

REFORMING THE EUROPEAN PARLIAMENT

by Nick Clegg and Michiel van Hulten

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SUMMARY

- The European Parliament is the most sophisticated supranational parliament in the world. But it faces a crucial moment in its political development. Whilst it has steadily increased its powers in the legislative and inter-institutional arrangements of the EU, it has not yet succeeded in translating its authority into a more visible political role amongst Europe's electorates. The challenge facing the European Parliament is simple: how to wield its extensive powers in a manner more fully accountable to voters. If it fails in this task, it will risk exercising power without responsibility, wielding invisible authority without public accountability, and so fatally harm its own legitimacy.
- This paper argues that the European Parliament needs to deploy its strengths better and reform its organisation if it is to gain greater legitimacy and credibility. The European Parliament needs to do six things.
- First, The European Parliament must focus on its core business by **becoming a more effective legislator**.
 - There are two serious weaknesses in the way the European Parliament works as the legislative branch of the European Union. The first – largely of its own making – is that its approach to lawmaking is too technical and too detailed. The European Parliament often fails to assess the wider political and other implications of the proposals it considers. The practical impact of legislation must be more thoroughly analysed, for which an independent impact assessment agency should be established. The second is that its powers of co-decision do not extend to all major areas of legislation, thereby contributing to the impression of a powerless institution. The power of co-decision should be extended to all areas where the Council decides on legislation by qualified majority.
- Second, the European Parliament must **better scrutinise the European executive**.
 - The European Parliament needs to improve its procedures for scrutinising both the European Commission and the Council of Ministers. A number of measures are proposed. First, the President of the European Commission should be directly elected by the European Parliament. The election should be confirmed by the European Council on the basis of

a decision taken by qualified majority. Second, the European Parliament should be given the right to sack individual Commissioners. Finally, Parliament should set up a Public Administration Committee to act as the key scrutiny committee for the Commission's executive role.

- o The Council's executive role in the second and third pillars has grown significantly in recent years, and the European Parliament should be able to exercise proper scrutiny in this area. A permanent Council Presidency will help facilitate this. Equally, the European Parliament should be able to scrutinise those parts of the Council budget which are earmarked for its operational role.
- Third, the European Parliament must **bridge the gap with national politics** via closer links with national parliaments.
 - o This can be done in a number of ways. First, national parliaments that have not already done so should set up a unit dedicated solely to monitoring the European legislative and decision-making process and to developing and maintaining relations with the European Parliament. Second, the European Parliament should create permanent institutional links with each of the fifteen national parliaments. Third, national parliaments should involve MEPs more systematically in their work, by each setting up a permanent Joint Parliamentary Committee composed of equal numbers of MPs and MEPs. Fourth, national MPs should be involved in the confirmation hearings of prospective Commissioners. Fifth, national parliaments should be given the right to submit opinions to be considered by the European Parliament when voting on proposed legislation.
 - o Finally, MPs should be involved in the annual debate on the Commission's legislative programme for the following year. This currently lacklustre event could be livened up, both in terms of ceremony and in terms of substance, by allowing MPs to take part in the plenary debate, and perhaps by inviting all leaders of EU governments to take part as well.
- Fourth, the European Parliament must **heighten its public profile** by politicising its working methods and media relations.
 - o The emphasis on consensual policymaking tends to stand in the way of a more ideological debate on the values and objectives of EU legislation. In particular, MEPs who argue, either on the grounds of subsidiarity or because of concerns of excessive regulatory intervention, that the fundamental

merits of a proposed EU law should be questioned are rarely given serious consideration. If the European Parliament is to raise its game, it must impose greater internal political discipline. Otherwise, it will be impossible for MEPs to forge the clear identity which they very much need to elicit greater interest and respect from voters. Two things can be done. First, resources can be shifted from the Parliament and individual MEPs to the Parliament's political groups. Despite their failures and lack of internal consistency, political groups are in a better position than the European Parliament as an institution to reach out to voters by expressing in public the political disagreements that take place. Equally, the leaders of Parliament's largest political groups, instead of the President of the Parliament, should be invited to attend European Council summits to put across the position of their respective groups.

- Fifth, the European Parliament must ensure closer links between MEPs and voters through **reform of the electoral system**.
 - o The system used to elect MEPs needs to be reformed. The present arrangement does not do enough to encourage close links between MEPs and voters. One solution is for larger member states which have not already done so to divide their territory into multiple constituencies, each electing several MEPs. The other step to create a direct link between individual MEPs and their voters is to use open as opposed to closed lists. Second, the role of political party elites in selecting parliamentary candidates must be significantly reduced, or even eliminated altogether. In most member states, parties' candidate selection is in the hands of a small group of ranking party members and officials.
- Sixth, the European Parliament must rid itself of its wasteful image through **increased efficiency, transparency and accountability**.
 - o The European Parliament must put its own house in order. First, the unforgivably lax arrangements for MEPs' travel expenses must be reformed urgently, and the legal limbo in which MEPs' assistants are presently suspended must be tackled. Second, the European Parliament should have a single seat—in Brussels. The present arrangement, split between Brussels, Strasbourg and Luxembourg, is neither efficient nor effective. Finally, the European Parliament should back the setting up of a Committee on Standards in Public Life (CSPL). The setting up of such a committee was recommended by the Committee of Independent Experts

which investigated allegations of wrongdoing inside the European Commission in 1999, but has so far failed to win support in the European Parliament.

