

DEBATE

Hervé MARITON, Member of the French Parliament

I have two remarks and questions. My first question is for Mr Dervis. Where do the politics that you were putting lie? When you believed that it would be a good idea to have the direct election of a President in Europe or a pan-European election of its Parliament with lists encompassing all countries, this could have worked until yesterday. However, with our new framework for Europe that Mr Levitte stated, it seems quite difficult to bring Britain on board. If important issues that require political legitimacy are to be treated by a group of 17 to 26, but one is outside, there is real difficulty in having the democratic progress that you were talking about. I think that that is an important difficulty that we have to face. Any political progress in Europe is now handicapped by that situation.

My second point is for Madam Fu. You put the question, but I will come to it again. I understand the translation difficulties, as it were, but the EFSF was supposed to have the capacity and ability to levy money from the BRICs, particularly China, and it obviously did not succeed in a short period. Do the new mechanics that have been put in place in the past few days introduce any hope that this levy of money for the new mechanics should be more successful than it was for the EFSF?

Michael ANCRAM, Former Deputy Leader, Conservative Party, United Kingdom

I do not want to talk about the current United Kingdom position. We heard about that in the last session. However, I would like to say a word about democratisation. It is quite paradoxical that we talked about the Arab Awakening or the Arab Spring yesterday and the importance of listening to the voice from the Arab street. Today, we are watching massive demonstrations in Moscow and St Petersburg about the recent election. Only in 1989, we were watching vast popular demonstrations on the streets of Eastern Europe which led to the enormous changes that we all welcomed and have seen.

The concern in Europe, to my mind, is not about whether we elect a President directly but whether the people of Europe can have the same chance to have a word about the sort of Europe that they want to see built in the future. I was the Chairman of my party, the Conservative Party in Great Britain, and I presided over two European elections. I watched as the American Ambassador talked in the last session about the number of people voting going down. They were not stopping voting because they could not vote for the President; they were stopping voting because they said that voting made no difference and that nobody had ever asked them at any stage since the 1975 referendum what sort of Europe they wanted to see built, so what was the point of voting?

I come back to the view that in the end the fear that people have right across Europe is that Europe is now the game of the political class and not of the electorates. When that divide takes place – and it has taken place previously in history – we create a very dangerous divide. What I would like to see us addressing is not just how we make the democratic process of European elections more successful but how we actually involve the people of the European states in the sort of Europe that they want to live in.



Serge SUR, Professor, University of Paris II Panthéon-Assas

I'd like to comment on the topic of shared sovereignty, but as we have continued to discuss the topic of the governance of Europe as a model or as a good example, it may be useful to give the legal point of view. We've talked about the notion of shared sovereignty, but I think this concept is inaccurate and dangerous. It is inaccurate insofar as, from a legal point of view, there is no such thing as shared sovereignty. Sovereignty either exists or does not exist. The European Union merely has a legal status. Legal issues are important to it but it is not a federal state. This means that all the member states are sovereign states and fully sovereign. They have simply decided to exercise a number of powers jointly. In this case, sovereignty amounts to a series of powers that can be listed. For example, there is the power to exercise monetary jurisdiction. The International Court of Justice exercises its international and universal criminal jurisdiction, but it does not exercise any European criminal jurisdiction.

What I mean to say is that people are perfectly allowed jointly to conduct a number of activities without this in any way adversely affecting sovereignty. This is the legal point of view. I think that the 'shared sovereignty' notion is dangerous from a political point of view because it gives people the impression that sovereignty has been alienated, whereas in fact this is not the case. Here, there is a link with the problem of democracy. Democracy is above all a domestic or internal feature of member states of the European Union. Given that today the governance of Europe is essentially of an intergovernmental nature, Europe's problem has nothing to do with the democratisation of European institutions. This means that the issue of democratisation is a domestic or internal issue for member states. In this regard, it is regrettable that Europe has been turned into an instrument for imposing constraints on the peoples of Europe without making any effort to explain what Europe is all about and how beneficial it is for the peoples concerned. This is the area on which we need to concentrate our efforts. We need to focus on democratizing the domestic institutions of EU member states much more than on democratizing EU institutions, which, in my view, will always remain a more or less marginal process.

