

Europe of the Regions

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The title of today's Conference - Subsidiarity and the Role of the Regions is not only timely, given the agenda of the historic meeting of the European Council that is taking place here in Edinburgh this week, but it is also a subject of fundamental importance because, as will emerge from my remarks subsidiarity has little or no meaning unless we are ensuring that the Regions have a major role in the building of the new Europe.

However, let us begin by reminding ourselves what the Europe that has brought us all together is all about. Very often and indeed in the major debates that have taken place in recent years on the subject of the Single Market, European Union and the Maastricht Treaty most of the arguments have been economic ones. The reasons for achievement of an ever closer union among the peoples of Europe go much deeper than mere economic reasons. We should continue to remind ourselves of what those reasons are particularly as we witness the growing opposition to European

Political and Monetary Union from forces within Britain in particular and in certain other areas of Europe. They are in essence the remaining voices of nineteenth century nationalism. They are also the voices, and I will return to this, that are opposed to developing a process of regionalisation and giving real authority to our regions. In many ways these people symbolise the world that we are leaving behind - the world in which the centralised nation state was the sole centre of power and decision making. History will not be too kind to the era created by nineteenth century nationalism because in effect the supremacist philosophy of nineteenth century nationalism, the notion that unity means uniformity, that territory is more important than people is a philosophy that created two world wars and imperialism.

If we are to reflect on the real achievements of the Single Market and European Union we should cast our minds back some forty-seven years. The nightmare that was to have lasted a thousand years was brought to an end but it left in its wake a continent in ruins with 35 million people dead, millions more homeless and millions hungry. Once again the peoples of Europe, most of them the ordinary working people knew the awful price that had to be paid for conflict and for the dreams of conquest that lay at the heart of supremacist nationalism. This time the price had been on a scale unprecedented in the history of the world. Could anyone have forecast fifty years ago that such a meeting as this week's meeting would be taking place in Edinburgh? Could anyone have forecast that in three week's time the unity of the European peoples would have evolved to the stage of a Single Market without economic borders of 12 countries, of 323 million people, with free movement of goods, services and people?

I doubt it and when we are debating Europe and its future we should never forget that. Thankfully for our generation and for the world there were people in the years following that cataclysmic war who vowed that such slaughter would never be repeated, people of vision who saw the need to bury forever ancient enmities and create a new order of relationships within Europe, people of different cultures and backgrounds who recognised that what unites the peoples of Europe is far greater than what divides them.

From their vision of a new Europe was to grow the European Community of today, a community in which twelve European peoples have irrevocably linked their destinies. By sharing their sovereignty they have sought to achieve a greater freedom and a greater stability in a world which progressively becomes more inter-dependent. Together they have now embarked on a process which will lead them ever closer and aims at nothing less than the total removal of the barriers that exist between them, not from any thrust for power, or desire for prestige but in order to create the conditions in which best to protect common values and to promote common shared aims.

Above all in seeking unity in Europe, we are not seeking uniformity for we are convinced that one of the most precious elements of our common European culture lies in its diversity and we have at last recognised a fundamental truth which too often eluded our forefathers - in our difference lies our strength not our weakness. The world is a richer place for difference and diversity. The answer to difference is not conflict but the accommodation of and respect for difference.

It is an accident of birth where we are born and what we are born so difference should never be the source of hatred or conflict. Humanity transcends nationality. The essence of unity is the acceptance of diversity. Those statements sound very simplistic but most deep profundities do and those principles are the principles which if applied will secure lasting peace in the world and indeed will resolve any of the conflicts in any part of the world today if the people involved in conflict would simply apply them.

Let us not hesitate therefore to ensure that those voices that are raised against the evolution of the process of European Union are reminded of the price of beginning the process of dismantling the historic achievements of the past forty years, both the economic and the human price.

Economics also argue for European Union and for a Europe of the Regions. We are living through the most far reaching revolution that the world has ever seen and it is transforming our world. I refer to the revolution in transport, telecommunications and

technology. This has made the world a much smaller place and that is reflected in its effects on our political evolution.

Once upon a time we had city states, then nation states, now continental states, an evolution that basically reflects the evolution of the human condition. In today's world, because of that revolution we are inter-dependent and we cannot live apart. But our identity remains and it is interesting that the main opponents of European Union fear that it will destroy their identity. This is their most powerful emotional argument but its weakness is exposed by examining it and reflects seriously on their self-confidence in their own identity.

