

Northwestern Journal of International Law & Business

Volume 9
Issue 3 *Winter*

Winter 1989

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Recommended Citation

Dominique Carreau, William L. Lee, Towards a European Company Law, 9 Nw. J. Int'l L. & Bus. 501 (1988-1989)

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Towards A European Company Law

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*William L. Lee***

I. HISTORICAL BACKGROUND

The prospect of creating a genuine "European" company law was raised as early as 1959, just two years after the signing of the Treaty of Rome establishing the European Economic Community.¹ Curiously, the initiative was taken by practitioners and scholars and not by the business community, which expressed little interest in such an innovation at that time. The first steps were taken by the French Notaries Public who, at their 57th Annual Congress, suggested that it might be desirable "to adopt, by means of an international convention, a comprehensive company law, probably restricted to *sociétés anonymes* (large, publicly held [French] corporations) as done previously in the field of international transportation."² This suggestion almost immediately received the support of the Commission, which invited academics and professional organizations to comment on such an idea.³ A series of symposia and articles resulted from the proposal, but no further progress was made at that time.⁴

The movement to produce a uniform European corporate law gained momentum when France, on March 15, 1965, transmitted to the other Member States an official memorandum suggesting that a detailed

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¹ Treaty Establishing a European Economic Community, March 25, 1957, 298 U.N.T.S. 26 [hereinafter EEC Treaty or Treaty of Rome].

² See Thibierge, *Le statut des sociétés étrangères*, in *Le Statut de l'étranger dans le marché commun* 360 (Paris 1959), quoted in 2 H. SMIT & P. HERZOG, *THE LAW OF THE EUROPEAN ECONOMIC COMMUNITY* § 54.06 (1988).

³ See H. SMIT & P. HERZOG, *supra* note 2, at § 54.06.

⁴ *Id.*

study be undertaken by experts working closely with the Commission.⁵ As a result, in 1966 the Commission sent a memorandum ("1966 Memorandum")⁶ to the Council surveying the need for such a new legal enterprise. The Commission also appointed a panel of national experts headed by Professor Sanders of the Netherlands with a view to drafting "European" company legislation. As the drafting process progressed, however, differences of opinion arose as to certain proposals, such as the liberalization of the use of bearer shares⁷ and, more importantly, increased worker participation in corporate governance.⁸

Consequently, and in view of the reluctance of the Council to address the problems involved in creating the new legal form, the Commission decided to take over the responsibility for drafting the proposed legislation. In June 1970, it produced a massive draft regulation comprising 284 articles and four annexes.⁹ The proposed regulation was submitted to the Economic and Social Committee of the Community, which rendered a favorable advisory opinion in 1972.¹⁰ The draft was then submitted to the European Assembly (the predecessor of the present European Parliament), which, in July 1974, adopted the Commission's proposals after submitting certain amendments primarily in the controversial area of worker participation.¹¹ The Commission incorporated the European Assembly's suggestions in the final version of its proposal, which was transmitted to the Council on June 30, 1975 ("1975 Draft").¹²

To facilitate its technical examination, the Council appointed an *ad hoc* working party in 1976 which proceeded with a first reading of the proposal between 1976 and 1982.¹³ The working party made steady progress, but then suspended discussions in 1982, when the first reading was made dependent on reviewing the Commission's proposals to harmonize the Member States' legislation on groups of companies.¹⁴ At this point,

⁵ For the French text of this memorandum, see *Revue des Sociétés* 79 (1967). See also Foyer, *La Proposition Française de Création d'une Société de Type Européen*, 8 R.M.C. 268 (1965), cited in H. SMIT & P. HERZOG, *supra* note 2, at § 54.07.

⁶ BULL. EUR. COMM., supp. 9/10 (1966); see H. SMIT & P. HERZOG, *supra* note 2, at § 54.07.

⁷ The governments of certain Member States objected to the use of bearer shares, which provide opportunities for tax avoidance not available with registered shares.

⁸ See *infra* notes 52-58 and accompanying text.

⁹ See H. SMIT & P. HERZOG, *supra* note 2, at § 54.07 and § 54.12.

¹⁰ See *Statute for the European Company: Commission Memorandum to Parliament, the Council and the Two Sides of Industry*, in BULL. EUR. COMM., supp. 3/88, at 20 (1988)[hereinafter 1988 Memorandum], citing 15 O.J. EUR. COMM. (No. C 131) 19-24 (1972).