- Finally, familiarity and trust amongst voters also require a degree of institutional and constitutional stability. In the last decade or so, the European Union has been embroiled in an almost constant process of institutional change. Once the next IGC is complete, and irrespective of its outcome, there should be a moratorium on further constitutional change for a period of, say, five to ten years.

SECTION ONE: THE CHALLENGE AHEAD

The biggest dilemma of its short existence now faces the European Parliament. On the one hand, it has been breathtakingly successful in expanding its influence in the EU decision-making process. It now stands at the heart of the legislative cycle of the European Union and wields considerable political clout over the European Commission, the EU's primary executive body. Presidents and Prime Ministers now regularly make the trip to Brussels or Strasbourg to address MEPs, and it increasingly serves as a venue where many crucial EU political debates take place. MEPs have proved remarkably skilful in shaping the discussions in Valéry Giscard d'Estaing's Convention on the Future of Europe. Within a couple of decades of the first direct election of MEPs, the European Parliament has emerged as a major institutional player on the EU scene.

On the other hand, political credibility has lagged behind this steady increase in its institutional powers and legislative authority. Despite its manifest achievements, the European Parliament remains fairly invisible to voters, indistinguishable from the vague conception most citizens have of 'Brussels'. In large part, this is a reflection of the misfit between the local, regional and national political loyalties of voters and the pan-European aspirations of the European Parliament. MEPs are suspended between the two: elected to legislate on a federal EU level by voters whose loyalties remain trapped in subsidiary political boundaries. It is as if MEPs aspire to exercise federal political authority on the basis of a confederal political mandate.

This tension diminishes the legitimacy of the European Parliament since it appears to be wielding power without the explicit understanding or support of a significant proportion of the electorate in whose name it operates. The dilemma is obvious: MEPs are at risk of wielding power and authority without adequate legitimacy and responsibility.

This pamphlet is an attempt to provide some answers to the dilemma facing the European Parliament. By accepting the world as it is—especially that the vision of a meaningful "European demos" is unrealistic for the foreseeable future—the recommendations are pragmatic in nature, highlighting how the European Parliament can best deploy its strengths and reform its organisation to instil greater legitimacy and credibility in all it does. We reject the notion, too long accepted as received wisdom amongst much of the EU policy elite, that the remedy to the European Parliament's problems is simply to push ahead with ever more ambitious proposals until, somehow, a pan-European electoral culture will suddenly emerge. Rather, we prefer to work with the grain of Europe's existing and diverse democratic cultures which remain, in our view, the only realistic building blocks from which to forge a legitimate, credible and accountable European Parliament.

This is a crucial time to consider the political orientation of the European Parliament. The impending enlargement of the EU combined with a new EU constitution flowing from the work of the Convention on the Future of Europe are set to change the EU's institutional rules of the game once again. Much of the debate about the future of the EU has been conducted in sterile terms, especially the clash between "federal" and "intergovernmental" approaches to EU integration. We reject both extremes. Both the cavalier assumption that the EU can be transformed into the equivalent of a united federal state, and the stubborn belief that the nation state must remain supreme in EU governance, overlook the unique mix of supranational and national forces which make up EU decision making. Far from being a "federal" or "intergovernmental" arrangement, the European Union remains a creative hybrid of both, an essentially confederal project.

The task for the European Parliament is to serve as an accurate expression of Europe's diverse and competing political voices, whilst acting in a coherent manner in discharging its legislative and institutional duties. This is no easy task. Capturing the bewildering complexity of the EU's political identity is not a simple exercise. But it is something which the European Parliament must attempt if it is to act as a credible legislative and political body. We believe this will only be possible if the European Parliament sheds some of the conventional proposals for its own advancement – such as the unworkable introduction of pan-European electoral "lists" – and focuses instead on the nuts and bolts of accountable parliamentary representation. That is why we devote much attention to questions such as collective party discipline within the Parliament, and improved electoral arrangements for the European Parliament elections.

The dilemma

The steady decline in turnout for elections to the European Parliament is, of course, the most obvious indication that all is not well. In almost all EU countries, turnout at European elections has steadily declined since the first direct elections in 1979. In some member states such as the UK and the Netherlands this is hovering at such low levels, with 25 and 29 percent turnout respectively at the 1999 elections, that the democratic mandate of MEPs is open to question. Opinion poll evidence shows that, in the vast majority of member states, the advent of EU governance and a federal European Parliament has not diminished citizens' strong emotional attachment to political institutions closer to home, at national or regional level. Indeed, all the indications within many of the candidate countries of Central and Eastern Europe suggest that this trend is likely to grow, not wane, as the EU enlarges in the years ahead. Voters in Central and Eastern Europe, because of their experiences of Soviet rule, are especially wary of transferring their loyalties to a supranational entity.