Lord Tebbit boasts that he is an Essex man. Is he any less an Essex man because he is an Englishman? Why should he be any less an Englishman because he is a European. Have centuries of being English made Essex any less Essex? Indeed a Europe of the Regions is the only Europe that will ensure the preservation and development of identity at all levels because it will ensure the proper and adequate devolution of power at every level. In short it will ensure true subsidiarity.

Regionalisation makes economic sense. The true wealth of any country is its people. As I often say, if billions of pounds were sitting out on the streets and no people around they would just blow away. Without people there is no wealth and true wealth derives from harnessing the energies, talents and ideas of the people. One of the real ways of doing that must be to set up regional authorities which not only will harness the energies and ideas of the regions but will also make a substantial contribution not only to the preservation of but to the development of real identity.

It is hardly an accident that the most successful post war European economy was Germany, by far the most regionalised state in the EC. In addition it should be pointed out that the centralised government and parliament approach that characterised the nation state, and the UK in particular, was founded at a time when universal suffrage and indeed universal education did not exist when means of communication and information systems were extremely limited, and government was centred on and delegated to the privileged few. Today's world is completely different but in those states where centralisation has remained, and indeed Britain is the most centralised state in the EC, it is self evident that an enormous amount of energy and talent and therefore real wealth, is not being harnessed.

If power is devolved to the regions, to put it simply, more heads and hands at more local level will be involved in developing our new Europe. That is the true meaning of subsidiarity. It does appear to some of us that those who are stressing subsidiarity

as evidence of their opposition to a Europe centralised in Brussels are talking more of a Europe of the nation states than a Europe of the Regions. They are seeking to exercise power at the level of the member state's government rather than devolving it to regional or local authorities in their own country. This is quite clearly true of Britain and Mr John Major would make much more impact on the Edinburgh summit on the question of subsidiarity if his government practised in its own territory what he thinks he is preaching - subsidiarity.

The lack of true subsidiarity in the UK is all the more serious given the extensive regional diversity that already exists but has no power to develop. The distinctiveness of Wales or Scotland or indeed the Highlands, the islands, Glaswegians etc in identity terms is self-evident. A Yorkshireman or a Lancastrian are no less English because of the distinctive differences of identity with someone from Devon or Cornwall. Does it not make sense in the new Europe if each of these regions had the authority devolved to them to develop their regions that we would be facing up to the economic challenge of the new Europe with much greater strength and hope. Is it not common sense that in today's world of mass education, information technology and mass communication that real democracy no longer needs to be totally centralised in parliaments and governments!

Let us also not forget that one of the major objectives of European Union is to harmonise the living standards right across Europe and that continually developing policies are in place to achieve that, in particular to develop the poorer regions of Europe. Indeed it is hardly an accident that those who oppose European Union, also oppose regionalisation and are also opposed to what they call Euro bureaucrats, by which they mean the Commission.

Those of us from the poorer regions of Europe know that it has been the European Commission that has been to the forefront in protecting and developing the diversity of Europe - largely because its own composition reflects that diversity - as well protecting the interest of the poorer regions. The nonsense of the Euro bureaucrat argument which sounds good is destroyed by the facts. There are 12,000 civil servants in Brussels in the European Commission serving 323 million people. There are 14,000 civil servants in Belfast serving 1.5 million people. That is a bit of an aside but an important one because it reinforces the argument that those opposed to European Union who use those false arguments are really arguing for a Europe of the nation states, a concept which takes no account whatsoever of the major revolution that has taken place in our economic world. Indeed the whole technological revolution reinforces the argument for regionalisation and decentralisation.

The industrial revolution by its very nature led to centralisation, to urbanisation and to capital cities because of its very nature and because of the nature of communication. Today's technological revolution is leading in precisely the opposite direction. For example it is no longer necessary for Government or business to centralise its office work in capital cities. In today's technological world the office work can be carried out anywhere and instantly communicated, another powerful argument for regionalisation and indeed a return of populations to the regions. That is clearly the direction of the future and is the direction for which political leaders should be planning ahead, not following.

Let me now become more specific about what I mean in practice by a Europe of the Regions and how it should come about. It is quite clear that my definition of this strange word subsidiarity is power to the regions. The concept of subsidiarity has been brought to the forefront of the Community in recent months. It is a word that is now recognised by the entire public across Europe but many wonder what it means. In spite of Michael Heseltine's claim two months ago that the Tory Government invented the concept, it is not a new word or concept to Europeans. We debated the matter almost ten years ago in the European Parliament when that great European and great regionalist Altiero Spinelli was preparing his draft treaty on European Union. And I hope that an Irishman speaking in Scotland could remind the English Tories that the Vatican used the term in a Papal Encyclical in the 1930's!

