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EU role in competition is still at risk

By Francesco Giavazzi

Sir, Michel Petite, the director-general of legal services at the European Commission (Letters, June 27), is of course correct when he says that "an objective that does not exist cannot be lost!"

The EU Treaty currently in force does not list competition as one of the Union's primary objectives, which only refer to "promote economic and social progress and a high level of employment and to achieve balanced and sustainable development". References to "a system ensuring that competition in the internal market is not distorted" and to "the adoption of an economic policy which is conducted in accordance with the principle of an open market economy with free competition" appear only in a different treaty - the text that lays out the rules for the functioning of the European Community and thus at a lower hierarchical level in the EU legal system.

Competition had been upgraded to the status of one of the EU's primary objectives by the Constitutional Treaty - a text, as we know, signed in Rome in 2004 by all EU states, but later not ratified. In the Constitutional Treaty, however, since competition had gained the status of a primary objective, the two references cited above were no longer necessary and were deleted. Whether or not they will remain in the treaty that will be drafted by the next Intergovernmental Conference remains to be seen.

It will depend in particular on whether the conference will take, as its starting point, the existing treaty (where they belong) or, as some have suggested it should, the Constitutional Treaty (where they do not).

If this were the case, not only the mention of competition as a primary EU objective, but also the two references would be lost: European competition policy would have been weakened not only politically but also legally.

It would be reassuring to hear from the director of the Commission's legal services that these concerns are unjustified.

Francesco Giavazzi, Bocconi University, Milan, Italy