"Ludwig von Mises and "The United States of Europe"1.

By Annette Godart-van der Kroon, President of the Ludwig von Mises Institute Europe

Keywords: European Union, Nationalism, common identity, Lisbon Treaty, Subsidiairity, Gold Standard, Euro, Contract with Europe.

Introduction:

In this article I want to explain and to give justice to Ludwig von Mises' ideas on Europe, but also on the economic difficulties that are ravaging Europe and the USA nowadays.

What was his opinion about the "United States of Europe" and what would be his suggestion concerning the Euro and the Gold Standard?

In this context I gave suggestions concerning the core principles that should be embraced by "Europe" and which measures could be taken. The ultimate aim should be an open society and a limited government

I want to emphasize that the Europe von Mises attacked in 1927, has become true for a part, but that on the other hand a part of the fears of von Mises have not become true. I also wanted to add my own opinion on Europe and its institutions and I was very much inspired by the "Contract with America", that was drafted in the nineties of the 20st century, notably by Gringrich, Robert Walker, Richard Armey, Bill Paxon, Tom DeLay, John Boehner and Jim Nussle.

Though inspired by this document, I wanted to present the changes I think are necessary for Europe and submit an absolutely European "contract", as you will notice.

When von Mises was born in Lvov in 1881, the Habsburg Empire² was still there and no one had the feeling that one day it would collapse.

Today in 2011 the EU has created a Europe that has almost the same size as this Habsburg Empire, only it includes also the Nordic States, the UK and France as well.

¹ This speech has been presented at the 130th celebration of Ludwig von Mises' birthday in Lvov on September 30, 2011.

The expression "The United States of Europe" has also been used by the German emperor, Wilhelm 11 in 1940, but that had a rather negative impact.

² The Habsburg empire in the 19the century existed of several countries, like Austria, Hungary, Bosnia-Herzegowina etc.

In the period between those two moments, Europe has known two World Wars, a Cold War and the creation of a peaceful Europe. Ludwig von Mises did not live long enough to see the fall of the Berlin Wall happen and I am curious, what his reaction would have been.

The Pan-European Movement or International Pan-European Union³ started already with the publication of the manifesto of Count Richard Nikolaus von Coudenhove-Kalergi, titled "Paneuropa" in 1923, which presented the idea of a unified European State. The goal of this organisation was "the unity of a Christian Europe, free of nihilism, atheism and immoral consumerism"

Surprisingly enough the four main basic principles were liberalism, Christianity, social responsibility and pro-Europeanism. Surprisingly, because Liberalism should not belong in this summing-up.

Did the word "Liberalism" belong in this list or not and why was von Mises so much against this Pan European Movement? One of his remarks was about the incapacity of the Europeans to find a common identity.

In 1927 von Mises reacted on the concept of the proposed "United States of Europe" and I would lie if I would say, that von Mises had a positive opinion on that.

Several points should be discussed.

- 1. Von Mises was not pro-nationalism or –as he called it –regionalism. He was against regionalism.
- II He was dreaming of a Europe without borders proponing the freedom of movement of people, but did not want this Europe as it is now.
- III On the other hand von Mises was against a Europe that would try to compete with the big forces and in that context he indicated the lack of identity in Europe and between the European States.
- IV What would his proposal be for Europe? What would he think of the principle of subsidiairity and Better Regulation?
- V What would be his suggestion concerning the Euro? The Gold Standard?

I:To start with the first point:

Von Mises was opposed to a nationalist, "populist" (as it is called nowadays) way of thinking. "The narrow-mindedness which sees nothing beyond one's own state and one's own nation and which has no conception of the importance of international cooperation must be replaced by a cosmopolitan outlook"... Nationalist policies, which always begin by aiming at the ruination of one's neighbor, must, in the final analysis, lead to the ruination of all"⁴

As a consequence he could not be against a peaceful exchange of trade and persons between several countries. He was very much pro a "Freedom of movement of persons

³ Wikepedia: International –Paneuropean-Union

⁴ Ludwig von Mises "Liberalism: In the classical Tradition" (Irvington-on-Hudson, NY: Foundation for Economic Education, (1927) 1985, p.110

and goods". One could say, that **that** aspect coincides with the European Movement or – as it exists now-of the EU.

