

“Competition as an ideology, as a dogma, what has it done for Europe?”

This question was asked by French President Nicolas Sarkozy at a press conference following the Summit of the European Union’s Heads of Government in late June, 2007. It was part of his motivation for the replacement of the phrase “an internal market where competition is free and undistorted” with the mere words “a single market” in the new proposed EU Treaty.

President Sarkozy’s question is fundamental. Competition is an essential feature of a free economy, whereas no competition is a main feature of a centrally planned economy. Freedom or control – the history of Europe is indeed a struggle between these two opposites, in different shapes over centuries and decades: Trade or protectionism, laissez-faire or mercantilism, capitalism or communism.(...)

President Sarkozy seemed to indicate that his response to the question was: “Not particularly much.” Why else would free competition be erased, but other EU aims such as “sustainable development” remain? A protocol claiming that competition is still important was added to the Treaty. Its legal value can be discussed. That is, however, not very relevant. The symbolic value of erasing competition is in any case overwhelming. It might contribute to tilting many policy agendas in Europe against competition and set Europe going towards more control.”

(quote from Johnny Munkhammar Introduction to “What Competition Has Done for Europe”)

As always, the EEI does not promote one political idea but tries to provide a platform for a top level public debate. You are welcome to participate in it. If this paper has provoked some thoughts or comments please share them with others on the “What Competition Has Done for Europe” Discussion Forum on the EEI website www.european-enterprise.org.



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EEI POLICY PAPERS

What Competition Has Done for Europe

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