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Statement on the occasion of the fiftieth anniversary of the Treaty of Rome

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Sociaal-
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March 2007

The Social and Economic Council in the Netherlands

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Statement on the occasion of the fiftieth anniversary of the Treaty of Rome

On 25 March 2007, it will be fifty years since the signing of the Treaty of Rome that established the European Economic Community. At the time, the Social and Economic Council of the Netherlands [SER] was directly involved in the Dutch contribution to the negotiations concerning the Treaty of Rome. A special committee provided on-going advice about important subjects being discussed as part of the negotiating process. In this way, an opportunity was created to closely involve business organisations in a treaty that was of vital importance to the Netherlands. This was the starting point for a long series of advice communications (almost two hundred) from the Council concerning European integration.

Enduring involvement of the Council in the European integration process

By means of this statement, the Council wishes to underline its enduring involvement in the European integration process and to contribute to the intention of the new cabinet to invest in solid support for further European cooperation.

The involvement of the Council is based on the notion that European cooperation is essential for achieving our social and economic objectives. This was why the Council adopted a positive attitude fifty years ago with respect to the initial steps towards market and policy integration in Europe. This was and is essential for our social prosperity. At present, the Netherlands earns more than half its national income from foreign trade. Approximately eighty percent of our exports go to other EU Member States. The increasing interrelationship at European *and* global level means that cooperation and harmonisation of policy within the EU is becoming a basic condition in a growing number of areas for better social prosperity. The world has changed drastically since 1957 as a result of the lifting of the iron curtain, increased international competition, the emergence of China and India, the growth in migration flows, impending energy shortages and climate change. This has resulted in a continual reconsideration of the role of Europe.

The results of fifty years of the Treaty of Rome

Since the Treaty of Rome, a great deal has been achieved regarding European cooperation.

- The *deepening* of the integration, particularly as regards the internal market. This corner stone of European integration ensures the free movement of goods, services, persons and capital and freedom of establishment. The internal market provides customers with greater freedom of choice, employees have better opportunities to work abroad and businesses have improved access to wider markets (at present, almost 500 million consumers); all of which benefit prosperity. It is estimated that the deepening and

broadening of the internal market has created more than 2.5 million extra jobs in the past fifteen years.

- The *broadening* of the integration with shared rules for areas including social policy, environmental policy and consumer protection. The shared rules regarding social policy concern such matters as working conditions, equal treatment of men and women, social security rights for migrating workers and employee participation.
- The *expansion* of the number of Member States from 6 in 1957 to 27 in 2007, and particularly, the gradual integration of Central European countries following the lifting of the iron curtain in 1989.

The special character of European cooperation

The fact that so much has been achieved in fifty years is due to the special character of the European Union: it is far more than a collaboration between states. The founders of the European ideal had the courage and the imagination to organise the cooperation between countries other than on a strictly intergovernmental basis. An essential aspect is that in areas where joint action has added value, powers have been transferred by the Member States and combined in Community structures. Another essential aspect is that, as a result, the European Union has its own legal system. EU law imposes certain obligations on Member States *and* citizens and businesses, but at the same time it also grants certain rights to citizens and businesses. The invocation of the freedom of the internal market by citizens and businesses results in an important dynamism in the integration process.

A great deal has been achieved because the Member States, with the approval of the people of Europe, have been prepared to relinquish some of their powers to the European Union; social organisations have provided the required support in that process. The EU has been able to advance as a result of the restraining effects of Community law, the driving force of the European Commission, the European Court of Justice and the European Parliament, and the introduction of decision-making by a qualified majority in the Council of Ministers.

Reasons for amending European treaties

The ability to operate effectively is being put under pressure because the current rules for decision-making have not been adjusted sufficiently to the expansion of the number of Member States since 2004 from 15 to 27. Furthermore, the current rules offer insufficient possibilities for joint actions regarding aspects considered important by citizens, e.g. the fight against terrorism, asylum and migration policy, energy availability and environmental protection, innovation and research. Current decision-making rules seriously impede a proper continuation and further deepening of the internal market, which is so essential to the Netherlands. Moreover, the current rules constitute a basis that is too weak for an effective response by the EU to a rapidly changing world.

Changing the rules by more decision-making by a qualified majority is a necessary but not the only condition for an effective response by the EU in areas where joint action has a clear added value. In order to arrive at satisfactory measures to which all Member States can commit themselves, the Member States will, where necessary, have to show the willingness to place joint interests above their own interest. In that context, the governments of all Member States must ensure that they have sufficient support in society.

Considerations when amending European treaties

The result of the referendum has demonstrated a lack of support in society for a European constitution. If we wish to progress with Europe – and that is the Council’s aim – and with more and improved cooperation, support will have to be obtained for amending European treaties. This again offers a role for social organisations. In this context, answering the following question is essential.

- What is our future relationship with Europe?
- What powers does Europe need to confirm this relationship?
- Based on the subsidiarity principle, under what conditions are we prepared to subject these powers to Community joint decision-making?
- What guarantees are required in this respect at national and European level?

This statement cannot offer an exhaustive answer to these questions. However, the most important consideration for the Council is that any amendment to the European constitution must enable the EU to operate more effectively in areas where – as a result of scale and cross-border effects – joint policy has added value (the subsidiarity principle) and therefore contributes to social prosperity. A lowering of the threshold for majority decision-making could be considered for this purpose, as well as a smaller and more effective European Commission and majority decision-making in areas where joint action has clear added value. The answer to the question of to which areas this applies is related to the answers to the above questions.

At the same time, there must be improved supervision of the exercise of powers by better democratic control via the partly legislative powers of the European Parliament and the national parliaments, where necessary, and greater transparency in decision-making. A tightening of the subsidiarity and proportionality assessment is required, in which context close monitoring is required of the effectiveness of less drastic alternatives, of financial consequences and of the administrative burden for citizens and businesses (better regulation).

The transfer of certain powers relating to justice and the interior, in order to deal more effectively with cross-border criminality and terrorism, assumes that at European level, too, citizens know that their fundamental rights are protected and that they can rely on the guarantees of the rule of law. Needless to say, the obligation of the European Union to respect the fundamental rights of citizens also applies to other areas.

The Netherlands has always been a guiding force in the structuring of European integration by taking a constructive approach and becoming involved. In order to adopt this position in the future, too, the Council is calling on the government and parliament to provide a fresh input for the social debate about Europe.

The logo for SER (Sociaal-Economische Raad) features the letters 'SER' in a bold, yellow, sans-serif font. The letters are set against a dark purple rectangular background that has a fine, grainy texture. Above this purple rectangle, there are two horizontal yellow lines of varying thickness, creating a decorative header element.

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