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## The crisis of democracy and the role of the State in today's Europe

### Committee Opinion<sup>1</sup>

Committee on Social Affairs, Health and Sustainable Development

Rapporteur: Alexander [The Earl of] DUNDEE, United Kingdom, European Democrat Group

### A. Conclusions of the committee

The Committee on Social Affairs, Health and Sustainable Development generally welcomes the detailed report prepared by Mr Andreas Gross on behalf of the Committee on Political Affairs and Democracy. This deals with a very important and complex issue: the threat to democracy in Europe caused by the current economic and financial crisis.

The Committee on Social Affairs, Health and Sustainable Development believes that, despite its sound analysis, in certain respects the draft resolution should be revised: for while some key issues do not appear in the draft resolution at all, others, which do, might still benefit from greater emphasis. The text could also include references to related Council of Europe standards and activities.

The committee therefore suggests amendments to the text as set out below. These amendments derive from this committee's interpretation of some other texts on the current crisis. Three of these texts will also be debated at the third part-session of the Assembly in June 2012.

### B. Proposed amendments

#### *Amendment A (to the draft resolution)*

In the draft resolution, at the end of paragraph 2, add the following sentence:

*"In 2012, some Assembly debates are on current "threats to democracy" posed by Europe-wide austerity programmes and their impact upon social and democratic rights, upon local and regional authorities, and in particular upon young people who stand to suffer most from the economic and financial crisis."*

#### *Amendment B (to the draft resolution)*

In the draft resolution, at the end of paragraph 5, replace the words "in the interest of the basic needs of the people and nature" with the following words:

*"in the public interest and wherever such forces have a negative impact upon social and democratic rights or upon the environment"*

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1. Reference to committee: [Doc. 12662](#), Reference 3711 of 4 October 2011. Reporting committee: Committee on Political Affairs and Democracy. See [Doc. 12955](#). Opinion approved by the committee on 25 June 2012.



*Amendment C (to the draft resolution)*

In the draft resolution, paragraph 13, after the words “Refinancing private companies from public budgets”, insert the words:

*“and in an untransparent manner”.*

*Amendment D (to the draft resolution) (to the draft resolution)*

In the draft resolution, paragraph 16, replace the words “investments in infrastructure” with the following words:

*“investments in new infrastructure (e.g. housing and sustainable urban development)”.*

*Amendment E (to the draft resolution)*

In the draft resolution, at the end of paragraph 16, add the following sentence:

*“Wherever appropriate, planning “red tape” should be reduced or removed in order to facilitate and stimulate sustainable development.”.*

*Amendment F (to the draft resolution)*

In the draft resolution, paragraph 17, after the first sentence, insert the following new sentence:

*“Decision-making bodies, in particular those at European level, should be more democratic.”.*

*Amendment G (to the draft resolution)*

In the draft resolution, paragraph 18, in the second sentence, delete the first word “representative” (after “existing”).

*Amendment H (to the draft resolution)*

In the draft resolution, paragraph 18, delete the following phrase at the end of the third sentence:

*“as well as their social learning and their experiences to be able to determine – together with other fellow citizens – their life.”.*

*Amendment I (to the draft resolution)*

In the draft resolution, paragraph 18, delete the two last sentences.

*Amendment J (to the draft resolution)*

In the draft resolution, paragraph 18, after the phrase “This is possible with the inclusion of direct democratic elements which have to be carefully designed in order to increase citizens’ participation,”, insert the following phrase:

*“as well as with the promotion of active citizenship as suggested by the Assembly in its [Resolution 1874 \(2012\)](#) on “The promotion of active citizenship in Europe”.*

*Amendment K (to the draft resolution)*

In the draft resolution, after paragraph 18, insert the following new paragraphs:

*“19. All tiers of government should serve the public rather than the interest of particular parties. States discharging their functions properly and thus worthy of respect should resist the abuse of political, administrative or judicial power, unethical behaviour such as corruption, favouritism as well as undue influence exerted by the media or by political lobbyists. At the same time, States should encourage economic growth and promote social cohesion. However, unless such balanced political directions are pursued in this way, then the disillusion of citizens with their decision makers will become further exacerbated.*

20. The “Twelve Principles of Good Governance at Local Level” provide useful guidance. They were adopted by the Committee of Ministers in March 2008 in the framework of its “Strategy for Innovation and Good Governance at Local Level”, the latter applying to all tiers of government, and to their current forms in Europe.”

*Amendment L (to the draft resolution)*

In the draft resolution, at the end of paragraph 20.1, replace the words “by constituting it at the transnational level” with the following words:

*“by reinforcing it at the transnational level”.*

*Amendment M (to the draft resolution)*

In the draft resolution, at the end of paragraph 20.2, delete the phrase “with a view to devising a concerted action plan” and replace it with the following new phrase:

*“so as to consolidate the Council of Europe’s role as the “guardian” of democracy within the wider Europe, in particular combating extremist movements themselves partially arising from current European policies”*

*Amendment N (to the draft resolution)*

In the draft resolution, after paragraph 20, insert the following new paragraph:

*“In particular the Assembly calls upon national parliaments to fulfil their key function to uphold representative democracy in Europe, to reflect and counsel on the best ways in which modern democracy might adapt, and in its own work and debates would also seek to facilitate that purpose within the 47 member States of the Council of Europe.”*

