will be a consideration of the relations between the multi-level tiers of governance within the European Union: Europe, the Nation States and the Constitutional Regions. The Convention's work begins in March 2002 and will conclude no later than Spring 2003, leaving a time for reflection before the Dublin European summit in 2004.

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The Laeken European Council will be remembered for setting out a clear road map for the future development of a constitutional European Union which should be capable of fulfilling the historic task of European unification. Coming on the eve of the issue of euro notes and coins, the Laeken summit also confirmed important decisions on the creation of a more integrated EU policy for internal security and justice as well as the first essential steps towards a common European security and defence policy.

But even as EU leaders celebrated the passing of an important milestone in the European Unions development, they were uncomfortably aware of the challenges posed by an increasingly unstable global situation. Beneath the continued expressions of solidarity with the US there were unanswered questions about whether the US and EU would continue to see eye to eye on wider issues of global policy - including any further military action against

countries other than Afghanistan and how to respond to the now desperate crisis in the Middle East.

The Belgian EU Presidency, and in particular the Prime Minister, Guy Verhofstadt, were rightly feted for the determination and subtlety they displayed in ensuring the success of Laeken. The positive role played by the Belgian Presidency in almost all fields of EU activity in the past six months was only marginally spoiled by the last minute failure of the summit to agree on the distribution of a number of important EU agencies among Member States.

A compromise package carefully worked out by Mr Verhofstadt was effectively sabotaged in the closing minutes of the European Council by the Italian Prime Minister Silvio Berlusconi and - to a lesser extent - by President Chirac. This poisoned chalice, including the site of the new Food Safety Authority which almost all countries said should go to Helsinki, will now pass to the Spanish Presidency. Among the other agencies which remain blocked are the European Maritime Safety Agency, the European Air Safety Agency, and Eurojust. Pro tem the Food Safety Authority will be run from Brussels and Eurojust from The Hague.

The centrepiece of the summit was the agreement on the Laeken Declaration on "The Future of the European Union." Although the text included wording designed to reassure the British and other governments, nervous about the scale of future integration, the declaration charged the Convention, which will begin work in two months, to prepare "... a Constitution for European citizens". It also spells out in detail all the key questions which must be addressed in a comprehensive institutional reform. In the end, proposals to limit the mandate of the Convention came to nothing.

Although eyebrows were raised by the appointment of the 75-year-old former French President Valéry Giscard d'Estaing as the Convention chairman, the unexpected addition of the former Belgian premier, Jean-Luc Dehaene, as vice chairman and the addition of Commissioner Antonio Vitorino, to the Convention Praesidium, will help ensure a strong leadership. Although there was considerable support for the candidature of the Dutch Prime Minister, Wim Kok, objections by President Chirac and complications within Dutch politics ahead of next spring's general election proved insuperable.

The goal is to complete the process of a new constitutional treaty in time for the expected ten new EU Member States to take part in the June 2004 European Parliament elections. For the first time EU leaders identified all ten candidates: Cyprus, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, the Czech Republic, the Slovak Republic and Slovenia as the probable (but not yet definite) candidates for accession agreements at the end of next year. Bulgaria and Romania were praised for the progress they have made but they will need more time for the completion of the accession negotiations.

Some diplomats privately believe there will be another enlargement phase between 2006 and 2008 in which these countries and some new candidates from the western Balkans may become members. Turkey is meanwhile encouraged to make more progress in economic and political reform - especially in the observation of human rights.

After Afghanistan - The unanswered questions

As expected, the Laeken European Council endorsed the far reaching decisions taken last week by Justice and Home Affairs ministers in the war against terrorism. The EU leaders

underlined yet again their strong solidarity with the American people after September 11 and greeted with satisfaction the successes in the operations against Al-Qaeda and the Taliban regime in Afghanistan. But there were barely concealed signs of concern about the future direction of United States policy in other parts of the world.

These concerns surfaced in a reference which was to have been included in the final declaration about the need for the international community to be fully consulted about any proposed US military action against other countries alleged to be harbouring terrorists. In the end this was removed but there was no disguising the anxiety felt by many EU Member States about a possible new recrudescence of “unilateralism” in international affairs by the Bush Administration.

The main priorities for the EU are now are two fold: security, and humanitarian aid for the Afghan people. At home the decision to introduce a common arrest warrant now has to become a reality in all Member States. The only question mark in this respect is Italy where anti-European ministers in the Berlusconi government are pressing for a popular referendum on the common arrest warrant - which covers a range of serious crimes as well as terrorism. Action to counter the threat from chemical and biological weapons must also now be taken “swiftly”, the heads of government concluded.

