

## Address given by Denis MacShane on the importance of the Constitutional Treaty (Budapest, 2 March 2005)

**Caption:** On 2 March 2005, Denis MacShane, British Minister for Europe, delivers to the Central European University in Budapest an address in which he emphasises the benefits of the Treaty establishing a Constitution for Europe for the future of the European Union and for the United Kingdom.

**Source:** Denis MacShane: Why the Constitutional treaty is good for the EU and for the UK. [ON-LINE]. [s.l.]: Foreign and Commonwealth Office, [29.04.2005]. Available on <http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029391647&a=KArticle&aid=1109170186712>.

**Copyright:** (c) Crown Copyright

**URL:**

[http://www.cvce.eu/obj/address\\_given\\_by\\_denis\\_macshane\\_on\\_the\\_importance\\_of\\_the\\_constitutional\\_treaty\\_budapest\\_2\\_march\\_2005-en-cd4c8d4d-ff87-4729-805a-35cb229fc543.html](http://www.cvce.eu/obj/address_given_by_denis_macshane_on_the_importance_of_the_constitutional_treaty_budapest_2_march_2005-en-cd4c8d4d-ff87-4729-805a-35cb229fc543.html)

**Publication date:** 23/10/2012

## Denis MacShane, *Why the Constitutional Treaty is good for the EU and for the UK* (2 March 2005)

Thank you for inviting me to speak. I first came here in 1972 as a young football reporter to report for the BBC and for the English language services of Hungarian radio on a match between Ferencvaros and Wolverhampton Wanderers. My generation still remembers the devastating power of Puskas beating England for the first time in 1953. As a very small boy, I remember asylum seekers from the 1956 Revolution arriving in my class at a primary school in London. That was 20th century Hungary, cut off from its neighbours but still showing the world through football and literature – after all, it was Gyorgy Mikes who told the English more about themselves than they had ever dared to think. But today, every Hungarian is welcome as a free citizen of a free Europe to visit and enjoy British countryside and culture. Those with skills and an economic contribution are welcome as employees. Since May 1st 130,000 workers from the Eastern and Central European States have come to Britain to find work. Of that 130,000, just 21 are claiming welfare benefits. Britain believes that there should be no protectionist corners of the European economy, and that both capital and labour should go where it makes most economic sense. A more prosperous Hungary thanks to foreign investment can only benefit all 24 other EU economies.

And I am glad to see that we have thousands of British people living and working in Hungary, and contributing to your economy. Many of them fly backwards and forwards with the new low cost airlines, taking advantage of an effective Single Market to drive down prices and open up travel to all of us. That is just one of the examples of what a successful and dynamic Europe is about.

Where does Hungary fit into all this? To be a passenger in the Europe train arguing in domestic terms over who gets a better seat? The nation of Puskas and 1956 deserves more than to swap Goulash communism for goulash Europeanism. Europe has a destiny to promote democracy and open market economies and the rule of law, not just organise subsidies for cows and tobacco farmers.

That is why I very much welcome the improving relations between this dynamic Europe and our partners in freedom and democracy in the United States, which we saw last week in Brussels, Mainz and up the road in Bratislava. I welcome Condi Rice's call for a strong foreign policy, and President Bush's desire for a strong Europe. The kind of primitive anti-Americanism we have seen from some political voices and intellectuals in some European capitals is no better than the crude anti-Europeanism I hear from the right-wing politicians and media in Britain. If there is one thing more tiresome than a neo-Conservative denunciation of European failings, it is neo-Communist language hostile to the United States. American neo-Cons and European neo-Coms should go off in their own little boat to work out their problems.

I speak to you now four months before the UK takes over the Presidency of the European Union. If the Constitutional Treaty is ratified in all Member States, this will be the last time the UK holds a rotating six-month Presidency of the EU. And I also speak to you on the eve of the most important 18 months or so for the UK in the European Union since we joined.

First, MPs are debating the new treaty. On 9 February in the House of Commons senior politicians from all parties made speeches in favour of the EU and the Constitutional Treaty, rejecting isolationism.

Then, we are likely to see a General Election in the UK. Although the date is still to be announced, most commentators expect the election to take place this spring. Two of the three main parties – the Liberal Democrats and my party, Labour – will campaign on a pro-European platform, in favour of the Constitutional Treaty. The other parties will argue Britain should be more distant from the EU. I am confident that there will be no mass popular support for the isolationist positions taken by some parties in Britain.

In the second half of this year, the UK will have the Presidency of the EU. Our priorities will be work to enhance prosperity in the UK and Europe, and work to tackle threats to our security. Let me say a little bit about each of these.

First, economic reform and enhancing prosperity in the EU. In the European Union, Britain and Hungary are part of the world's largest common market, of 450 million consumers – giving new opportunities to our businesses, greater choice and quality to our consumers, and boosting jobs and growth here and across Europe. But there is more to do to ensure that we get the maximum benefit from that market, by pursuing further liberalisation and reform.

We will therefore continue negotiating a directive to liberalise services across the EU. Services account for two-thirds of the EU's output, but at present only 20% of trade. Creating a true single market in this sector would boost growth in the EU, and improve the price, choice and quality of services on offer to businesses and consumers.

The UK has been working hard on regulatory reform in Europe. I also greatly welcome the strong lead from Commission President Barroso, who has made clear that better regulation is a priority for the new Commission.