II: Freedom of movement of persons and goods has been mentioned by von Mises several times. In his book "Nation, State, and Economy", von Mises gives a calculated argument for this freedom. "He who wants to prepare a lasting peace must, like Bentham, be a free-trader and a democrat and work with decisiveness for the removal of all political rule over colonies by a mother country and fight for the full freedom of movement of persons and goods. Those and no others are the preconditions of eternal peace"⁵.

III. Von Mises was against a "**United States of Europe**", as proposed by Coudenhove-Kalergi, that would try to compete with the big states. As he said in the book on Liberalism:

1) "The champions of Pan-Europe and of the United States of Europe, however, have other ends in view. They do not plan on establishing a new kind of state, different in its policies from the imperialistic and militaristic states that have existed up to now, but on a reconstruction of the old imperialistic and militaristic idea of the state. Pan-Europe is to be bigger than the individual states that will comprise it; it is to be more powerful than they are and therefore more efficient militarily and better suited to oppose such great powers as England, the United States of America and Russia. A European chauvinism is to take place of the French, the German, or the Hungarian variety; a united front formed of all the European nations is to be directed against "foreigners": Britons, Americans, Russians, Chinese and Japanese". 6

I could add the remark, that after all the EU has not a large military power at all nowadays and that it now includes the UK as its member, being on good terms with the other mentioned states, except perhaps with Russia.

2) Another remark was about the incapacity of finding a common identity.

"The formation of a United States of Europe would not be an appropriate means to achieve this end." The **lack of identity in Europe** has been described by von Mises in the following words: "A Rhinelander can be made to understand that he is defending his own cause if he goes into battle for the Germans of East Prussia. It may even be possible to bring him to see that the cause of all mankind is also his own cause. But he will never be able to understand that, while he has to stand side by side with the Portuguese because they too are Europeans, the cause of England is that of an enemy, or, at best, of a neutral alien". .. "the heart of a German beats faster at every mention of Germany, of the German people, or of all that is typically German. They fail to take account of the fact that the words "Europe" or "Pan-Europe" and "European" or "Pan-European" do not have this kind of emotional connotation and are thus incapable of

3

⁵ Ludwig von Mises "Nation, State, and Economy": Contributions to the Politics and History of our time" (New York, NY: New York University Press (1919) 1983, p. 86

⁶ L. von Mises "Liberalism", (1927) 1985, p. 110

evoking sentiments of the kind called forth by such words as "Germany" and "German". This was written in 1927!

Tracinski said in his article about the European Constitution much later (in 2005.)8: "But it is much harder to unify a whole continent. No narrow, concrete goal will do it, because the people of Europe differ tremendously on every concrete: they have different languages, levels of education, levels of economic development, racial backgrounds, religious traditions, regional economic interests, etc. Only something broad and universal can unite them. Which means: only an *idea* can unite them. Europe cannot unite until it embraces a single idea about what is the proper kind of society for man to live in".

I would like to add the following remark: we do indeed speak several languages in Europe. No doubt about that and we do not have a common identity in Europe. But in the USA the supremacy of the English language is also crumbling off. Now the Spanish language is spoken in many places, and also the Chinese or Korean language is prevalent now in many places in the USA. And as the Americans are proud to be American, this common identity is flawed too.

Concerning the idea of speaking with "one voice", a term which is used often by Eurocrats nowadays, it is an understatement, that Europe does not speak with one voice. "(But) Europe does not know what basic ideas it wants to embrace. They don't know whether they want to have the benefits of freer markets (the original purpose of the European Economic Community) or to protect the status quo of their bloated welfare state". Part of the problem is that Europe cannot unify because it does not know whether it wants to be capitalist or socialist. Sometimes things happen with a same result but with a totally different intention. For example, when the Constitution was voted down in 2005 in France and in the Netherlands, the no-voters of the first country had the intention to safe their socialist state and its achievements, while the Dutch no-voters voted it down because they complained about "over-regulation by a stifling European bureaucracy"9

It is true that in Europe we do not speak with one voice (politically) and that it is divided in a socialist and a free-market point of view, but is that not the same as in the USA? Nowadays there is a hard battle between the Democrats and the Republicans about the future of the USA, which means that they are not speaking with "one voice" either.