Of course, this is partly a reflection of a wider malaise in representative politics. Voter turnout seems to be on the decline at national and local elections too. There is, arguably, a wider crisis of legitimacy in the whole democratic political process. But the challenge is sharper for MEPs precisely because their powers have expanded so rapidly over the last decade or so. Losing the allegiance of voters because they do not believe you have the authority to improve their lot – one of the principal reasons national parliamentarians cite for declining voter interest – is one thing. Failing to elicit the loyalty of voters when your powers are expanding dramatically is quite another. It suggests that the old argument made by MEPs – give us more power and we will be taken more seriously by voters – is perhaps not as credible as it seemed.

So the challenge to the European Parliament is particularly acute. It must strive to connect with the source of its own legitimacy, Europe's voters, or else risk wielding power without responsibility. The stakes are high. In an age of globalisation, where so much economic, social, environmental and security policy is inevitably worked out at supranational level, it is crucial that new parliamentary arrangements are installed to enforce accountability. The European Parliament is the most sophisticated supranational parliament in the world. Its success will serve as a model for supranational governance for years to come. At this important point in its political maturity, it is essential that it can prove that democracy above the level of the nation state is a workable proposition, whilst accepting that the nation state still exercises a dominant grip on the political cultures in Europe.

The federalist failing

According to the classical federalist school of thought, the only viable solution to the absence of a pan-European "demos", a body of voters united in a common understanding of the same political project, is to invent one. This, it is suggested, can be done in two ways. First, according to some federalist thinkers, the President of the European Commission should be elected directly by the voters of the European Union. Second, an increasing number of MEPs should be elected on pan-European lists, freed from the constraints of national or constituency boundaries.

The first idea, while widely mooted in the early stages of the Convention on the Future of Europe, has been abandoned, at least for the time being. The second idea, however, has been taken forward by the European Commission itself in its submission to the Convention, and by several MEPs and Parliamentary Groups.

As with many ideas derived from a purist constitutional position, these proposals to create a pan-European electorate are impeccable in their logic. It is entirely logical to suggest that the head of a federal executive body of the EU should be directly accountable to EU voters. It is equally logical to

suggest that MEPs who purport to represent the general European interest, rather than local or national interests, should be elected directly on pan-European electoral lists. However, logic is not all. These proposals are flawed precisely because they elevate constitutional logic over the unique, hybrid nature of EU democracy. It is both wrong in theory and condescending in practice to assume that the profound loyalties expressed by voters towards the local and national political boundaries with which they are familiar can summarily be displaced by a new transcontinental election. It is precisely because the European Union does *not* possess a pan-European demos, but is composed of a rich variety of national and subnational political traditions and cultures, that the process of political integration in the EU is both unique and challenging. It is fanciful to assume that the ingrained complexion of Europe's politics can simply be wished away through the imposition of new, and entirely unfamiliar, elections.

Pan-European elections would also dramatically weaken the already tenuous link between MEPs and their voters. As experience in the UK has amply demonstrated, the greater the scale of the constituencies represented by MEPs, the harder it is for any meaningful identification between voter and Parliamentary representative to evolve. It flies in the face of all available evidence of voter disaffection to suggest that the right solution is to increase the distance between MEPs and the electorate still further by asking Basques to be represented by Belgians or Latvians by Luxembourgers.

That is why we strongly reject the suggestion that pan-European lists for MEPs should play any role in the short- to medium-term evolution of the European Parliament. Instead, the focus should be on rebuilding links between MEPs and their electorates. For that reason, for instance, we suggest that all member states must be compelled to introduce either smaller constituencies for MEPs and/or "open" electoral lists in which voter choice is maximised.

Coherence from diversity

As already explained at the outset, we believe that the key challenge for the European Parliament is not to create an artificial sense of unity where it does not exist, through, for example, the creation of federal electoral lists, but to capture the diversity of Europe's political composition in an institutionally coherent manner.

One of the principal problems in representing such a diverse and dispersed political entity as the EU is that MEPs themselves are inclined to act in a diverse and dispersed manner. However, if the European Parliament is to raise its game, it must make particular efforts not to succumb to internal dissonance, and instead impose greater internal political discipline. Ironically, precisely because the electoral foundations of the European Parliament are so varied and incoherent, MEPs must make particular efforts to compensate

by creating their own internal political coherence in the Parliament itself. Yet, at present, meaningful party political discipline is almost entirely lacking.

