

'European Council avoids major crisis' from L'Europe en formation (1987)

Caption: Following the Brussels European Council, held on 29 and 30 June 1987, in its summer edition the federalist journal L'Europe en formation, analyses the disagreements between Margaret Thatcher, British Prime Minister, and her European counterparts over the Delors plan guidelines.

Source: L'Europe en formation. Été 1987, n° 268. Nice. "Le conseil européen évite une crise majeure", p. 3-4.

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European Council avoids major crisis

Editorial

On her return from Brussels where she had been attending the European Council of 29 and 30 June, Mrs Thatcher refused to commit herself on the 'Delors plan' for implementation of the Single Act and the future funding of the Community. Speaking on British television, she told her European partners: 'You won't get any more money out of the British taxpayer until you are prepared to spend it sensibly. [...] You cannot continue to fund the accumulation of agricultural surpluses and avoid the necessary decisions.'

Responding to this at a press conference, Jacques Delors seemed to be telling her to calm down: 'If you look closely at the summit conclusions regarding budgetary discipline and agriculture, you will see that your concerns have been taken into account ...' For their part, Mr Kohl and Mr Mitterrand are above all pleased with the Franco-German agreement on agriculture. It allowed the French press and media to portray the Brussels European Council as a great success for France; it also enabled their German counterparts to welcome the equally great success of German farmers, whose persistence had finally paid off.

Our own assessment is much closer to that of Lord Plumb, the current president of the European Parliament: 'once again, the summit failed to take the decisions needed to deal with the problems facing the Community. Those problems will not go away over the summer: they will persist and will have to be confronted as soon as possible.'

In a system in which all major decisions must be taken unanimously, it is hard to know what to make of a 'Delors plan' whose principles have been adopted by eleven Heads of State or Government but are not subscribed by the twelfth State concerned, i.e. the United Kingdom. Clearly, Britain will have to be won over to the common stance.

Similarly, the compromise over agriculture (abandonment of the 'fats levy', which would have helped make good the considerable budget shortfall for the vegetable oil market, in exchange for an agreement on monetary compensatory amounts and national support for German farmers) does not solve the agricultural conflicts, even if it facilitated adoption of the new prices for 1987.

The Community budget shortfall for the current year will be covered by makeshift arrangements (use of the total amount of European VAT available; temporary renunciation by the Member States of the costs incurred in the collection of own resources; cancellation of appropriations that could not have been used anyway; agricultural shortfall covered by transition from a system of advance payments to a reimbursement system in the last months of 1987 in order to relieve the budget of five to six weeks of agricultural expenditure, the agricultural shortfall being estimated at 4.2 billion ecus, etc.)

It is now up to the Danish presidency to formalise the agreements of principle on 'budgetary discipline'; 'reform of the structural funds', including their financial allocation; the new ceiling for own resources for 1992 and the new system applying to those resources.

The European Council should determine its position on these issues in Copenhagen in December. The legal decisions to be submitted to the national parliaments for ratification should be ready by the end of the first quarter of 1988, when the Federal Republic of Germany will be presiding over the Community.

Only the initiated can find their way through this maze of provisions and procedures ... What we can say is that the Brussels European Council has had the merit of avoiding a major crisis. It has not solved the problems, but it has enabled a start to be made on several solutions and has thus preserved the future. But that future depends more than ever on Mrs Thatcher rallying to the cause of greater European integration ... A vast undertaking and a noble ambition indeed!

L'Europe en formation