¹¹ See 1988 Memorandum, *supra* note 10, at 20, citing 17 O.J. EUR. COMM. (No. C 93) 4 (1974).

¹² 1988 Memorandum, *supra* note 10, at 20-21.

¹³ *Id.*, at 21.

¹⁴ *Id.* For proposed regulations applicable to "groups" of companies, see *infra* notes 59-62 and accompanying text.

all negotiations within the Council ceased¹⁵, and it was widely believed that the proposal to create a truly unified "European" company law had been buried for all time.

Nevertheless, the movement to create a European company law was revived during the recent drive to "complet[e] the internal market"¹⁶ by December 31, 1992. This was ignited by the Commission's famous White Paper of June 1985 ("White Paper") and was formalized by the adoption of the Single European Act in 1986.¹⁷ In its White Paper, the Commission asserted the necessity of creating "a legal framework that would facilitate cooperation between enterprises."¹⁸ Noting that "the creation of an optional legal form at [the] Community level holds considerable attraction as an instrument for the industrial cooperation needed in a Unified Internal Market,"¹⁹ the Commission pronounced that "[a] decision on the proposed [European company] statute will clearly be needed by 1992."²⁰ Against this background, on June 8, 1988, the Commission adopted a memorandum proposing a European Company Statute ("1988 Memorandum").²¹ The memorandum was submitted to the Parliament, the Council, and "the two sides of industry" (the employers and the labor unions), which had six months (until December 1988) to offer their views.²² The Commission would now proceed with presenting its legislative proposals, which will presumably be available by late 1989.

II. THE TWO POSSIBLE APPROACHES TO PROMOTING EUROPEAN INDUSTRIAL COOPERATION

The Commission has sought to promote industrial cooperation in the Community through a two-pronged company law program: (1) the harmonization of the corporate laws of the Member States and (2) the creation of a truly "European" corporate entity.²³

A. The "Communitization" of National Company Laws

Article 54(3)(g) empowers the Council, through the adoption of appropriate directives, to "coordinat[e] to the necessary extent the safe-

¹⁵ *Id.*

¹⁶ *Completing the Internal Market, White Paper from the Commission to the European Council*, COM(85)310 final, (June 14, 1985)[hereinafter *White Paper*].

¹⁷ Single European Act, 30 O.J. EUR. COMM. (No. L 169) 17 (1987).

¹⁸ *White Paper*, *supra* note 16, at 35.

¹⁹ *Id.*

²⁰ *Id.*

²¹ 1988 Memorandum, *supra* note 10.

²² *Id.* at 6.

²³ *Id.* at 18.

guards which, for the protection of the interests of members and others, are required by Member States of companies or firms . . . with a view to making such safeguards equivalent throughout the Community.”²⁴ Pursuant to this authority, seven “coordination” directives have been adopted and five additional directives have been proposed. Therefore, the Council could create a European company law through the adoption of directives of coordination to render virtually identical the safeguards offered by various national company laws. This approach would have the added benefit of minimizing problems which occur due to discrepancies between the applicable domestic legislations. However, considerable difficulties have been encountered in the past in formulating and adopting directives to harmonize company law. This traditional coordination approach does not appear promising, notwithstanding the benefits of harmonization. The Commission itself was forced to recognize that the harmonization approach “seem(ed) to be losing momentum”²⁵ and that “coordination, even if pursued to the maximum extent, will not bring about complete unity of the national condition under which enterprises are allowed to undertake their business.”²⁶ Accordingly, the Commission elected to carry out its company law program by means of establishing the legal framework for a corporation at the Community level.²⁷

²⁴ EEC Treaty, *supra* note 1, at 39, art. 54(3)(g). In addition, Article 220 authorizes Member States, independent of Commission action, to enter into formal international agreements with respect to specific issues of corporate law (mutual recognition, retention of legal personality in the event of cross-border transfers of headquarters, or mergers of firms subject to different jurisdictions). *Id.* at 89, art. 220.

²⁵ 1988 Memorandum, *supra* note 10, at 12.

²⁶ *Id.* at 18.

