



Doc. 12955 – Compendium of written amendments

(Final version)

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

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A. Draft Resolution

1. In 2011, democracy was at the centre of the European public debate and the object of very controversial perceptions. For those who were especially encouraged by the strong peoples' movements of the Arab Spring, 2011 even became "the year of democracy".
2. However, for many other Europeans, democracy is one of the main victims of the financial crisis which started in 2008. This confirms the conclusions of the 2008 and 2010 Assembly debates on the State of democracy in Europe, according to which European democracies are in a downturn and are experiencing a crisis which undermines the trust of many citizens in their political institutions.
3. The crisis has, in particular, revealed the limits of the power of democracy and has aggravated public distrust in democracy. In a broad sense, it has been the consequence of some serious shortcomings in the functioning of democratic institutions, which were not able to anticipate, prevent, and quickly and adequately react to it without causing hardship to the people whom they are meant to serve and protect.
4. There is growing concern among Europeans who are witnessing the decline of their democratic capacity to cope with the consequences of the international financial crisis.
5. For these Europeans, it became evident that their national democracies were unable to protect them from the negative consequences of a financial crisis. As they do not want to forego the benefits of democracy, some demand instead that democracy is developed at the transnational level in order to provide European institutions with the legitimacy to intervene and limit the market and economic forces in the interest of the basic needs of the people and nature.

Amendment 5 **Tabled by the Committee on Social Affairs,** **Health and Sustainable Development**

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 6 **Tabled by the Committee on Social Affairs,** **Health and Sustainable Development**

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" by the following words: "in the public interest and wherever such forces have a negative impact upon social and democratic rights or upon the environment".

Amendment 7 **Tabled by the Committee on Social Affairs,** **Health and Sustainable Development**

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

"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 Parliamentary Assembly in its Resolution 1754 (2010) on the "Fight against extremism: achievements, deficiencies and failures."

**Sub-amendment 1 to amendment 7
Tabled by the Committee on Political Affairs
and Democracy**

In Amendment 7, at the end of the first sentence, add the following words: " , which include the need to fully debate the construct, implementation and evolution of the Euro."

**Sub-amendment 2 to amendment 7
Tabled by the Committee on Political Affairs
and Democracy**

In Amendment 7, second sentence, after the words "as well as increased extremism" insert the following words: "and nationalism".

6. The global crisis is a consequence of many complex economic factors and regulation deficiencies, some of which result from previous policy mistakes.
7. In a number of European countries, political processes have thus recently come under extreme pressure from, on the one hand, markets and international financial institutions and, on the other, citizens.
8. Faced with the collapse of their economies and, in some cases, the risk of sovereign default, governments implemented harsh austerity policies, including lowering of wages and social benefits and increasing taxes. Confronted with a sharp fall in living standards, which put large clusters of population near or below the poverty threshold, people in many European countries took to the streets protesting, at times violently, against government policies perceived as the diktat of markets, and against being asked to pay the cost of the crisis.
9. The present problems facing democracy are the accumulated result of many years of bad governance, political short-sightedness, and unwillingness of governments and citizens to face reality.
10. In an increasingly globalised economy focused on the financial market, there is a dissonance between the impact financial agents may have on a sovereign State's economy and the fact that their interests may not coincide. Furthermore, the concentration of power in the hands of globally integrated financial networks carries even more risks for the stability of nation States and governments.
11. A sound State is not usually possible without a lively and strong democracy. But a strong democracy also needs a sound State in order to be able to fulfil its potential and to meet the expectations of the citizens, especially by providing social justice. To this end, all means of making a State more accountable should be considered, including

the development of close links with representative civil society organisations, the encouragement of a fearless press diverse in its ownership and the promotion of an educated citizenry.