⁷ L. von Mises "Liberalism" (1927) 1985 p. 110-111. On the other hand was von Mises a proponent of diversity, like it existed in the Habsburg Empire.

⁸ Robert Tracinsky TIA Daily--pro-individualist news and analysis." *Why the European Constitution Had to Fail*" (2005)

⁹ Robert Tracinsky TIA Daily--pro-individualist news and analysis." *Why the European Constitution Had to Fail*" (2.005)

The "Liberals" in the USA (the Democrats) are like the "Social Democrats "in Europe and the "Conservatives" (the Republican party) reflect more the "Christian Democrats and the Classical Liberals" in Europe.

The irony is that the Social Democrats in Europe want to protect their achievements and in a way have become conservatives themselves.

The difference between this dualistic point of view in the States and in Europe is, that in the USA the prevalence of the point of view used to depend on who wins the presidency. In Europe the leaders try to reconcile the different points of view. It is also certain, that a policy of "one voice" and common identity can not be achieved by forceful language. Neither is elitist behaviour a solution.

IV) **The Status Quo of the EU.** What would have been Mises' reaction towards the "Constitution" or Lisbon Treaty or the principle of subsidiairity and Better Regulation? According to me, the following aspects of the EU could be changed, starting with the European Institutions.

1) The Lisbon Treaty.

Europe needs to cultivate and embrace the following core principles.

- ❖ Accountability. Elected (and unelected) officials have become so entrenched and protected that they are unresponsive to the public they were elected to serve. The aim is transparency and limited, efficient power of EU institutions
- ❖ Individual liberty. Involve individual voters in the policy of the European Parliament and the Commission.
- Transparency and open government. That means access to and understanding of the measures by the Commission and the EP. That means that EU officials are not locked up in their own convictions but are open for discussion- with the citizens and with their opponents.

The following measures can be proposed.

- ❖ The Commissioners should be elected by the Europeans.
- ❖ The MEP's should have the right to propose legislation. They should be accountable.
- ❖ Abolition of laws and impact assessment also of the legislation of the EP.
- * Redrafting of the Lisbon Treaty: redefining the role of the President of Europe and other civil servants.
- ❖ Aim at an open society and a limited government
- * Require Committee meetings to be open for public

- ❖ The right to express opinions through initiative and referendum. The European Legislation should recognize the innate ability of every European to make decisions in his own private sphere without some infringement from "Brussels". It should be easier for the public to obtain information (via internet) and their views represented (via amendments and referenda)
- No new laws. Abolish them!
- ❖ No tax harmonization. The following arguments can be used¹¹0:
- 1) High taxation effects low economic growth,
- 2) Low taxation effects high economic growth
- 3) Not only do the low tax nations have greater income and output growth, they also have better employment opportunities. The high tax nations examined by Prof Vedder¹¹ had an average unemployment rate of nearly 7.6 % compared with a 5.3 % rate for the moderate tax nations.
- 4) Expansion of the welfare states financed by taxation has lowered growth rate. Lowering taxes and restraining government spending will raise it.
- 2) **The principle of subsidiarity** is defined in Article 5 of the Treaty establishing the European Community. It is intended to ensure that decisions are taken as closely as possible to the citizen and that constant checks are made as to whether action at Community level is justified in the light of the possibilities available at national, regional or local level. Specifically, it is the principle whereby the Union does not take action (except in the areas which fall within its exclusive competence) unless it is more effective than action taken at national, regional or local level. It is closely bound up with the principles of proportionality and necessity, which require that any action by the Union should not go beyond what is necessary to achieve the objectives of the Treaty. After the ratification of the Treaty of Maastricht in 1992, the European Council of Birmingham (16 October 1992), reaffirmed the intention of bringing the European Union closer to its citizens through the principle of subsidiairity, but demanded some guidelines for this application of the principle.