²⁷ *Id.* The concept of an international corporation was not new. *See* H. SMIT & P. HERZOG, *supra* note 2, at §§ 54.03-04. In the years immediately following World War II, in order to facilitate reconstruction and to operate public services common to several European states, the Council of Europe proposed the creation of new international corporate forms. *Id.* at § 54.03. Although the proposals of the Council of Europe did not succeed, several European legal entities were subsequently created in the 1950's through international conventions, such as EUROFIMA and SAARLOR in 1956, and EUROCHEMIC in 1957. *Id.* at §§ 54.03-04. The approach was cumbersome, however, as it required entering into an international treaty each time the need arose for a new legal entity, and drafting bylaws to regulate it.

Creation of an international corporation in the absence of a treaty specific to such purpose is possible under the terms of the Treaty Establishing a European Atomic Energy Community, March 25, 1957, 298 U.N.T.S. 167 [hereinafter EURATOM Treaty], which envisions the possibility of establishing “joint undertakings” for “the development of the nuclear industry in the Community.” *See* EURATOM Treaty, *id.* at 187-88, arts. 45-51; *see also* H. SMIT & P. HERZOG, *supra* note 2, at § 54.05. However, such “joint undertakings” are limited to projects of “fundamental importance,” and are not intended as normal legal forms for the nuclear industry as a whole. *See* Euratom Treaty, *id.* at 187, art. 45. Indeed, very few “joint undertakings” of this type have been created pursuant to the Euratom Treaty. No similar express provisions exist in the Treaty establishing the European Economic Community for the creation of “joint undertakings”.

B. Truly "European" Companies

Although the Treaty of Rome does not contain any provisions expressly authorizing the creation of a "Community incorporated corporation," sufficient enabling authority may be found in Article 235, which expressly validates the doctrine of implicit powers of the Community.²⁸ Article 235 has been invoked by the Council in the past, including, on one occasion, in the company law area, when a new corporate structure, the European Economic Interest Grouping ("EEIG"), was created in 1985.²⁹ As the Commission correctly observed, "this [was] the first time that Community firms [had] been provided with an instrument of cooperation based on Community law."³⁰ However, in spite of hopes that the EEIG would further the industrial cooperation of European firms, the functions assigned to the EEIG were limited.³¹ The EEIG may not hire more than 500 employees, may not borrow on the financial markets, and may not act as a holding company or be used as a vehicle for carrying out cross-border corporate mergers.³²

Unlike the EEIG, which was limited to undertaking specific corporate functions, the Commission's revived proposal for a European company law seeks to establish a single legal vehicle with full corporate powers. This legal vehicle could be used by companies operating EEC-wide, obviating the need to incorporate in every jurisdiction. As stated by the Commission, "A European Market calls for a European Company."³³

III. THE ARGUMENT FOR A EUROPEAN COMPANY STATUTE

The arguments in favor of the creation of a truly "European" company law were highlighted by the Commission in the 1966 Memorandum "concerning the setting up of a European company law."³⁴ The first objective was — and still remains — to offer European corporations a new legal structure facilitating their cross-border activities. The economic unity of the Community requires the unity of its corporate legal organization. Corporations should be able to have the same legal personality throughout the territory of the EEC, to transfer their headquarters between Member States without being forced to liquidate the company in

²⁸ *Id.*

²⁹ *Id.* The EEIG will be effective as of July 1, 1989.

³⁰ 19th Council Report of the Commission, § 243 (1985).

³¹ COUNCIL REGULATION 2137/85, 28 O.J. EUR.COMM. (No. L 199) 1 (1985).

³² *Id.*

³³ 1988 Memorandum, *supra* note 10, at 5.

³⁴ H. SMIT & P. HERZOG, *supra* note 2, at § 54.07.

the country of origin, and to set up local branches in every Member State at reasonable cost and with minimum obstacles.³⁵ The second objective is to allow European corporations to adjust their legal structures more easily to the needs of the changing economic environment and to remain competitive in a global market. Faced with inadequate legal means for cross-border cooperation, European firms feel that they are at a competitive disadvantage compared to their United States and Japanese rivals because they are unable to achieve economies of scale efficiently or to mobilize sufficient human and financial resources within their home market.³⁶

Indeed, the presence of largely different domestic company laws has continually acted as the most significant obstacle to greater cooperation among European corporations. Although companies have been able to collaborate across frontiers through joint ventures and cross-shareholdings,³⁷ formal mergers have been impossible because of the legal and tax obstacles involved.³⁸ A cross-border merger entails a loss of legal personality and a change of nationality by the acquired company and, thus, requires unanimous shareholder consent.³⁹ The current taxation of capital gains following the acquisition of the non-surviving corporation also serves as a significant tax obstacle.⁴⁰ These barriers have essentially precluded cross-border mergers, and corporations have been forced to resort to less appealing forms of economic cooperation, such as holding companies or joint ventures.

