

## 'The Report on the EMU — Weak points of the British position' from Europe (19 April 1989)

**Caption:** On 19 April 1989, Emanuele Gazzo, Director of Agence Europe, criticises the position taken by Margaret Thatcher, British Prime Minister, and by Nigel Lawson, Chancellor of the Exchequer, on the Delors Report on Economic and Monetary Union (EMU).

**Source:** Europe. Dir. of publ. Riccardi, Lodovico ; REditor Riccardi, Ferdinando. 19.04.1989, No 4998. Brussels.

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[http://www.cvce.eu/obj/the\\_report\\_on\\_the\\_emu\\_weak\\_points\\_of\\_the\\_british\\_position\\_from\\_europe\\_19\\_april\\_1989-en-d16a39fc-eea1-44ee-b8a3-e68f1650f462.html](http://www.cvce.eu/obj/the_report_on_the_emu_weak_points_of_the_british_position_from_europe_19_april_1989-en-d16a39fc-eea1-44ee-b8a3-e68f1650f462.html)

**Publication date:** 26/11/2012

## The report on the EMU — Weak points of the British position

In response to the report on economic and monetary union, Mr. Nigel Lawson said that his government could not make “a political commitment to the entire process, because it represents a concept that the U.K. (and others) do not share.” To further explain matters, he gave two main reasons: (a) “We cannot accept the transfer of sovereignty which is implied by the Delors report.” (b) “Economic and monetary union, which is spelled out here, would in effect require political union — a U.S. in Europe — and that is simply not on the agenda now or for the foreseeable future.”

These words provide the key to better understanding both the true nature of the document in question and the difficult position in which Her Majesty’s representative finds himself. Let’s set aside Lawson’s allusion to “other” governments, as we do not know if they have given Lawson a mandate to speak on their behalf (he could only be referring to Denmark, as the other countries participating in the EMS — France, Germany, Italy, Belgium, and the Netherlands — favour union); and let’s get to the heart of the matter. First of all, Lawson is perfectly right to say that the realisation of economic and monetary union implies a transfer of sovereignty. No one is denying that. The fact that Mr. Lawson recognises that the Delors Committee’s document contains this element proves that it is headed in the right direction.

Secondly, having confirmed that the application of the document would entail the realisation of political union in the specific form of a United States of Europe, Mr. Lawson adds: “That is not on the agenda now or for the foreseeable future.” This statement is false. That may not be part of the programme of Mrs. Thatcher’s government (that has been evident for a long time to anyone having read her Bruges speech or those by Mr. Lawson (EUROPE/Documents 1545 of 8.2), but it is part of the Community’s programme. Has he forgotten that last June in Hanover, the Heads of Government pointed out that in adopting the Single Act, “the Member States confirmed their goal of progressive economic and monetary union?” And based on that, they gave a committee “the task of studying the matter and proposing specific steps to bring about this union?” That is exactly what the Committee did.

Some of its conclusions may give rise to reservations or objections, but the purpose of the report was to allow the organisation — at the appropriate political level — of an objective and, if possible, constructive debate. It would be unacceptable at this stage to refuse to hold this debate, i.e., to block the process already in motion at ministerial level (Eco/Fin), as some in London would like to do, or to block it at European Council level in Madrid. There is reason for concern when Mr. Lawson says that his country would not accept the convening of an intergovernmental conference (like the one in Milan in 1985, the result of which was the conclusion of the Single Act), for the purpose of “amending the EEC Treaty to allow the transfer of economic and monetary sovereignty.” And he added, “Only 18 months after full ratification of the single market, which we totally support, is not the time to be thinking of a new Treaty.”

The government in London may be sorry it had its “finger in the spokes” for so long, but that is their problem. The fact that in order to gradually achieve economic and monetary union, time and proper conditions are necessary is not particularly dissuasive. In fact, it is normal. What is important is that now is the time to start, while bearing in mind where we are going. That is why the two most important elements of the Delors report are: — the setting of the date of onset (1.7.1990) — and the clear and complete description of what economic and monetary union is (or what it should be). Therefore, we must advise our readers to give a careful reading to the text of the report, which we will continue to publish. We will be reading it with them.

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