One of the most remarkable characteristics of the present European Parliament is the extensive autonomy that individual MEPs enjoy. One of the most frequently noted differences between the European Parliament and national Parliaments is that MEPs from small or minority parties, and MEPs who hold no "frontbench" responsibilities in their political Groups, can still exert enormous influence. This is largely due to the fact that the core work of the European Parliament – the drafting of comments and amendments to European Commission legislative proposals – is widely distributed between MEPs. Thus, for instance, in 2002 an MEP from Luxembourg, the smallest EU Member State, and a member of the Greens, only the fourth largest group in the European Parliament, was appointed as "rapporteur" – Parliament's draftsman – on one of the most economically important issues in the current period, the liberalisation of the EU's electricity market. There are countless other examples of MEPs who enjoy meagre public recognition and do not hold important party positions who nevertheless emerge as crucial power-brokers in the legislative game between the Parliament, the Commission and the Council of Ministers.

Of course, it could be argued that such a generous dispersal of influence is a welcome contrast to the centralised party political patronage which characterises the work of so many national parliaments. The liberty which MEPs enjoy on an individual basis to exert influence is, surely, something to celebrate. It is, in many ways, more attractive than the stiff hierarchy of national parliamentary politics.

Yet, on balance, we believe that the present arrangements, whilst welcome to individual MEPs, damage the wider effectiveness of the European Parliament. There is a marked tendency amongst MEPs to behave in a maverick, highly individualistic manner, in which party discipline plays almost no real role in constraining or shaping their actions. Whilst this creates a colourful cacophony of opinions – reflected in the astronomical number of reports, opinions and resolutions which flow from the European Parliament – it leaves a confused impression of the European Parliament as a whole. Without greater internal discipline, it will be impossible for MEPs to forge the clear identity which they very much need to elicit greater interest and respect from voters.

The absence of meaningful party political discipline within the European Parliament is easily explained. In effect, because MEPs are not dependent for their election on the patronage of the political groups to which they belong, they have only a minimal loyalty towards them. The primary political loyalty of MEPs remains towards their own, national political parties, particularly since it is the procedures of those national parties which determine whether MEPs are selected as parliamentary candidates in the

first place. Since the ultimate sanction over any parliamentarian is candidate selection, it is no wonder that the European political groups have only weak control over their members.

The loose relationship between MEPs and their political families has been pushed to bizarre extremes in some cases. Thus it is that British Conservative MEPs, many of whom hold violently anti-European views, sit as semi-attached members of the centre-right European People's Party in the European Parliament, which happens to be an avowedly pro-European group. As explained in section 2.4, the political groups in the European Parliament remain amalgams of sometimes conflicting political allegiances and ideologies.

Whilst recent academic research¹ has demonstrated that there is an increasing degree of internal consistency in the way in which the political groups vote, albeit at the end of the legislative process during "plenary" votes, the European Parliament remains a more unpredictable political body than should be the case given the considerable powers it now enjoys.

That is the reason why we strongly advocate strengthening the role of the political groups within the European Parliament in section 2.4. Whilst MEPs will always retain a degree of autonomy given that their domestic political power base lies outside the reach of their European political families, a strengthening of the resources of the groups will ensure that any MEP who hopes to advance politically within the European Parliament will not be able to do so other than through the mechanisms of their group. Equally, we strongly believe that the ability of national political party bureaucracies to dictate the selection of European Parliament candidates should be weakened as much as possible. By releasing MEPs from the patronage of domestic party bosses and beefing up the capacity of European political groups to act, we hope that a far greater degree of party political discipline will be infused into the work of the European Parliament.

Legislative overkill

Consistent with our view that the party political coherence of the Parliament should be strengthened to improve the political force of the work of MEPs, we also believe that the manner in which the Parliament legislates must become more politically coherent. The European Union remains, in many ways, an extraordinary experiment in regulatory activism. The core of the EU, the economic freedoms of the Single Market, is entirely based on the ability to introduce legislation and regulation which replaces and overcomes national barriers impinging on the free movement of goods, capital, services and people. The European Parliament is located at the centre of this vast regulatory endeavour, which has significantly expanded in recent years as

¹ Simon Hix, Abdul Noury and Gérard Roland (2002) How MEPs Vote, Brighton/Brussels: ESRC/Weber Shandwick-Adamson.

new areas of legislation, notably environment and consumer protection, have grown in importance.

Armed as it is with the powers to "co-decide" EU legislation with EU Ministers, there is no doubt that the European Parliament has steadily improved the professionalism with which it handles a wide array of legislative and regulatory issues. The increasing prominence of the Parliament's sectoral committees, in which the detailed scrutiny of legislative texts takes place, is the most obvious manifestation of this growing maturity.

However, as the legislative clout of the Parliament has grown, so has the risk that MEPs become ever more immersed in technical legislative detail. Lawmaking is, of course, a highly political process. Whether and how legislation is crafted to raise social standards for temporary workers, to impose environmental penalties on polluting business activity, or to liberalise rail services, are questions which go to the heart of the contemporary political debate. All of these subjects are, by way of illustration, picked from the current legislative agenda of the European Parliament at the time of writing.