Thus, as a practical consequence, multinational corporations with European-wide activities seeking to operate through subsidiaries must comply with the local incorporation laws of each Member State in which they wish to do business. In so doing, they have incurred significant financial and administrative costs. Moreover, the centralized management of such a group of corporations has proven extremely difficult. For although such companies have a common economic goal, they are governed by a plurality of often conflicting national company laws which, in most countries, ignore the legal requirements of corporate groups.

Different and sometimes conflicting tax laws and regulations also act as a deterrent to the formation of European conglomerates. A European

³⁵ H. SMIT & P. HERZOG, *supra* note 2, at § 54.08.

³⁶ 1988 Memorandum, *supra* note 10, at 5.

³⁷ Foreign direct investment may also be subject to disclosure, notification, approval or other requirements under the laws of the Member States. However, such laws seldom act as a complete barrier to completion of a transaction.

³⁸ 1988 Memorandum, *supra* note 10, at 10.

³⁹ *Id.* at 12.

⁴⁰ *Id.* at 10.

company law could eliminate the current double taxation of dividends distributed by a subsidiary to a parent company located in another Member State (in particular in the form of withholding taxes).⁴¹ It could also eliminate the economic double taxation that can result from the upward adjustments made to the profits of the company located in one Member State without corresponding adjustments being made by the second Member State to the profits of the company incorporated under its jurisdiction.⁴² Finally, differing systems and rules for determining taxable profits unduly influence decisions as to the most appropriate jurisdiction for establishing an EEC presence, which places certain Member States at a competitive disadvantage.⁴³

The unified market horizon of 1992 clearly makes more compelling these arguments for a true "European" company law. Cross-border cooperation will develop even further and many European corporations will be forced to undertake massive restructuring operations. But, as the Commission has aptly noted, "the statute . . . will limit the overly frequent and at times contested use of takeover bids"⁴⁴ while remarking on the "widening rift between the obvious economic need to restructure companies and the poor legal means available for [such] purpose".⁴⁵ It is against this background that the Commission decided to reactivate the "Statute for the European Company" on June 8, 1988.⁴⁶

IV. CHARACTERISTIC FEATURES OF THE 1988 COMMISSION PROPOSAL FOR A EUROPEAN COMPANY LAW

The proposals put forward by the Commission on June 8, 1988, did not take the form of an amended version of its lengthy 1975 draft. Rather, the Commission published a less ambitious work consisting of a presentation of new guidelines for a European Company Law and sought comments from interested parties which would be considered in preparing a final proposal.⁴⁷ The European Company Law has a dual aim: (1) to stimulate industrial cooperation by facilitating cross-border link-ups and mergers and (2) to promote "social progress" by involving workers in management. While attempting to accommodate both camps, the Commission focused on five specific issues that had proven critical in the past and that will need to be dealt with satisfactorily in the final version

⁴¹ *Id.*

⁴² *Id.*

⁴³ *Id.*

⁴⁴ *Agence Europe*, No. 4799, 5 June 1988, at 5.

⁴⁵ 1988 Memorandum, *supra* note 10, at 8.

⁴⁶ See *supra* notes 16-22 and accompanying text.

⁴⁷ 1988 Memorandum, *supra* note 10, at 17.

of the statute: (1) coexistence with national systems of company law; (2) worker participation in corporate governance; (3) information and consultation rights of workers; (4) rules applicable to groups of affiliated companies; and (5) taxation.⁴⁸

The future European Company Statute will create a single corporate status entirely anchored in the Community legal order and thus will be totally separate from existing national systems. As a result, twelve national corporate regimes will coexist alongside the new unified Community-based company law. Although the Community statute may contain provisions that are unknown in, or different from, those existing in national company laws, the importance of such differences should not be overestimated for at least two reasons. First, attempts to harmonize national corporate legislation by means of Community Directives will continue and may diminish the risk of basic conflicts on crucial points. Second, incorporation under the Community statute will remain optional and companies will retain the alternative of selecting their own national laws.⁴⁹ However, a key question to be addressed is the degree of freedom of choice granted to companies under the proposed statute. The 1988 Memorandum suggests that all companies will be free to incorporate under the proposed statute.⁵⁰ However, the availability of the European Company Statute as finally adopted could possibly be limited to and depend on the purpose of the entity to be incorporated and the legal status of its founders or the size of their assets.⁵¹