European Parliamentarians can therefore look somewhat sceptically at the new-found enthusiasm of certain members for the principle. Parliamentarians who believe in giving the Community's regions a significant role to play in our economic and political life can be allowed a wry smile, for some of the governments that are keenest to use subsidiarity to ensure that powers are exercised at the level of the member states rather than by the Community institutions are those most reluctant to devolve powers downwards either to regional or local authorities. Britain is a prime example. Nevertheless in their insistence on ensuring that power is exercised at the most appropriate level, they have opened up a debate that I believe should lead logically to the creation of regional authorities in all the member states of the Community, except perhaps Luxembourg.

What do I mean by regional authorities? I certainly do not want the European Commission to set about defining in detail what a region should look like. Belgium, Italy, Spain and Germany already have a highly developed regional structure. Each country has developed a system that is in harmony with its political and administrative traditions and with the basic identity of its peoples.

- Spain has 17 regions or "autonomous provinces ranging in population from 260,000 in Rioja to 6,500,000 in Andalusia;
- Italy has 20 regions and two autonomous provinces ranging in population from 113,000 in Val d'Aoste to 8.900.000 in Lombardy;
- Germany has an explicitly federal structure composed of the 10 Lander from the former West and 5 from the former East Germany plus Berlin. Their populations range from 659,000 in Bremen to 17,000,000 in Nordrhein Westphalen;
- Belgium has recently reformed its already highly regionalised structure and is moving towards a federal system composed of Flanders, Wallonia and the Brussels region.

(I have quoted population figures because some governments claim that they cannot regionalise because their national population is too small).

The form of regional devolution differs widely from country to country, but there are certain common characteristics:-

- the regions have elected regional governments;
- they have significant or exclusive competence for policies such as education and training, cultural policy, social services and regional planning. In some areas responsibility is shared with central government;
- they have revenue raising powers and control over their budgets;
- they are free to establish relations with regions in other member states.

Of the remaining Community countries, Ireland, Portugal, Holland, Luxembourg, Denmark and Britain do not have elected regional authorities. France has 26 elected regional councils but their powers have tended to diminish in recent years.

Ireland uses 7 regional bodies for administrative purposes, as required by Community legislation, in implementing the Community Support Frameworks for its regional development; Portugal has 5 similar administrative regions but has elected regional governments in the archipelagoes of the Azores and Madeira. Greece has a decentralised administrative structure and 13 development regions but no elected regions; Holland has 12

provinces with elected administrations but few strategic economic powers; Denmark has 14 counties with elected administrations. It is difficult to keep abreast of changes in the public sector structure in the United Kingdom but there is no regional structure. While the delegation of power to nominal institutions in Edinburgh, Cardiff and Belfast supposedly goes some way to alleviate centralism, these institutions are clearly much more accountable to Whitehall than to the communities they govern. The British Labour Party's proposal for democratic devolution would emancipate and enable the regions whereas current arrangements emasculate and impose on the regions.

I am not worried by this extreme diversity, indeed I welcome it. I recognise, however, that it would not be sensible to impose a regional system on top of existing structures without some degree of rationalisation. Big government is no longer popular; citizens want a responsive, flexible and easily understood system; and they are concerned about cost. When I drew up a report for the Regional Committee of the European Parliament in 1987 on Ireland's regional development I looked closely at this question. While I was convinced then, as I am now, that Ireland would benefit greatly from having regions I qualified my recommendation that 9 regional bodies should be created, based on the then Regional Development Organisations, by making clear that there should also be rationalisation of the highly complex system of existing bodies. Over the years almost every government department had established its own regional or local system, and the scope for saving was great.

May I think that a Europe of the Regions is likely to emerge in the face of fierce opposition from some member states?

First because as I have made clear, I believe that closer economic and political integration in Europe is inevitable and political institutions will have to be adapted to meet this change.

Secondly, because the institutions of the Community are likely to seem distant from the average citizen despite the communications revolution; they will insist on having a political structure much nearer to them that will deal with those matters that are best tackled close to home. Real subsidiarity!

Thirdly, because the system has been tried and it works. We saw it work dramatically in Spain in 1992 with the Universal Exhibition in Seville and the Olympics in Barcelona. In both cases the Regions were instrumental in bringing these events to the regions and then making them work spectacularly well. Indeed the success of regionalisation in Spain in the post Franco era is another powerful argument of its benefits in economic regeneration.