Yet, curiously, the political nature of the work of MEPs is rarely reflected in the manner in which draft legislation is processed. To begin with, because large majorities are required to impose the European Parliament's will, especially in the second reading of the co-decision procedure, political argument is usually displaced by detailed horse-trading to secure the widest possible cross-party support for a given position or set of amendments. Whilst such consensual activity is generally to be welcomed, and usually produces improved legislative scrutiny, it tends to take place at the cost of a more ideological debate on the value and objectives of EU legislation. In particular, MEPs who argue, either on the grounds of subsidiarity or because of concerns of excessive regulatory intervention, that the fundamental merits of a proposed EU law should be questioned are rarely given serious consideration.

If it can be argued that the draft legislation in question is necessary to "achieve the objectives of the Treaty" (which sets out the broad principles of EU activity), it is especially hard to generate a political debate on the merits of a proposal. The EU's founding Treaty is invoked in a manner which effectively silences debate, as if there is no political volition left in deciding the timing or manner in which its objectives are pursued.

This is reflected in the desultory manner in which MEPs debate the annual legislative programme of the European Commission. Every year the European Commission presents a detailed list of the new laws and non-legislative instruments it wishes to propose to the European Parliament and the Council of Ministers. As such, it is one of the most important moments in the EU's legislative and political calendar. It is the point at which political objectives are translated into legislative form, when the European

Commission fully exercises its extraordinary monopoly power to set the legislative agenda.

Yet, notwithstanding some significant recent improvements,² the manner in which the European Parliament examines and debates the Commission's annual programme remains half-hearted at best, irresponsible at worst. Far from scrutinising the Commission's proposals in the light of an overall strategic view of EU priorities, still less in the light of the need to challenge new legislative activity, MEPs tend merely to insist on their own personal pet initiatives, and supplement the Commission's lengthy legislative shopping list with a shopping list of their own.

Thus, despite concerted attempts in recent years to introduce greater political direction to the debate on the annual legislative programme, the European Parliament still contrives to produce resolutions which simply cobble together all the outstanding legislative demands of the different political groups. This inability of the European Parliament to make coherent political judgements at the beginning of the legislative cycle, whilst allocating excessive attention to the precise detail of individual legislative texts, demonstrates the lopsided nature of much of its work. That is why, in section 2.3, we advocate a significant overhaul of the debate on the annual legislative programme.

The division of labour between MEPs on any one legislative proposal also contributes to the bias in favour of detailed legislative scrutiny over political debate. The rapporteur usually displays a territorial ownership over the legislation irrespective of its content, and sectoral spokespeople for other party groups are keen to deploy their skills within the sector-specific Committees to leave their imprint on the legislation too. Thus draft EU legislation is almost never rejected or fundamentally challenged by MEPs, but almost always tampered with and amended in great detail by zealous law makers.

The fact that the legislative process, especially in the co-decision procedure, can be painfully slow merely exacerbates the apparent technicality of lawmaking. At times, the two legislative branches of the EU, the Council of Ministers and the European Parliament, can delay an agreement on legislation because of a series of mind-numbingly detailed differences of opinion. Equally, the fact that EU Directives, which remain the principal legal form of EU legislation, rely on subsequent interpretation and transposition within member states protracts and obscures the process further.

Thus it is that the role of an MEP appears to be more technocratic than it need be, and less political than it should be. This technocratic bias has

² Cecilia Malmström's 'Report on the European Commission's legislative and work programme', 21 February 2002 (A5-0046/2002), introduced a new improved procedure including a so-called 'state of the union' debate at the beginning of each year and a final vote on the work programme at the end of each year.

arguably been confirmed by the Parliament's poor record in responding to major political events. MEPs did not, for instance, exploit the downfall of the Santer Commission to their maximum benefit. It took a maverick Commission official, Paul Van Buitenen, to highlight failings in the Commission administration, many of which were long known to MEPs. The Parliament Groups also reacted slowly because of an initial inclination to protect their "own" Commissioners. Equally, the Parliament failed to agree upon a coherent political response to the burgeoning international crisis leading up to the US/UK invasion of Iraq. Whilst it could be argued that the stark divisions opened up in the Parliament's debate on Iraq were an accurate reflection of the political divisions amongst EU member states, such impotence at a crucial moment also reflected poorly on the Parliament's political maturity.

MEPs make their reputations in the important sector-specific Committees which make up the European Parliament. Attention to detail and an eye for technical subtleties are the qualities which help an MEP assert authority in their chosen field of expertise. But detailed expertise, whilst essential in any lawmaking capacity, must also be coupled with a capacity to make wider judgements on the political wisdom of draft legislation. If not, MEPs risk becoming important but technical adjuncts to a legislative process entirely dominated by the European Commission, the executive which retains the monopoly right to initiate EU law.

