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Conference

*"Participatory democracy: current situation and opportunities
provided by the European Constitution"*

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Session 1

*The European Constitution, civil dialogue
and democratic life of the Union in the new Europe*

SPEECH

**by Mr Arnaldo Abruzzini,
Secretary General of EUROCHAMBRES**

First of all, I would like to thank the EESC for inviting the Association of European Chambers of Commerce and Industry to participate in this important event.

It is important because, though on the one hand one can easily reach a consensus, at least on the comments made so far on the need for an effective participatory democracy at the heart of the Union, on the other hand I must admit that notwithstanding this sense of agreement, the implementing regulations in force today and which are moreover laid down in the draft Constitution, fall short of expectations in our opinion.

It is true that we are living through ever-changing circumstances. It is also true that the consultation processes which have been implemented, be they at a European level or a national parliament level, are most definitely more accessible and effective compared to those which were in force until recently.

It is true that this consultation process is by now almost, with the emphasis on almost, a familiar notion. Where is the problem then? The problem is that if we do not have at our disposal concrete and efficient methodologies by which we can put into practice this process of participatory democracy, then consultation, participation and even the possibility of influencing decision-making will depend solely upon the will of the persons and parties responsible for implementing them. This, in my opinion, is not democracy.

We are absolutely sure of the fact that Title VI of the consultation draft, and I am associating myself here with all that has been said by the speakers before me, is a big step forward; recognizing that such a project is necessary for

democracy within the Union is essential when making decisions. Still, in my opinion, the principle of participatory democracy is based upon two fundamental pillars:

The first pillar then represents those institutions which are open to participation by applying a set of principles, some of which have already been set out, such as transparency, consultation, taking on board all the different positions, and so on and so forth.

The second pillar involves the effective participation of citizens and other stakeholders, which is possible only where participation methodologies are in place; existing information networks also contribute towards the smooth running of such processes.

Therefore in my opinion I believe we should consolidate these two fundamental pillars by fine-tuning the implementing instruments at our disposal.

So, in reply to the questions raised during this session, I have to say I fully agree with the representative from the Platform of European Social NGOs, **Anne-Sophie Parent**, that dialogue, both civil and social, currently exists. However I have a couple of comments to make about whether the Constitution, or the draft Constitution, fully responds to this principle of participatory democracy, and I will be referring specifically to Article 46.

I shall limit myself to three positive comments. There is most certainly a sharper focus on the need to strike a balance between the various EU policies: economic policy, social policy, and environmental policy. We recognise the fact that

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balancing out these policies is a prerequisite for achieving both balanced economic growth and a greater competitiveness at European level.

In our opinion, the decision-making process has also improved considerably, with the extension of qualified majority voting. As representatives of the business world, we believe that extending this type of voting is absolutely necessary to improve practicability and efficiency.

A third positive point I would like to emphasise is the inclusion of Title VI in the Constitution's proposal on the democratic life of the Union. This marks a huge step forward. And yet, on the other hand - and here for evenness' sake I shall dwell on three negative factors - the legal instruments required to develop and implement these European goals are not comprehensive enough, and - as I pointed out before - could remain subject to the will of the person or persons who eventually apply them.

Secondly, there is one extremely important matter not mentioned in the draft Constitution and which happens to be one of the main issues attracting a lot of attention throughout the European Union: enterprise. Though the various parts making up the whole are discussed at various stages - the workers on the one hand, entrepreneurs on the other, consumers and citizens - enterprise as such is not mentioned.

I recall enterprise as being the main subject referred to in many of the policies of the European Union. For example, previously **Minister Roche** was one of a number of speakers who made reference to the importance of the so-called Lisbon process. The Lisbon process, as a matter of fact, is also founded upon

the ability of our entrepreneurial system to be more competitive. We feel that the inclusion of enterprise would be a further improvement of the whole constitutional process.

