

# Puttering: Resisting Protectionism and defending the European Single Market"

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**Article by Hans-Gert Puttering, President of the European Parliament, on the occasion of the forthcoming extraordinary European Council, scheduled for March 1, 2009.**

Some very worrying signals have been sent out across the European Union in recent weeks. The European Union's Single Market - one of our greatest achievements - is in danger of being undermined and seriously damaged, unless decisions on how to overcome the economic crisis are taken with cool heads.

When Franklin D Roosevelt made his inaugural address in March 1933, the United States were in the grip of economic depression. He issued those immortal words which still have relevance in today's climate: "The only thing we have to fear is fear itself".

Given the current economic situation, one can perfectly-well understand the anxiety of European citizens faced with the possibility of losing their jobs or their homes and having to radically adjust their lifestyles. But fear is an irrational feeling that, if it takes hold, can provoke irrational choices and decisions and lead to a downward spiral.

This is a time for strong political leadership capable of taking decisions which may be both harsh and unpopular. Europe's political leadership must strive to restore confidence and resist any temptation to engage in populist rhetoric which might temporarily reassure their electorates; but offers no long-term sustainable remedy.

The completion of the European Union internal market in the early 1990's - providing for the free movement of goods and services, labour and capital - provided an enormous boon to our economies. Based on the idea that the whole is greater than the sum of its parts, the Single European Market is in itself a force for sustainable growth. It is a direct result of the Single Market, that European consumers have access to a wider range of quality goods and service without prices inflated through import taxes and duties.

If we were now to allow protectionist measures to undermine this market of over 500 million consumers (when we include Switzerland, Norway and Iceland with the 27 EU member states), we would be damaging the basis of our own prosperity.

The institutions of the European Union - the Commission, Council and Parliament - have a special responsibility to defend the interests of the community as a whole, rather than any narrow national,

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regional or sectoral interests. The European Commission as the guardian of the treaties must vigorously defend the rules of the internal market and take very resolute action against any member state who seeks to infringe these rules.

The current Czech Council Presidency also has a key role and I welcome the decisiveness of Prime Minister Topolanek who has called an emergency summit for 1 March to discuss recent developments. This European Council meeting must ensure that measures taken by individual member states are mutually compatible and do not in any way break internal market rules.

If each of the 27 Member States were to seek to 'go it alone', they would not get very far. Such economic nationalism would damage its own authors in the long term, if the other countries were to respond in a 'tit for tat' manner. The reality is that our internal market is intimately interconnected so that goods produced in, say, Germany may rely on components from, say, Poland and Denmark, and go on to be marketed in, say, Italy and Greece. Speaking, for example, of 'British jobs for British workers' or 'French cars built in France' is to be simplistic and to ignore the complexity of our European economic system.

The European Parliament, as the EU's only directly-elected institution, will also strongly defend the interests of the whole community and all of its citizens. We will resist any 'beggar thy neighbour' steps which would damage the internal market and, ultimately, impoverish the entire Union vis-a-vis our global competitors. As law-makers, we wish to see the law upheld and respected. The European Union is founded on the rule of law so that large, medium and small Member States are all equal before the law and no Member State can be allowed to flout the law to the detriment of others.

The 1 March summit is an opportunity for the European Union to make clear to the rest of the world that the EU and its Member States are not about to retreat behind protectionist fences. If fear and populism are allowed bring about an 'everyone for himself' approach, the end result will be 'failure for all'. We must remain true to the fundamental European principle of solidarity so that together we can overcome the current economic difficulties.