*Amendment O (to the draft resolution)*

In the draft resolution, after paragraph 5, insert the following new sentence:

*“In order to win back the confidence of their citizens, States must meet challenges now confronting them. Such include diminished trust in representative democratic bodies and political parties, the movement of millions of people within the continent, or from outside it into Europe, the inability of the nation State to deal with certain problems beyond its control, as well as increased extremism across Europe, an issue already examined by the Assembly in its [Resolution 1754 \(2010\)](#) on the “Fight against extremism: achievements, deficiencies and failures.”.*

### **C. Explanatory memorandum by the Earl of Dundee, rapporteur for opinion**

1. The report by the Committee on Political Affairs and Democracy describes today’s notion of democracy and various threats confronting it. The comprehensive introductory memorandum reminds us of previous democracy debates held within the Parliamentary Assembly and from other sources presents assessments of the state of democracy. Next the text examines key challenges to democratic societies, particularly at times of economic crises. It concludes by asserting that a “sound state” and strong democracy go hand in hand at national level. Yet this opinion is qualified in two respects. Firstly, that national democracy is too remote and indirect, and should thus become more direct. Secondly, that current European institutions are insufficiently democratic, and in order to gain trust and legitimacy, should therefore themselves become more democratic.

2. The Committee on Social Affairs, Health and Sustainable Development supports a number of conclusions drawn by the text. It agrees that the financial and economic crisis has in the first place been caused by wrongly directed policies, such as the refinancing of private companies from public budgets (mentioned in paragraph 13 of the draft resolution). It approves the recommendation for Council of Europe member States to reinforce the regulation of financial markets and to examine the introduction of taxes on financial transactions, whilst developing strategies to reduce debts and to protect growth and social integration (paragraph 15).

3. However, much of the explanatory memorandum’s core analysis is missing from the draft resolution. Themes insufficiently addressed within the latter include those of direct democracy and active citizenship and how to develop them, the constituents of sound democracies and the case for more democratic legitimacy at

European level. Amendments are therefore proposed to assist co-ordination within the text and to provide greater precision of meaning. Other amendments simply reflect further recent developments worth mentioning. And considered essential by the Committee on Social Affairs, Health and Sustainable Development there are also further proposed amendments which seek connections with existing Council of Europe instruments in the field of democracy.

4. *Amendment A* reflects the most recent Assembly debates addressing the current financial and economic crisis. During the third 2012 part-session in June (25-29 June 2012) there will be debates on three reports which explore from different angles the threats to democracy caused by the current crisis: its impact upon social and democratic rights, its impact upon local and regional authorities and how it affects the young generation. Since these themes are closely related to the rapporteur's text there is thus a constructive opportunity for interconnection between them.

5. *Amendment B* is on the right of protection against market and economic forces. It seeks to provide greater clarity of meaning by revising the text's current reference to "basic needs of the people and nature".

6. *Amendment C* is on political extremism, and strongly recommends that its threat to European democracy be acknowledged and controlled.

7. *Amendment D* is on a further aspect of the refinancing of private companies from public budgets. This is where such refinancing may not necessarily result in additional tax burdens. For in some countries, while the State can lend money to private companies on conditions advantageous to the public, the procedure is nevertheless still not transparent.

8. *Amendments E* and *F* are self-explanatory.

9. *Amendment G* is on democratic legitimacy at European level. Thus in connection with paragraph 17, it calls for more transnational co-operation.

10. *Amendments H, I* and *J* relate to paragraph 18. By removing references to ideas which may not be essential, their purpose is to make room for more relevant notions taken up in the subsequent proposed amendments. In any case, the global concept of "social learning" may well be subsumed by a more focused definition already supported by the Assembly: *Amendment K* therefore proposes to add a reference to the corresponding text adopted by the Assembly during its April 2012 part-session on "The promotion of active citizenship in Europe". This is to introduce more elements of direct democracy into current representative systems. That text and the related report were written by the rapporteur for the present opinion.

11. *Amendment L* recommends two new paragraphs. These build upon ideas developed in the explanatory memorandum. Thus firstly, the amendment relates to the definition of a "sound State" and to the identification of actions required to make States sound. Secondly, the amendment emphasises the necessary connection with all tiers of government and democracy. It does so through reference to the instrument advocating these aims: the "Twelve Principles of Good Governance at Local Level" adopted by the Committee of Ministers of the Council of Europe in March 2008 and initially developed for local levels.

12. *Amendment M* suggests replacing the word "constituting" by "reinforcing", so as not to insinuate that the constitution of an additional transnational body is necessary, but rather that the democratic legitimacy of existing institutions requires reinforcement.

13. *Amendment N* recommends replacing the advocacy of a concerted action plan by that of the Council of Europe as a "guardian" against extremist movements. There are two arguments against supporting a "concerted action plan". Firstly, such plans are extremely complex and difficult to implement. Secondly, when attempted in recent years, they have had little impact. Thus, instead of wasting time and energy on yet another action plan, a better expedient would be the use of a concrete instrument such an "agenda for the protection of democracy in Europe"; the specific approach and deployment of that, however, remain to be determined once the process is launched.

14. *Amendment O*, finally, calls on the particular responsibility of national parliaments as main stakeholders and safeguards of modern representative democracies, to initiate national debates on the state of democracy and the role of the State, whilst assigning a role to the Parliamentary Assembly in such debates.