The following European Council (Edinburgh December 11-12, 1992) reached agreement on the "guidelines to implement the subsidiairity principle and measures to increase transparency and openness in the decision making process of the Community" and issued a declaration on the principle of subsidiairity, which lays down the rules for its application. According to me this should not have been a problem for von Mises, but some think that it is not democratic because of the hierarchical principle.

¹⁰ Michael Jäger in his speech given on the conference on Tax harmonization, October 14, 2008 "European Tax Competition – an idea whose time has come? Competition, not harmonisation!

¹¹ See also Richard Vedder, Cato Journal Vol. 5, no. 2 (Fall 1985) p. 572

3) As to **bureaucracy** about which are many complaints, the following.

Another feature of the present EU is its **bureaucracy**, its "red tape". Robert Tracinsky has the opinion, that "The problem is certainly not that the European institutes go too far toward implementing free-market capitalism. Quite the opposite: it consists of the establishment of a giant, all-powerful, unaccountable bureaucracy"¹². As von Mises has devoted a whole book to fight bureaucracy, you can imagine what his opinion would have been concerning this aspect of the "United States of Europe".

Von Mises' objection to bureaucracy is twofold:

- ❖ Bureaucratic management as distinguished from profit management means that the performance of the duties entrusted for example to the care of a police department is of great importance, but that it has no cash value on the market: it cannot be bought or sold. "The methods of economic calculation and especially of double-entry bookkeeping are not applicable to them"¹³. As soon as business abandons profit-seeking and substitutes for it what is called the service principle-I.e. the rendering of services without regard as to whether or not the prices to be obtained for them cover the expenses- it must adopt bureaucratic methods for those of entrepreneurial management¹⁴
- ❖ But he also points out the pompousness of the civil servants: "Only to bureaucrats can the idea occur that establishing new offices, promulgating new decrees, and increasing the number of government employees alone can be described as positive and beneficial measures, whereas everything else is passivity and quietism¹⁵″ That aspect is the most obvious one for the average citizen: the red tape, the dictatorship of the bureaucrats, the difficulties to start a business and the paperwork to be done.

There is an attempt of fighting this bureaucracy in the European Institutions using the word "Better Regulation". The intention is well meant, but I doubt whether it has any result.

Not only bureaucracy is a threat, but the last year something happened, that would be unthinkable before: "The debt crisis is forcing 17 euro-zone countries to pool economic sovereignty to a degree that was unthinkable before. For example Belgium and Luxemburg will be forced to abolish their system of index- linked wages and Ireland fears for its low-tax growth model. Other countries protest against the raise of the pension age to 67 years, like in France". 16

On top of that there is the fact, that there are more (Euro-linked) countries who are prointerventionism and hostile to unfettered competition than the real pro-free market countries (like the Netherlands, Austria and Slovakia). In the wider EU (including the

¹⁵ Ludwig von Mises "Omnipotent Government", Libertarian Press (1944) 1985, p.X

 $^{^{\}rm 12}$ Robert Tracinsky TIA Daily--pro-individualist news and analysis.

¹³ Ludwig von Mises "Human Action" A treatise on Economics" Ludwig von Mises Institute, Auburn 1998" p. 225., p. 305 etc

¹⁴ Idem, p. 307

¹⁶ The Economist "Charlemagne.The Union within the union," February 12-18th, 2011 p. 34

countries who do not belong to the Euro zone) however the balance is different. That is why the European Commission is needed to defend the free market at all costs.

