State of the Union

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The President of the European Commission, José Manuel Barroso, gave his **third State of the Union speech**. Before Members of the European Parliament, he:

- stressed that in the face of the economic crisis, which saps public confidence in political action and fuels populism and extremism in Europe and elsewhere, Member States could not deal individually with the problems with which they were confronted;
- laid out his vision for a deep economic union based on a political union in the form of a federation of nation states. In this regard, he announced that the Commission would present concrete proposals for Treaty change before the next European elections in 2014.

In response to the President of the Commission's speech, Members wanted to focus the debate on the implications of the economic crisis for the future of the European Union and ways of bringing the Union closer to its citizens.

Federation of nation states:

- The leaders of the **ALDE and Greens/EFA groups** were critical of the idea of a federation of nation states, judging it redundant and not ambitious enough. They advocated a union based more on the needs of citizens.
- The leader of the EPP group, for his part, stressed the need better to explain he challenges facing Europe in order to raise public support.

Social safeguards and growth: Members emphasised the need to work on maintaining a social Europe, even in the face of the mounting crisis.

- Stating that there was an alternative to budget cuts, the **S&D** group leader favoured a social pact, adding that his group could not support the Commission without a social Europe.
- The leader of the **GUE** group said that what citizens wanted was solidarity and that it was unacceptable to push a culture of punishment in Europe.

An ambitious European budget: the main political groups made the case for an ambitious budget for the EU. They stressed the fact that sufficient resources must be allocated to it given that it was the primary instrument for investment and growth.

Less European Union: the **EFD** and **ECR** groups had critical words about Mr Barroso's proposals, believing that the challenge was to see better Europe rather than even deeper integration.

In response to Members' views, Mr Barroso:

- announced a proposal on European political parties in order to promote European democracy. He added that it was time to have truly transnational political parties which would make the case for the EU and called for these parties each to propose a candidate for the post of the next European Commission President;
- insisted on the need for undertaking difficult reforms, whilst maintaining that the social dimension remained critical to the European project.