While it is true that participatory democracy is founded, on the one hand, upon the possibility of participation and on the other, on effective participation, we believe that there are four important factors in the constitutional process that we would like to emphasise, not the least of which is **consultation**, which after all is already mentioned in a coherent and explicit manner in Article 46. Consultation is important and nowadays, in many cases, the Commission consults the parties concerned mostly in the pre-legislative phase. However, this, in our opinion, isn't enough because the consultation process does not fully satisfy the need for democratic participation.

A second important point is that of **taking into consideration** the various positions adopted in the consultative phase. Nowhere is it stated how this comes about - allow me to be controversial at this point - in certain instances it does not even happen because it's one thing to launch a consultative process and another to modify the system being consulted on the basis of the answers obtained. This is not a trivial matter, nor is it discussed transparently.

Of course it is difficult. One needs to consider that a consultation process in an enlarged Europe today means that, for it to be effective, it needs to be conducted, say, in 25 national languages, since if I am to be able to consult those who would ultimately benefit from a policy of mine, I have to be able to make myself understood.

Secondly, the speeches we make in Brussels, using a jargon fully comprehensible amongst us but not so outside the Community institutions, need to be translated into texts which can be understood by citizens, enterprises and entrepreneurs alike.

I shall refer once more to the Lisbon process. I suggest you do what we did when we went round asking firms what they knew about the Lisbon process. We know what it is all about, but firms don't. If you had to go and ask a small entrepreneur: Would you like the European Union to achieve the Lisbon objectives? She or he would give you a puzzled look and then ask what you mean.

Though admittedly consultation is important, it is even more important to move to a higher level, which is that of taking into account the positions adopted. These should be accessible to everyone in as transparent a manner as possible.

I shall now focus on Article 46. Parts of this article are extremely innovative and valuable. I shall dwell specifically on the final part which stipulates that a minimum number of citizens would have the right to submit a proposal at Commission level.

The fact that democratic participation is mentioned is an important one, but as a representative of the business world, I believe that more attention to detail is required. One of the areas lacking in detail is paragraph 2 where it is stated that the European institutions should maintain an open, transparent and regular dialogue with representative associations and civil society.

I would like to see this paragraph extended by a phrase establishing that the European institutions should also ensure that suggestions put forward during the consultation stage be taken into consideration.

As far as paragraph 3 is concerned, which proposes that the Commission shall carry out consultations with interested groups in order to ensure that the Union's policies are coherent and transparent, I would like to suggest that the arrangements for this system of consultation should be included in this paragraph. Moreover, I would like "stakeholder groups" to be more closely linked to socio-economic issues, because these issues are our main concern. I shall now be making my last point before concluding.

In the following article, i.e. Article 47, the emphasis is on the value of social dialogue. Well, in our opinion, such an emphasis is a contradiction in terms of the openness and transparency of civil and social dialogue within the European Union institutions.

Why? Because if we look upon social dialogue as it was defined in previous treaties, that is as the instrument by which both entrepreneurial and worker representatives, acting autonomously, negotiated certain collective contractual agreements, nowadays - and allow me an aside here to say that I could not agree more with **President Sepi's** remark that social dialogue should be known as industrial relations dialogue - it plays a different role, that of a special partnership in economic, monetary and social matters at the service of the European institutions. It is taken for granted that the parties participating in this social dialogue are fully representative of the entire population whose main interest centres on economic and social issues, but this is not the case.

It follows then that Article 47 contradicts Article 46. Several parliamentarians who participated in the various stages of the Convention have, already submitted what we are requesting, and have requested. If, on the one hand there's the openness, the need and the will necessary to implement a civil and social dialogue adapted to the structure of a present-day and future European society - the Constitution being a document meant to be applicable for many years to come - on the other hand we demand that social dialogue itself be considered by all stakeholders, amongst whom enterprises and their representatives, as a gateway to participation in decision-making at a European socio-economic level.

Thank you.