Tied into the idea that the Union should only legislate when it can add value is the idea that the Union should only spend taxpayers' money when it can add value. In the Lisbon Agenda for economic reform, for example, action at national level can do far more to promote jobs and growth than centralised spending from Brussels. A 1% budget, as proposed by the UK and many others, should help to focus EU money where it is needed most – and need not reduce net receipts for new Member States. In any case, it is unreasonable for the Commission to urge budget discipline from Member States while at the same time asking for additional money for Brussels. Rejuvenated economic growth in the European Union is the best way to increase state receipts and therefore the EU budget.

Areas where EU spending clearly does add value include Research & Development and cohesion policy – which provides funding to build infrastructure in the poorer Member States. Ireland, Spain and others have benefited over the years from European Union funding. They have made fantastic economic progress, and I hope that countries in central and Eastern Europe will do so too. There are areas of EU spending where the value-added is less clear. We have gone a long way to reform the Common Agricultural Policy, for example, but we still have a lot of work to do to reduce its budgetary costs and trade-distorting impact.

On security, we are improving cooperation between police forces and other authorities so as better to tackle international organised crime and terrorism across national borders. I was delighted to hear of the visit by the Metropolitan Police to Budapest last week and the signature of an MOU covering future co-operation in these key areas.

The coming year will be an important one for the EU's crisis management and aid operations abroad, which themselves make a direct contribution to our own security. The largest EU military mission to date will help to build stability in Bosnia, under a British commander, Major-General David Leakey.

And the Foreign Secretary, Jack Straw, will continue to play a leading part, along with colleagues from France and Germany, in European efforts to ensure that Iran's nuclear programme is for peaceful purposes alone. What we have achieved to date, with Iran suspending the processes which could produce fuel for a nuclear bomb, demonstrates the value of this common approach.

And, closer to home, 10 years ago a part of Europe – the Former Yugoslavia – was ablaze with murder, criminality and war crimes. 1 million people were forced from their homes. There is unfinished business. Indicted war criminals responsible for Srebrenica, as well as the Croatian indictee Ante Gotovina, must still be brought to the Hague to face trial.

A few weeks ago, I saw the people of Ukraine reaching out to Europe for a democratic future for their country. Europe must stand with Ukraine to help Ukrainians to build a stable, prosperous European nation. Hungary does not want poor neighbours, and the best way of ensuring freedom of expression for the Hungarian identity outside of Hungary's borders is to work to ensure progress in your neighbouring countries. Different languages and cultures need to be respected. We need to ensure that peace, justice and

the rule of law become the norm across borders. I hope that London and Budapest can send consistent messages to your neighbours – particularly Croatia, Serbia and Ukraine – about the need to respect these values, and the welcome that awaits them in Europe if they take the difficult steps in front of them.

Following the Presidency, we will have a referendum in the UK on the Constitutional Treaty. I am confident that the British people will vote for the Treaty, for the EU and against isolationism. It has been a truism throughout my lifetime that the world has become ever more interdependent. But it is only in recent years that we have really begun to understand the implications of that observation. A raft of problems, from international crime and illegal migration, to climate change, to nuclear proliferation, to global poverty reduction and transnational disease control and crisis management are clearly beyond the power of single nations to resolve.

The Treaty is important because it defines the powers of the different institutions more clearly, and seeks to involve national Parliaments more closely in EU decision-making. It streamlines procedures to make the enlarged EU more manageable. It will help us make the EU even more effective for all of us, new Member States like Hungary, and countries such as Britain alike.

Let me conclude with a few words about the Treaty.

In spite of the name, it is not a constitution. It does not start with “we, the people” but instead with “His Majesty the King of the Belgians, the President of the Czech Republic, Her Majesty the Queen of Denmark” and so on: because it is an international Treaty. A Treaty which allows 25 sovereign states to achieve what has been impossible in 2500 years of conflict in Europe: to establish peace in Europe and also to share common rights and accept common responsibilities.

The great success of European construction is to create a renaissance in the values and identities of European nations rather than to weaken them.

So, for example, Ireland – which I remember from my childhood as a poor country where menfolk emigrated to the US and elsewhere – is a confident, wealthy and proud nation, with a higher GDP than the UK. And Hungary and other central European countries, escaping from the yoke of Soviet domination, have no desire to see their identity suppressed by the European Union – instead, the EU allows us all to celebrate our identities and diversity, while living together in peace and economic prosperity.

And, under the Treaty, it will be the elected representatives of Governments who set policy, and the Commission which delivers it. The President of the Council will be the face of Europe. The Treaty reinforces the powers of the European Parliament and – for the first time – of national Parliaments who will be consulted systematically on European laws. Parliamentarians have a duty to adapt to their new powers and to develop European networks, and I look forward to increasing links between Westminster and the Hungarian Parliament – I gather your MPs beat us at football last time. After 1953 as well. One day we will beat you!

And after we have said “yes” – as Hungary and others have done, most recently Spain – what will be the next step? It will be time to leave 15 years of institutional debates behind us, and for Europe to remember its true role: to promote economic prosperity, social justice and security for all of its peoples. The EU needs this Constitution if it is to continue to grow and reform and evolve to suit the 21st century, as a force for good in the world, for democracy and human rights for people in Europe and, through the common foreign policy, as a friend as champion of these values across the world.