V The Euro and the Gold Standard

Let us start with the arguments von Mises used for having a Gold Standard:

"Gold did not posses its position as money in the nineteenth century because it shines and is appropriate for jewelry but because people wanted a monetary system under which variations in the value of money were independent of governmental influences" ¹⁷ In short because they wanted "sound money". The *opponents* of the Gold Standard use as argument that "the use of gold for monetary purposes is an outmoded use for the metal and an irrational carryover from the past, an atavism" ¹⁸

The use of the Gold Standard does not imply that the value of money is stable, but as von Mises indicates "stable value is, after all, a vague and imprecise concept". ¹⁹ Von Mises even speaks of an "empty and contradictory notion"²⁰

"The Gold Standard is not an ideal monetary system, but in the given circumstances it is the best possible one". For the sake of economic calculation all that is needed is to avoid great and abrupt fluctuations in the supply of money. ²¹ " One of the biggest advantages is that -due to the Gold Standard – the stability of the foreign-exchange rates would be guaranteed. ²²

One result of the abolishment of the Gold Standard is a continuing inflation. And keeping the interest low in an artificial way has a most dangerous result. "Attempts to achieve a long-term lowering of interest rates by expanding the circulation credit of the banks ineluctably result in *a temporary boom* that leads to a crisis and to a depression"²³ But "the sooner the policy of credit expansion is reined in, the less is the damage caused by the artificial economic situation in the form of misdirected entrepreneurial activity and capital malinvestment. And the milder also will be the economic crisis and the shorter will be the consequent period of an interruption of business and general pessimism. "²⁴

¹⁹ "Man himself changes.. In the realm of action there is nothing perpetual but change" Ludwig von Mises "Monetary Stabilization and Cyclical policy" 1928 in Israel Kirzner, ed, "Classics in Austrian Economics" in "Between the Two World Wars: Monetary Disorder, Interventionism, Socialism, and the Great Depression", p. 174

¹⁷ Ludwig von Mises "The return to the Gold Standard" (first published in "Mitteilungen des verbandes österreichischer Banken und Bankiers" vol. 1, n2, 1924) in "Between the Two World Wars: Monetary Disorder, Interventionism, Socialism, and the Great Depression", Liberty Fund, Inc 2002, p. 141

¹⁸ Idem p, 140

²⁰ Idem p. 174

²¹ Ludwig von Mises "Human Action. A treatise on Economics" Ludwig von Mises Institute, Auburn 1998" p. 225.

²² Idem p. 152-153

²³ Ludwig von Mises "The Gold Standard and Its Opponents", first published in 1931 in the "Neue Freie Presse" in "Between the Two World Wars: Monetary Disorder, Interventionism, Socialism, and the Great Depression Liberty Fund, Inc 2002, p. 178

²⁴ Ludwig von Mises "Between the Two World Wars: Monetary Disorder, Interventionism, Socialism, and the Great Depression Liberty Fund, Inc 2002, p. 178

Another result of the abolishment of the Gold Standard is -according to von Mises- that poor countries in that case cannot develop their productive capabilities. Or to put it in his words: "For only the Gold Standard makes it possible for poor countries to develop their productive capabilities by attracting foreign capital"25

"The idea that governmental efforts and interventions are required to protect a country from losing its currency to foreign nations turns things completely upside down".26 Had von Mises lived now, he could say, that he predicted the crisis of today. Surprisingly the president of the Worldbank, Robert Zoellick, proposed in 2010 to return to the gold standard. According to him the present system of floating exchange rates needs replacement. The debate is not finished yet. Actually the Gold Standard has not been mentioned so often as in the last couple of months.

The Euro.

In the context of the gold standard's future, von Mises also mentions:

"Of course, in this sphere, it is no longer acceptable that each individual nation carries on its own economic policy, without any consideration for neighboring countries. In the realm of monetary systems it will be necessary to make international agreements"27

Of course this sentence has been used in a totally different context, but it indicates one thing: that again von Mises did not think in terms of national acting (without any consideration for neighboring countries).

The Euro was simply a currency, that never crossed the mind of von Mises. Perhaps he would have objected for one reason already mentioned: that Europe should not compete with the big powers, like the US, Russia etc, 28 He surely would have opposed because of the construction, but funnily enough he did not agree, when each individual nation would carry on its own economic policy, without any consideration for neighboring countries.

One element however can be taken into consideration and that is that the inflationary policy has harmed the euro.

Let us remember that the Euro has been a great success. So much that there was talk of replacing the dollar by the Euro as the leading currency. There are several aspects to the failing of the Euro.