The risk of legislative overkill in the European Parliament is exacerbated by the almost cavalier attitudes which MEPs appear to display towards the practical impact of EU legislation. MEPs regularly table far-reaching amendments to EU proposals – often drafted with outside help from industry associations or NGOs – without first examining what their practical or unintended consequences might be. This failing is not just confined to MEPs. The European Commission has only recently started to implement Impact Assessments of its draft proposals, and the signs are that it is only doing so fitfully. Ministers in the Council of Ministers are equally blasé about the practical effects of their legislative changes.

Efforts are now underway to introduce new procedures which would compel all three institutions to examine the effects of their legislative actions before making any final decisions.³ But there remains much resistance to the introduction of impact assessment procedures, not least from MEPs who wrongly regard such procedures as an unwarranted inhibition of their

³ An inter-institutional working group on better lawmaking was established to this end following the Seville summit conclusions: '[The European Council] invites the three institutions concerned (Parliament, Council and Commission) to adopt an inter-institutional agreement before the end of 2002, on the basis of proceedings in the High-Level Technical Group, in order to improve the quality of Community legislation and the conditions, including timeframes, for its transposition into national law.' (Presidency Conclusions, Seville European Council, 21 and 22 June 2002)

parliamentary prerogative to legislate freely. The truth, of course, is that without adequate impact analyses, MEPs are presently legislating freely but blindly, oblivious to the real impact of EU law. That is why we propose, in section 2.1, new methods which would ensure that objective impact assessment analyses would be attached to all significant parliamentary amendments.

Putting the house in order

Strengthening the party political discipline within the Parliament, and giving greater emphasis to politics over technical lawmaking, will make a significant difference to the political impact of the European Parliament. As argued here, such changes would help address the fundamental dilemma of the Parliament, namely how to forge political coherence out of a highly disparate electoral mandate. But such a programme of reform would be incomplete without equal attention to some of the practical idiosyncracies which presently affect the work of MEPs.

Most notoriously, the fact that the European Parliament is still spread across three locations – Brussels (for committee and group meetings, and occasional plenary sessions), Luxembourg (for administrative backup) and Strasbourg (for the monthly plenary sittings) – significantly hinders the work of MEPs. It is obvious enough that a parliament of such considerable powers should have the authority to decide its own working arrangements. There is no other fully democratic parliament in the world which has such limited sovereignty in deciding its own organisation. It is also obvious that the public resources spent on maintaining the three locations are impossible to justify at a time when public expenditure everywhere is under pressure.⁴

What is perhaps less obvious is the debilitating effect that the endless travel inflicts on MEPs themselves. A parliamentary job is always peripatetic since constituencies and parliaments are by definition in different locations. But the requirement to travel between three different countries – Belgium, France and home country – imposes a unique burden upon MEPs (excluding, of course, the happy minority who represent the constituencies of Brussels and Strasbourg).

Travel may well nourish the soul. But ceaseless travel on Europe's increasingly erratic short-haul airline network is guaranteed to disorientate even the most tranquil soul. A disproportionate amount of an MEP's time is spent in fruitless travel. Such frenetic movement means that MEPs must compress their working time in the Parliament into relatively short bursts, which merely undermines the quality of the work achieved. The split location of the European Parliament is especially hard on MEPs with young families. In our view, there is no conceivable justification left to maintain the present

⁴ See section 2.6 for further detail on this topic.

arrangement. The French Government has decided to make the maintenance of the Strasbourg home of the European Parliament a question of Gallic honour. This suggests an immature approach to what is essentially now a pragmatic issue. Whilst the symbolic gesture of establishing the Parliament (and the European Court of Human Rights and the Council of Europe) in Strasbourg may have resonated loudly in the aftermath of the Second World War, it is fast becoming a symbolic anachronism, especially as the European Union enlarges into Central and Eastern Europe. It neither serves the French national interest, nor assists the cause of European political integration, to maintain such wasteful and inefficient working arrangement for MEPs.

Other practical flaws in the mechanics of the European Parliament must also, in our view, be tackled. The unforgivably lax arrangements for MEPs' travel expenses must be reformed urgently – and particular responsibility for the lack of progress here must be attributed to German MEPs. The legal limbo in which MEPs' assistants are presently suspended must be tackled. Despite recent innovations, the lacklustre manner in which many Parliamentary debates still occur, dominated as they are by stale set-piece interventions from policy spokespeople from each group, must also be addressed. Our detailed proposals include suggestions for reform on each of these issues.

Whilst improving the practical performance of the European Parliament is not a panacea for its dilemma of legitimacy, such detailed reforms are a necessary, if not sufficient, requirement if MEPs are to win the confidence of Europe's voters. Precisely because the European Parliament is criticised, often unfairly when set against the equally profligate habits of national parliaments, for being wasteful and inefficient, it is all the more necessary that it removes all remaining justification for such criticism.