Kemal DERVIS, Vice President for Global Economy at the Brookings Institution and Senior Advisor at the Sabanci University, former Minister of Economic Affairs of Turkey

The first question is actually related to the last question, and, in fact, they are all related. I believe that what was achieved yesterday and what will happen in the future lies more in using the IMF to complement European resources rather than letting the EFSF borrow directly from China or other countries. All the emerging countries have said over the last few weeks and months that they would also prefer to make their contributions in terms of loans through the IMF, where everybody is represented and they are part of the governance of the IMF, although I agree that the weight of the emerging countries within the IMF is still insufficient. I think that what we will probably see therefore is an increased role of the IMF as a complement to what happens in Europe and through the IMF there will probably be some resources coming from at least some of the emerging market countries.

Finally, as regards the issue of shared sovereignty, it will be very difficult to operate an integrated monetary area. The euro single currency implies the existence of a common tax regime, common rules, common fiscal rules, the legal right to oversee budgets, etc. It will therefore be very difficult to continue operating the euro area in accordance with the purely intergovernmental model that exists today. To secure the future of the euro, we have to go further and think of a form of pan-European democracy whose rules remain to be defined. I have also emphasized the emotional aspect, because it is not just a matter of rules, but also a matter of values and feelings.

FU Ying, Vice Minister of Foreign Affairs of the People's Republic of China

I think that the professor has largely answered my question, but I would like to mention one thing. When the Head of the EFSF came to Beijing, a newspaper in China translated an article written by someone from the Western world that



compared the visit with the visit by the European financiers to China in 1911. It was happening almost in the same month. There was a lot of doubt expressed in the article about China's political motive for helping Europe. I think that that kind of discussion or message is not very helpful because China has no intention of using financial capabilities as a tool for power. China is not a country that is interested in those kinds of purposes. It just wants to have a fair trading relationship and if that relationship helps, that is great. I think that the European media and European scholars need to encourage China to come out more and invest more and learn to invest in Europe and the US.

For a long time, we have all known that capital flows have flowed mainly within the developed world and a little bit went to the developing world. However, the world is now changing and some of the developing countries have grown to have the ability to invest in the developed world. The capital might flow inversely, which is a good thing. It is part of globalisation and the changes in the world and it should be encouraged. Chinese companies are newcomers and are learning. They need a lot of encouragement.

Charles KUPCHAN, Professor in international relations at Georgetown University

Would Your Holiness like to comment?

His Holiness Bartholomew 1st, Ecumenical Patriarch of Constantinople

I have nothing to add.

President ILVES, President of the Republic of Estonia

In my remarks, I tried to touch upon the main topic of what you can learn from Europe and its experience. To recapitulate, I will say 'Follow the rules' and make sure that everyone follows the rules. If you do not follow the rules, you will end up with a lot of dissatisfaction and the kind of crisis that we are in the midst of at the moment.

I would disagree with my old friend Kemal on the issue of parties. I have experience of a core piece of European legislation on a fundamental freedom, which was the free movement of services. We do not have a fundamental freedom 55 years after it was enshrined in the Treaty. It does not exist. The voting on that was completely national. Socialists and Conservatives from the UK voted one way and Socialists and Conservatives from France voted another way. There was no party line on a fundamental freedom of the European Union and it was strictly national interest. That is why I am a little dubious about someone from a small country and from one party group or another party group getting a vote across the European Union because the Parliament still represents national interests more than it does party interests, at least as of 2006.

Charles KUPCHAN, Professor in international relations at Georgetown University

Please join me in thanking our panellists.