- ❖ Some countries were accepted in the Euro zone too soon, because they were not
- ❖ Already in 2003 France and Germany gave a bad example of not respecting the criteria;

²⁵ Idem, p. 181

²⁶ Idem, p. 179

²⁷ Ludwig von Mises "The return of the Gold Standard" in ""Between the Two World Wars: Monetary Disorder, Interventionism, Socialism, and the Great Depression" Liberty Fund, Inc. 2002, p.152. "However the goal of these international agreements must be to reintroduce the gold standard in every single country of the world, which can be achieved without difficulty if the League of Nations imposes a punitive duty on the exports of those countries that refuse to stabilize their monetary system"

- ❖ The proposal to *centralize* Europe in order to safe the EU and the Euro, is not the right decision.
- ❖ Abolishment of the Euro is not an option²⁹, because of all the measures to be taken to return to their national currency, but it was known from the beginning that inflation (or devaluation of the currency) would not be possible in the Euro zone. If we look at the history of the dollar we can see that it was not so easy to create one currency as well. There were different currencies in the USA in the 19th century.

Conclusion:

Europe has become a place where there is a common market, where peace has been acquired. The peace process and enlargement of the EU have been impressive. The question is now: "Europe, enlarging or deepening?" The enlargement is almost complete, but what about the deepening?

As the Economist put it, enhancing the merits of the EU: "On balance it (the EU) has swept away barriers to internal trade and has promoted the free movement of people. It has modernized poor regions. It has anchored southern and Eastern Europe in the free world: an historic achievement."

But the European dream has its failures: "the European parliament is elected, but not truly accountable. Members (MEP's) can vote down any law without risking the fall of a government and snap elections: that is power without consequences" 30

There is a **fundamental disconnection** between the European citizens and their elected officials (if they are elected, which is not the case with the Commissioners) and that connection between the European Institutions and the European population should be restored.

Eurocrats have always been more active than the Eurosceptics. The latter started to be active when they realized the impact of the European measures and legislation. "Brussels insiders on the other hand are convinced that critics of the EU are nationalists. They are wrong"³¹. Not only they think the Eurosceptics are nationalists, but the word populism has been used even more often.

But there is something else going on: the **struggle between Federalists and Anti-Federalists- between adherents of indirect democracy and direct democracy.**

Such a debate took also place in the USA in the beginning of the Union, between 1787 and 1788, nl. between Federalists and Anti-Federalists, the latter preferring direct democracy and participation by citizens.

This idea of direct democracy was considered as very dangerous and naïve by Founding father and President of the USA, Madison. He in particular was worried that a "majority might oppress minorities. Above all, Madison understood that a large and

-

²⁹ The Economist: "For all the talk of the Euro failing to survive this sovereign-debt crisis, it should struggle through" in "Saving the Euro" in the Economist of November 20th, 2010 p. 11.

³⁰ The Economist "Before the altar of Europe", July 3rd-9th, 2010, p. 30

³¹ idem

diverse nation would necessarily have many antagonistic "minority factions" or special interests in today's language. "He wanted to contain these interests safely within a republican structure. Of course they should have their representation. But they should all compete against one another in the House of Representatives. The resulting laws should then be filtered through the Senate and the two other branches. This was to cool House legislation as a saucer cools hot tea".32

The Federalists won the debate in the USA, but in Europe the debate is still going on. Not too vehemently, but Eurocrats or Brussels insiders are still convinced that every critical remark on the EU is populist and nationalistic.

Another characteristic that shows the difference between Eurocrats and Eurosceptics (or Federalists versus Anti-Federalists) is the **text** of the Lisbon Treaty, the successor of the former "Constitution". While Eurocrats do want to regulate every detail, trying to provide in any possible scenario, the Eurosceptics think that a "constitution" should be an outline, having a short text and attaching the existing treaties to the main text.

Another aspect: the **monetary policy.** Von Mises would certainly not have improved of the monetary policy as it is conducted today in Europe (or in the USA) and he would certainly not have approved of the overwhelming amount of legislation and rules by the European Parliament. Sometimes silly rules. Meant well, but the result can be disastrous. Like the rules on ladders....