As indicated above, some form of worker participation in the structure and decisionmaking process of the European company has always been present in the previous drafts of the European Company Statute. But despite widespread support for the idea, the bitter and protracted controversies surrounding its implementation have caused this issue to become the principal stumbling block in the adoption process.⁵² The Commission has decided in favor of the flexible approach already contained in the proposed fifth company law directive, which permits the company to choose among three alternative formulas for worker participation.⁵³

⁴⁸ *Id.* at 13.

⁴⁹ *Id.* Such a framework is currently present in many federations where corporations may either incorporate and operate under the Federation system, or may incorporate under the laws of any of the constituent states.

⁵⁰ *Id.* at 17.

⁵¹ See *supra* note 6 and accompanying text. The drafts were produced under the direction of Professor Sanders.

⁵² See *supra* Note 8 and accompanying text.

⁵³ 1988 Memorandum, *supra* note 10, at 14.

Under the first and most restrictive scheme, patterned on the German system of co-management, workers elect between one-third and one-half of the company's supervisory board. Under the second scheme, modelled on the Franco-Italian system, workers are represented by a committee separate from the company's managing bodies, which is entitled to be kept informed of ongoing business decisions by management. Under the third scheme, inspired by the Swedish system, the degree of worker participation in each company's management is determined through collective bargaining.⁵⁴ The 1988 Memorandum suggests that Member States could be entitled to restrict such choice to prevent the use of the European Company Statute to circumvent the constraints of a stricter national legislation.⁵⁵ Thus, for example, European companies organized on German territory could be forced to apply the unique German participatory system.⁵⁶ Moreover, future European companies will be obligated to grant their employees the information and consultation rights which are required under existing Community Directives.⁵⁷ Also, any subsequent Community Directives designed to improve social relations will be applicable to all companies operating in the Community, either under a European or a national incorporation.⁵⁸

The strategic desirability of including in the European Company Statute specific rules applicable, not only to formal cross-border mergers, but also to structured cooperation among groups of companies remains an open question.⁵⁹ Only the laws of the Federal Republic of Germany and Portugal contain provisions on relations between affiliated companies going beyond the principle of each company's economic independence — such as provisions protecting minority shareholders where the controlling company owns less than 100% of the shares of an affiliate.⁶⁰ The 1975 Draft included provisions, inspired from the German model, permitting those setting up a holding company or joint venture structure to elect a special group status aimed at facilitating the management of such groups as a single economic unit, while also protecting the legitimate interests of third parties such as minority shareholders or credi-

⁵⁴ *Id.*

⁵⁵ *Id.* at 14-15.

⁵⁶ *Id.* at 15.

⁵⁷ *Id.* at 15, citing *Council Directive of 17 February 1975 on the Approximation of the Laws of the Member States Relating to Collective Redundancies*, 18 O.J. EUR. COMM. (No. L 48) 29 (1975); *Council Directive of 14 February 1977 on the Approximation of the Laws of the Member States Relating to the Safeguarding of Employees' Rights in the Event of Transfers of Undertakings, Businesses or Parts of Businesses*, 20 O.J. EUR.COMM. (No. L 61) 26 (1977).

⁵⁸ 1988 Memorandum, *supra* note 10, at 15.

⁵⁹ *Id.*

⁶⁰ *Id.*

tors.⁶¹ However, the buy-out and exchange rights granted to minority shareholders under the 1975 Draft proved to be one of the major points of contention that led to the suspension of Council negotiations in 1982.⁶²

Finally, the Commission memorandum proposes a simple and attractive tax regime under which a European company will be taxed in the state where it is domiciled. This proposed tax will be calculated on an aggregate basis after adjustment for the profits and losses of its permanent establishments located in other Member States.⁶³ Accordingly, tax losses of a Greek subsidiary, for example, would be applied to the income of its British parent company on a consolidated basis. In other words, a European company will be taxed on the consolidated results of its economic units established within the Community.