EU heads of government and foreign ministers left no doubt about their mounting alarm at the situation in the Middle East - particularly after the US decision to withdraw its special peace envoy, Ambassador Anthony Zini. Although the EU foreign policy supreme, Javier Solana, spoke of assurances he had been given by Washington over its desire to remain engaged with the peace process, he leaves for Washington this week to sort out what appear to be emerging differences of approach between the EU and the US. European leaders feel that the US Secretary of State, Colin Powell, shares many of their concerns but there is less confidence about other members of the Bush Administration.

In a special declaration on the Middle East, the EU leaders reiterated demands for action by the Palestinian Authority against terrorist groups and for Israel to be assured of secure frontiers. But Laeken also insisted not only on the need for an independent Palestinian state but on the indispensable role of the PLA and Yasser Arafat in any credible peace process. The summit implicitly criticised the Israeli military onslaught on PLA security installations by saying that President Arafat’s “capacity to combat terrorism must not be weakened.”

In the corridors of the EU summit there was much talk about the future of trans-Atlantic relations. Quite apart from almost unanimous EU opposition to any future US military attack on Iraq, and worries about President Bush’s capacity to hold the Israeli government in check, there was much informal discussion about Washington’s scrapping of the Anti-Ballistic Missile Treaty, its refusal to ratify the Comprehensive Test Ban Treaty, the US veto on the Biological and Toxin Weapons Convention and continuing American opposition to the Kyoto agreement. After the success of the Doha agreement on a new world trade round, serious trans-Atlantic differences are emerging over steel and other issues. Behind the scenes there is some concern about whether the EU and US remain on converging or even parallel lines.

ESDP Declared operational

The Laeken European Council formally launched an “operational” European security and defence capability. As a result of the progress made in recent months, the EU is now deemed

capable of carrying out a range of “crisis-management operations.” It is still some considerable way from the goal of a fully operational military force - capable of fielding up to 60,000 troops for a range of peace keeping and peace making tasks. There must be some question about whether this will be achieved by the target date of 2003.

A last minute veto by Greece over the terms agreed between the EU and Turkey to permit the Union to have access to NATO military resources for future European security missions was not resolved at Laeken. Until it is, the European Union will be critically restricted in its capacity to respond to real world crises even on its doorstep.

EU Member States took an unprecedented step at Laeken in giving their agreement in principle to take part in a UN peace keeping force for Afghanistan. In the first phase, this force - which is likely to be led by the UK - will mainly involve combat troops from the larger Member States. But even the smaller and non-aligned EU countries have indicated their willingness to send troops at a later stage. The Belgian foreign minister, Louis Michel, initially claimed that this force would operate under an EU flag, but he corrected himself when others pointed out that it was an action by EU member states acting directly under the United Nations.

The summit permitted itself a modest degree of self congratulation in the light of developments in the western Balkans. The successful recent elections in Kosovo and the progress in implementing the Ohrid agreement on constitutional reform in Macedonia are widely seen as a reflection of the scale of the European Union’s involvement in this crucial region.

For the future, a new and more comprehensive relationship with Russia is identified as a major priority. This appears, in part, to be a balancing component in the strategy for a “big bang” enlargement of the Union by another 10 Member States in 2004. The special situation in the Russian Kalingrad enclave, in the Baltic Sea area, is particularly pressing. But there was nothing from this summit pointing to the need for a bigger, looser pan-European “big house” bringing together an enlarged EU with its major neighbours to the east. Many believe this will have to come soon on the heels of an enlargement agreement, hopefully at the end of next year.

Economic realism or economic pessimism?

The sale of euro coin “starter kits” at the Laeken summit neatly symbolised the breathtaking step which 12 EU countries will take in the coming days with the introduction of euro notes and coins. This will give a psychological fillip to the public’s sense of belonging to a Europe which makes a real impact on their lives. Overall there was considerable confidence that the transition to the use of the euro on January 1 would be a success, in spite of the inevitable doubts in some quarters as to whether small businesses in particular are fully prepared.

In contrast, the summit made no attempt to downplay the serious worsening of the global - and European - economic outlook. The virtual vanquishing of inflation and the programmes of tax cuts in many euroland countries were hailed as positive. But even so, EU finance ministers at the summit accept that growth is still falling and recovery may not begin until well into 2002.

Needless to say, the summit insisted that the Stability and Growth Pact - which restricts the freedom of euroland countries to run excessive budget deficits - remains the foundation of the EU recovery strategy. The assumption is that recovery will get underway before any of the euroland states risk exceeding the Maastricht Treaty's three per cent budget limit. Germany's budget deficit may soon be at 2.7 per cent. There was no talk of amending those limits, but some senior EU sources were careful to point out that the three per cent limit was "a reference value" and that any country which went beyond would have to be judged by its euroland peers as to whether a temporary excess might be justified.