12. After the outbreak of the crisis, States turned out to be the last resort for saving the market economy: the complete disintegration of the financial markets and private banks has only been prevented as a result of State intervention by national governments, which sharply increased sovereign debts.
13. Refinancing private companies from public budgets resulted in an additional tax burden on citizens, and further eroded their trust in the fairness and efficiency of the State.
14. In order to solve the current crisis and devise long-term stabilisation strategies, States should regain or develop capacities to regulate international financial markets. This should also include the ability and political option to tax financial transactions if there is international agreement to this end.
15. Sound States should develop strategies to reduce sovereign debts which, at the same time, preserve economic growth and social integration. This goal includes a State's capacity to collect taxes and adapt taxation levels to the current and long-term needs of society. This also requires acceptability of tax levels by the majority of citizens for a fair sharing of tax burdens.
16. Sound States should also be capable of developing strategies for growth and the modernisation of society, particularly through investments in infrastructure as well as in sustainable development projects, notably for energy saving and the use of renewable energy.

Amendment 8
Tabled by the Committee on Social Affairs,
Health and Sustainable Development

In the draft resolution, paragraph 13, after the words "Refinancing private companies from public budgets", insert the following words: "and in an untransparent manner".

Amendment 9
Tabled by the Committee on Social Affairs,
Health and Sustainable Development

In the draft resolution, paragraph 16, replace the words "investments in infrastructure" by the following words: "investments in new infrastructure (e.g. housing and sustainable urban development)".

Sub-amendment 1 to amendment 9
Tabled by the Committee on Political Affairs
and Democracy

In Amendment 9, delete the words "(e.g. housing and sustainable urban development)."

Amendment 10
Tabled by the Committee on Social Affairs,
Health and Sustainable Development

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."

Sub-amendment 1 to amendment 10

Tabled by Lord John E. TOMLINSON, Mr Brian BINLEY, Lord Alexander DUNDEE, Mr Oliver HEALD, Ms Sandra OSBORNE

In Amendment 10, replace the words " 'red tape' should be reduced or removed in order to" with the following words: "regulations should".

Sub-amendment 2 to amendment 10

Tabled by Mr Jacques LEGENDRE, Mr Jean-Louis LORRAIN, Ms Daphné DUMERY, Mr Stefaan VERCAMER, Mr Erich Georg FRITZ, Ms Anette HÜBINGER

In amendment 10, delete the words "in order to facilitate and stimulate sustainable development".

17. For the future, sound States will need increased capacities for co-operation with other States since many policy areas are already too large for most of the nation States to regulate.

Amendment 1

(If adopted, amendment 11 falls)

Tabled by Mr Luc RECORDON, Ms Liliane MAURY PASQUIER, Mr Raphaël COMTE, Mr Andreas GROSS, Mr Dirk Van der MAELEN, Mr Roman JAKIČ

In the draft resolution, at the end of paragraph 17, add the following sentence: "Decision-making bodies should in particular be based on more democratic legitimacy at the European level, where the development of a true economic government could be the next step in the political integration process."

Amendment 11

(Falls if amendment 1 is adopted)

Tabled by the Committee on Social Affairs, Health and Sustainable Development

In the draft resolution, at the end of paragraph 17, add the following sentence: "Decision-making bodies, in particular those at a European level, should be more democratic."

18. Sound States are based on strong democracies. To become strong, democracies need to make the existing representative democratic structures more representative. This is possible with the inclusion of direct democratic elements which have to be carefully designed in order to increase citizens' participation, as well as their social learning and their experiences, to be able to determine – together with other fellow citizens – their life. This would contribute effectively to the aim that all tiers of power should be guided by the common interest rather than by particular interests. Failing to do so only strengthens

Amendment 2

(If adopted, amendments 12, 13, 14 falls)

Tabled by Mr Luc RECORDON, Ms Liliane MAURY PASQUIER, Mr Raphaël COMTE, Mr Andreas GROSS, Mr Dirk Van der MAELEN, Mr Roman JAKIČ

In the draft resolution, replace paragraph 18 with the following paragraph:

"Sound States are based on strong democracies. To become strong, democracies need to make the existing democratic structures

citizens' aversion to public politics and disadvantages also those who act in good faith.

more representative. This is possible with the inclusion of direct democratic elements which have to be carefully designed in order to increase citizens' participation, as well as with the promotion of active citizenship as suggested by the Parliamentary Assembly in its Resolution 1874 (2012) on "The promotion of active citizenship in Europe."