V. THE FIRST REACTIONS

Up to this point, the European Company Statute proposal has been greeted unofficially with limited enthusiasm, if not outright opposition, by Member States, employers and trade unions.⁶⁴ In the past, the majority of comments focused on the worker participation concept and its proposed implementation. The primary opposition came from the employers' European association (UNICE), the only interested party to adopt an official position on the Commission memorandum last November.⁶⁵ UNICE had bitterly opposed the Commission's proposed directive of 1980 (the so-called "Vredeling" Directive). The directive would have required pan-European companies to provide information to their employees concerning, among other things, their financial situation and strategies, and to consult with such employees before taking any action likely to affect them significantly.⁶⁶ UNICE has reserved final judgment on the European Company Statute until the employee participation options are fully developed by the Commission. However, UNICE members from Member States where mandatory provisions on employee participation do not exist have suggested that employee participation be

⁶¹ H. SMIT & P. HERZOG, *supra* note 2, at § 54.14(b).

⁶² *Id.*

⁶³ 1988 Memorandum, *supra* note 10, at 16.

⁶⁴ See Dawkins, *Britain Leads Opposition to European Company Statute*, Financial Times, Oct. 17, 1988, at 4, col. 1 [hereinafter *Britain Leads Opposition*]; *A European Company Plan*, BUS. L. BRIEF, (Oct. 1988), at 6.

⁶⁵ EUROPE, NO. 4903 (NEW SERIES), AT 11, (NOV. 30, 1988).

⁶⁶ *Proposed Council Directive of 24 October 1980*, 23 O.J. EUR. COMM. (NO. C 297) 3 (1980), amended by *Proposed Council Directive of July 13, 1983*, 26 O.J. EUR. COMM. (NO. C 217) 3 (1983). Despite the Commission's efforts to reach a consensus based on existing practice, the directive was shelved in 1986.

determined by the law of the *situs* of incorporation of the company.⁶⁷

Although Member States have up to now officially abstained from commenting on the 1988 Memorandum, it is well known that the Commission and the British Government are on a collision course.⁶⁸ The Commission has frequently focused recently on the "social dimension" of the 1992 internal market and made references to a "social Europe". Conversely, the British Prime Minister has unequivocally warned against "social engineering" and undue interference with free market forces.⁶⁹

More generally, doubts have been expressed as to the usefulness of a European Company Statute. UNICE, for instance, has described the European Company Statute as a "useful legal instrument" but not one that is indispensable to the realization of the Internal Market.⁷⁰ While the Statute might prove useful to small- and medium-sized companies desiring to establish branches or subsidiaries in several Member States, UNICE feels that with respect to larger companies, it would have been more important to have passed the proposed 10th Directive on cross-border mergers facilitating certain types of restructurings.⁷¹ This opinion is shared unofficially by the British Government, which has consistently expressed its skepticism as to the advisability of the creation of an autonomous European Company Statute.⁷²

The debate over the European Company Statute is only one aspect of the broader controversy surrounding the nature of the economic and social cohesion of the Community of tomorrow. Two camps are forming along political lines: the Northern "free-marketeers" led by Great Britain and the Southern Socialists led by France. Northern Member States have been enthusiastic about the drive towards the completion of the Internal Market and believe that competitive forces should shape the Internal Market under the guidance of the "invisible hand". The "poorer", mainly-southern Member States (Greece, Spain, Portugal and Ireland) argue for a fair allocation of 1992 benefits through greater economic and social cohesion. As European industry restructures to become more competitive, the initial job loss estimated at approximately 250,000 per year will likely be borne most heavily by the southern Member States. This explains the keen interest by the southern Socialist countries in the Internal Market program's "social dimension". Moreover, as ideological

⁶⁷ EUROPE, NO. 4870 (New Series)(Oct. 10/11, 1988).

⁶⁸ *Britain Leads Opposition*, *supra* note 64, at 4, col. 1.

⁶⁹ *Id.* The chairman of the Commission is Mr. Jacques Delors, former French Finance Minister.

⁷⁰ EUROPE, NO. 4903, *supra* note 65, at 11.

⁷¹ *Id.*

⁷² *Britain Leads Opposition*, *supra* note 64, at 4, col. 1; *A European Company Plan*, *supra* note 64, at 6.

ringmaster, Socialist France believes that the Community has been too "soft" on the rich and should provide higher levels of social protection to the poor. The rift is steadily widening between the "free-marketeters" and the "interventionists" on social, monetary and tax fronts. Such ideological dispute may prove to be a key factor should the European Company Statute once again be shelved.