A political body striving to establish itself in the hearts and minds of voters must jump higher hurdles of probity and responsibility to succeed. MEPs who grumble that they do not think the European Parliament should become "holier than the Pope" in reforming its internal procedures, underestimate the scale of the challenge. Without clear and visible reform of the manner in which MEPs work, efforts to enhance the political standing of the European Parliament will remain stillborn. That is why we make no apology for the detailed nature of our specific recommendations about cleaning up the Parliament's act in section 2.6.

SECTION II: RECOMMENDATIONS

We have argued that the European Parliament needs to deploy its strengths better and reform its organisation if it is to gain greater legitimacy and credibility. The European Parliament needs to:

1. Focus on its core business by becoming a more effective legislator.
2. Improve the accountability of the European executive through enhanced scrutiny of the Commission and the Council.
3. Bridge the gap with national politics via closer links with national parliaments.
4. Heighten the Parliament's public profile by politicising Parliament's working methods and media relations.
5. Ensure closer links between MEPs and voters through reform of the electoral system.
6. Rid itself of its wasteful image through increased efficiency, transparency and accountability.

1. Becoming a more effective legislator

There are two serious weaknesses in the way the European Parliament works as the legislative branch of the European Union. The first—largely of its own making—is that its approach to lawmaking is too technical and too detailed. The European Parliament often fails to assess the wider political and other implications of the proposals it considers. The second—and here the European Parliament is not to blame—is that its powers of co-decision do not extend to all major areas of legislation, thereby contributing to the impression of a powerless institution.

The European Parliament's legislative role must be strengthened. It is widely perceived as a weak parliament with limited powers. That is not a fair perception, however, as the European Parliament's legislative powers have increased steadily over the years. Most significantly, the 1992 Maastricht Treaty introduced the co-decision procedure, whereby the European Parliament was given the right to amend and veto EU legislation in several (and, through subsequent amendments to the Treaty, most) policy areas. But the European Parliament has taken a long time to adjust to its role as a fully-fledged co-legislator. Its membership and its working methods have always been more geared to contributing to the federalist debate about the future of Europe than to playing an activist role on the legislative stage. Until very recently, Parliament seemed more interested in extending its formal powers and flexing its institutional muscle than in making use of the powers it had already been granted.

The European Parliament does not always give the impression of taking its legislative role too seriously. Some of its decisions are plain frivolous and lead to unhelpful media coverage, such as the vote in November 2002 calling for a ban on chocolate cigarettes as part of the EU's anti-smoking drive. Plenary voting sessions in Strasbourg never attract more than 550 or so out of its membership of 626—even when taking crucial decisions such as the election of its own President or approving the final outcome of legislative negotiations with the Council. Since, under the second reading of the co-decision procedure, 314 votes are needed to adopt an amendment, this effectively raises the threshold for adoption from 50 to 57 percent of votes.

Absenteeism also leads to chance outcomes, as when the European Parliament voted in July 2001 by a single vote to reject the compromise proposal for a takeovers directive thrashed out between the Parliament and the Council.⁵ Had all 626 MEPs been present, and had they all voted according to their national delegation whip, the proposal would have been adopted. Absenteeism (which in this case was skewed towards members belonging to the 'yes' vote camp, but which was not politically motivated) caused the 'no' side to win by the smallest possible margin. National parliaments often have 'pairing' arrangements between government and opposition members, allowing equal numbers from both sides to be absent from key votes without impacting their outcome. In the case of the European Parliament, the absence of a governing party-opposition party structure and the existence of different issue coalitions make such an arrangement virtually impossible.

Finally, the European Parliament does not appear to be very concerned with the quality or the impact of the measures it adopts. Amendments are often poorly drafted. Texts adopted are sometimes inconsistent with each other. The financial, economic, social or environmental impact of amendments voted by the European Parliament only becomes clear when EU Directives are transposed into national legislation, by which time it is too late for voters to have a say. These factors have all contributed to the European Parliament's unflattering political image.

The European Parliament has responded to some of these problems. The committee structure has been redesigned to respond more effectively to the co-decision agenda. A reorganisation of its secretariat, aimed at providing better legislative support for MEPs, is under way. Last year, the European Parliament voted to adopt a set of changes to its internal rules drawn up by British Labour MEP Richard Corbett, designed to streamline and improve its ability to conduct parliamentary business.

⁵ Under the co-decision procedure, a conciliation committee consisting of MEPs and ministers meets to try and reach a compromise between the positions adopted by the Parliament and the Council respectively. The compromise is then submitted to MEPs for final approval—and requires a majority of one. In this case, the vote tied at 273-273—one vote short.

While these changes have proved to be successful, further steps are still needed to make the European Parliament function more effectively. One relatively simple but nonetheless important innovation will be the establishment of a Tabling Office, as voted recently by the Parliament's Bureau (its governing body), to assist Members with the drawing up of legislative texts. The European Parliament will require that all reports that come before plenary have been 'quality controlled' by the Tabling Office.