Amendment 12

(Falls if amendment 2 is adopted)

Tabled by the Committee on Social Affairs, Health and Sustainable Development

In the draft resolution, paragraph 18, second sentence, after the word "existing", delete the word "representative".

Amendment 13

(Falls if amendment 2 is adopted)

Tabled by the Committee on Social Affairs, Health and Sustainable Development

In the draft resolution, paragraph 18, replace the words "as well as their social learning and their experiences to be able to determine – together with other fellow citizens – their lives" with the following words: "as well as with the promotion of active citizenship as suggested by the Parliamentary Assembly in its Resolution 1874 (2012) on "The promotion of active citizenship in Europe"."

Amendment 14

(Falls if amendment 2 is adopted)

Tabled by the Committee on Social Affairs, Health and Sustainable Development

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

Amendment 15

(If adopted, amendments 3, 4 falls)

Tabled by the Committee on Social Affairs, Health and Sustainable Development

In the draft resolution, after paragraph 18, insert the following 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 of the Council of Europe 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 3

(Falls if amendment 15 is adopted)

Tabled by Mr Luc RECORDON, Ms Liliane MAURY PASQUIER, Mr Raphaël COMTE, Mr Andreas GROSS, Mr Dirk Van der MAELEN, Mr Roman JAKIČ

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

"All levels of government should be guided by the public interest rather than the interests of particular stakeholders. Sound States, capable of performing their main functions and maintaining a high level of trust amongst their citizens, need to be made strong against the abuse of political, administrative or judicial power, unethical behaviour such as corruption, favouritism for private stakeholders as well as undue influence by the media or interest groups, whilst being enabled to develop strong policies in favour of growth and social cohesion. Without permanent efforts to make States strong against such phenomena, citizens' confidence in decision-makers will further decrease."

Amendment 4

(Falls if amendment 15 is adopted)

Tabled by Mr Luc RECORDON, Ms Liliane MAURY PASQUIER, Mr Raphaël COMTE, Mr Andreas GROSS, Mr Dirk Van der MAELEN, Mr Roman JAKIČ

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

"An important reference for political decision-makers are the "Twelve Principles of Good Governance at Local Level", adopted by the Committee of Ministers in March 2008 in the framework of its "Strategy for Innovation and Good Governance at Local Level", which represent a modern instrument and an interesting reference for all levels of government."

19. In order to be able to defend the sustainability of the European economic and social model and the freedom of citizens to implement European political values, there is a need to Europeanise democracy as well as to democratise Europe.

20. Against this background, the Assembly invites the member States of the Council of Europe to:

Amendment 18
Tabled by the Committee on Social Affairs, Health and Sustainable Development

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

"In particular the Assembly calls upon national parliaments to fulfill 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."

20.1. consider, for instance in the framework of the World Forum on Democracy to be held in Strasbourg in October 2012, the ways in which democracy can be strengthened by deepening it at all levels of the nation State and also by constituting it at the transnational level;

Amendment 16
Tabled by the Committee on Social Affairs, Health and Sustainable Development

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".

20.2. engage in a dialogue with it on the state of democracy in Europe, with a view to devising a concerted action plan;

Amendment 17
Tabled by the Committee on Social Affairs, Health and Sustainable Development

In the draft resolution, at the end of paragraph paragraph 20.2, replace the words "with a view to devising a concerted action plan" with the following words: "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".

Sub-amendment 1 to amendment 17
Tabled by the Committee on Political Affairs and Democracy

In Amendment 17, delete the words " , in particular combating extremist movements themselves partially arising from current European policies".

20.3. consider the ways in which this debate can be organised in member States in order to raise awareness and to explore ways to strengthen democracy, build sound States and democratise Europe in order to prevent it from further losing legitimacy.