The dichotomy between socialist thinking and free market thinking will continue to exist in Europe, as it exists in the USA. But there –once the president of the US is in charge- he can push through his ideas, though most of the time there are compromises (like after the victory of the Conservatives in 2010). Financial crises can not always be prevented. "We are not running a "no-failure" regime. Failure is an inherent part of a flexible, competitive, innovative capitalist system".³³

In this context I would like to propose to reform.

A Contract with Europe

Respecting the judgment of our fellow citizens the European Elected Officials should seek their mandate to reform,

A contract with Europe is an opportunity with the aim to establish and reform the European dream through creativity.

 $^{^{32}}$ The Economist "The people's will. Democracy in California", a special report April 23rd, 2011, p. 5

³³ Howard Davies in "The regulation of Financial Markets", The Institute of Economic Affairs, 2003, p. 28

The Reasons to draw a contract with Europe³⁴

The European Commission and the European Parliament have been holding themselves above the law and have been operating in secret.

A Contract with Europe is rooted in the following core principles:

- Accountability. Elected officials have become so entrenched and protected that they are unresponsive to the public they were elected to serve. The aim is transparency and limited, efficient power of EU institutions
- Individual liberty. Involve individual voters in the policy of the European Parliament and the Commission.
- Transparency and open government. That means access to and understanding of the
 measures by the Commission and the EP. That means that EU officials are not locked up
 in their own convictions but are open for discussion- with their citizens and with their
 opponents.

A Contract with Europe. The following major reforms should be passed

As the future of Europe depends on the Lisbon Treaty and as a Constitution lasts longer than us, citizens (for hundred of years), the promise should be made to adapt the Lisbon Treaty to the needs and principles of the European citizen, which means:

- Redraft and revise the Lisbon Treaty, especially redefining the role of the executive power, which means a clear separation of powers and a policy of checks and balances and transparency with a president, elected by the people.
 35A clear transparent and shorter text is needed. The treaties could be added as an amendment. One of the reforms should be that there will be no EU presidencies anymore for individual member states.
- Aim at an open society and a limited government by the Commission and the European parliament including openness to discussion.
- No tax harmonization
- Government, limited by its end and by its means, which requires our consent (84
 % of the laws are from European origin).

³⁴ The inspiration for this "Contract with Europe" comes from "The Contract with America" ³⁵ The executive force is not clearly defined nowadays: there is a president of the European Council (van Rompuy), the president of the Commission (Barosso) and the rotating presidency all in the same time.

- Require committee meetings to be open to the public. Direct codetermination via referenda
- Free and undisturbed competition. (now removed to Protocol 6 of the Treaty: Internal market and competition).
- Laws should be judged on their effectiveness and -if necessary- abolished.
 Impact assessment should be introduced by external advisors also of the legislation of the European Parliament. The right to express opinions through initiative and referendum.
 - The European Legislation should recognize the innate ability of every European to make decisions in his own private sphere without some infringement from "Brussels". It should be easier for the public to obtain information (via internet) and their views represented (via amendments and referenda)
- Individual liberty and personal responsibility. Having rights means also having duties.

Aim: to outline the future of Europe and the EU, including the future role of the Commission and the European Parliament. That vision seeks to establish the European dream by promoting individual liberty, personal responsibility through limited, open government that is marked by transparency.

This document should help to repair a fundamental disconnection between the European citizens and their elected officials.

We need MEP's who believe in

- 1. An open and limited government
- 2. Individual liberty and personal responsibility
- 3. Direct codetermination and election of Commissioners
- 4. Free and undisturbed competition
- 5. Transparency and want to pledge to inform to the European citizen and want to stop European Institutions to be too easy with the public money

Criticizing the European policy as it is conducted today, should not be considered as a negative force, but as a positive force, helping to create a better and more efficient EU. It is not a question of more or less Europe, but of "a different Europe"

Eurosceptics consider themselves as "an opposition" and act as such.