Much depends on the recovery of the US and Japanese economies, which some experts believe to be in or close to the grip of outright deflation. There was much talk in the corridors of Laeken about the "death of inflation" and the need to think through the implications of a global economy increasingly marked by negative prices.

There was at least partial acceptance at Laeken that progress in realising the parallel strategy of structural reform including the goals set out in the Lisbon process, remains disappointingly sluggish. The spring European Council in Barcelona will have to pass judgement on the extent to which reform is failing to meet the agreed deadlines. It is unclear whether the system of "open coordination" of policy by Member States will be proved in all respects adequate to the task of meeting the detailed goals on reform: economic and social modernisation, the knowledge economy and sustainable growth.

A significant part of the Laeken European Council conclusions are given over to employment and "fleshing out the European social model" (although with few concrete details) as well as to accelerating up EU performance in the fields of research and development. This was perhaps in part with an eye to a massive demonstration outside the summit by nearly 100,000 trade unionists and other civil society interest groups demanding a more "social Europe."

The Belgian Presidency can claim a number of successes in the field of liberalisation, notably in aspects of postal services and telecommunications. However the EU leaders passed over to next week's Internal Market Council the demand for a quick decision on the still stalled European Patent. The blocking issue is linguistic. Almost all governments could accept English only for the European patent, but Spain objects to French and German insistence on a trilingual regime. The Galileo project also remains in convalescence although it is very far from death. The Laeken summit wants a decision on the financing of the project by March next year and a final agreement before the end of June.

Freedom, Security and Justice

Although the common arrest warrant and the agreement on the definition of terrorist offences mark an important stage in the field of justice and home affairs, progress elsewhere is flagging. In its review of the Tampere declaration of 1998 on the creation of an Area of Freedom, Security and Justice, the Laeken summit underlined the areas of failure. These even include the continuing need by some Member States to transpose the conventions concluded since the Maastricht Treaty into national legal systems.

In spite of progress in setting up Eurojust and strengthening Europol, a true common asylum and immigration policy is some way off. Justice and home affairs ministers are now to submit detailed amended proposals in order to complete decisions on the asylum and immigration issues and on some aspects of family law by next April. Specifically the Council

and the Commission have been asked to propose detailed arrangements regulating the new common EU external border. The final communique refers to either “a mechanism” or “common services” to achieve this end.

Justice ministers are also abjured to move quickly to react to the Commission Green Paper on the European Public Prosecutor. With this objective in view, the European Council also called for a European network to encourage the training of magistrates “to help develop trust between those involved in judicial cooperation.”

And now the convention with a punch

The Laeken Declaration is less important for its detailed language than for the remarkable process it has set in train - designed to lead to a major constitutional Treaty in 2004. Indeed, one can take issue with some of the wording of the declaration. It perhaps overstates the gulf between the EU and its citizens. Moreover, the European Union, at its birth, was certainly more than the “economic and technical collaboration” as is claimed in the Declaration. But talk about avoiding largely mythological dangers such as a centralised “super state” is mainly designed to provide the likes of Tony Blair with arguments for claiming to domestic opinion that he is winning the battle of ideas in the EU.

More significant by far are the 50 or more detailed questions that the Convention is called to pronounce on. These include the restriction of the veto in EU decision making to a very limited area in future; the splitting of the Council into legislative and executive modes; the possible election of Presidents of the Commission through the European Parliament; and giving the Charter of Fundamental Rights legal force (and EU accession to the European Convention on Human Rights). The future of the rotating EU Presidency and the possible fusion of the High Representative for CFSP and the Commission are also up for debate.

The Convention itself will number more than 100 participants made up of representatives of the Member States (one each), national Parliaments (30), the European Commission (Michael Barnier and Antonio Vitorino) and the European Parliament (16 MEPs).

A Praesidium of 12 will play a crucial role in leading the reflection and making proposals to the Convention. It will consist of Giscard d’Estaing as chairman and two vice chairmen - Giuliano Amato, the former Italian prime minister, as well as Jean-Luc Dehaene. In addition, there will be members of the EU Presidencies during the life of the Convention (Spain and Denmark), two MEPs, two national Parliamentarians and the two Commissioners.

The “social partners” and the constitutional regions in particular will take part. NGOs, business, think tanks and other civil society bodies will also be called on to give testimony through a special Forum to link the Convention with public opinion. Work will begin in March and the hope is that it will conclude by the end of this year or no later than spring 2003. There will then follow an interval for reflection - which may coincide with a UK referendum on joining the euro in the autumn of 2003.

Where possible the Convention will agree unanimous recommendations to a special Inter-Governmental Conference which will then take the final legal decisions on a new constitution and a new Treaty. But if that is not possible it will be open to the Convention to come up with “majority” options and “minority” objections. Certainly, unanimous or clear majority

proposals will give the Convention a moral and political authority that will be difficult for Member State governments to ignore.