Equally, a mechanism is urgently needed to help MEPs assess the financial, economic, environmental and social impact of proposals before they are voted on. The most effective means of doing this would be by way of an independent EU impact assessment agency. Such an agency could subject Commission proposals to objective impact analyses, and provide similar scrutiny on all major amendments tabled by MEPs in the European Parliament or by Ministers in the Council of Ministers. The agency's independence would be crucial, ensuring that all three institutions are subjected to the same impact assessment methodology as each other.

Most current proposals for improved impact assessment procedures, by contrast, rely on each institution conducting its own analyses "in-house". Thus, the European Commission, which is most advanced in producing impact assessments, is proposing to conduct these assessments internally. Such an approach is likely to prove inadequate since it assumes that a legislative body, with a clear political and legislative agenda of its own, is capable of acting as judge and jury on its own legislative products. If such a model were reproduced in the European Parliament or the Council of Ministers, both of which are even more politicised internally, it is highly likely that impact assessments would quickly be used as tools to prove or disprove particular political and legislative arguments, rather than serving as objective, rigorous tests to improve the quality of EU lawmaking. This over-politicisation has been evident in the role played by the institutions' Legal Services over the years.

We strongly advocate the establishment of an independent impact assessment agency, not least in view of the experience in the Netherlands where a small, independent agency has been operating since May 2000 with the aim of analysing the regulatory effect of draft legislation on the Dutch commercial sector. This agency has no right to override the legislative prerogatives of the Dutch assembly, but it has the statutory right to place its findings in the public domain, and so over time encourage lawmakers to become more aware of the potential impact of their legislative actions. Such a model could be reproduced at EU level and expanded to include other important effects, such as the social and environmental impact of EU legislation. In keeping with the Dutch precedent, such an independent EU agency would have no right to curtail the legislative prerogatives of MEPs or Ministers, but would encourage better lawmaking by both.

Another compelling reason why such an independent agency would help the legislative work of MEPs is that it would act as a useful counterweight to the greater role for the political groups advocated in this paper. Strengthening the party groups would undoubtedly lead to greater politicisation of much of the legislative activity of MEPs. Independent input from an autonomous agency would, therefore, become an invaluable source of objective analysis freed from the influence of party politics.

Naturally, establishing such an agency will be fraught with practical difficulties, not least in deciding upon which amendments should be analysed within what are bound to be highly challenging deadlines. But such detailed questions can be overcome if a clear decision of principle to establish such an agency is taken.

At the time of writing, the European Commission, the European Parliament and the Council of Ministers are embroiled in an inter-institutional negotiation to agree new procedures to improve the quality of EU legislation. Impact assessments are one item on the list of issues being considered by this inter-institutional group. Whilst it is to be hoped that the group will produce a clear recommendation for an independent impact assessment facility, the signs so far are not good. All three institutions are proving to be excessively protective of their own prerogatives, and do not appear willing to subject their work to any meaningful external test. Such a parochial attitude is dispiriting, and is likely to lead to yet another missed opportunity to improve the way in which the EU performs in its crucial lawmaking functions.

Despite these weaknesses in the way the European Parliament functions, there is a strong case for strengthening its formal powers as well. If we accept as a ground rule of democracy that any new law must be approved by a democratically elected parliament, then there is an inherent problem when decisions are taken by qualified majority in the Council without European Parliamentary co-decision. When the Council decides by unanimity, each national parliament is in a position to force its national ministerial representative in the Council to support or oppose the decision to be taken. In other words, under the unanimity rule national parliaments are in a position to block European legislation *de facto* if not *de jure*. In the case of qualified majority accompanied by co-decision, that role is played by the European Parliament. In the case of qualified majority without co-decision, no national parliament can exercise a veto, and neither can the European Parliament. That is a highly unsatisfactory situation. The power of co-decision should be extended to all areas where the Council decides on legislation by qualified majority. This would have important consequences, particularly with respect to agriculture and fisheries policies (where the Parliament only has an advisory role at present) and in relation to the EU budget, only part of which Parliament is able to amend.

Extension of co-decision to agricultural and spending policy has always been near the top of the European Parliament's institutional wish list. Regarding agriculture, this is because of its importance in budgetary terms (it swallows up almost half the EU's 100 billion euro budget) and its impact on other policy areas (most notably trade, environment and international development); as regards spending policy, this is because it is one of the few ways in which the European Parliament can effectively flex its institutional muscle vis-à-vis the Council and the Commission. Member states have so far managed to resist the European Parliament's demands, although developments in the Convention on the Future of Europe point to a possible change of heart.

There are two main objections which are raised by member states when the extension of co-decision to agricultural policy is raised. The first is that the European Parliament's Committee on Agriculture is dominated by farming interests, and that extending co-decision to agricultural policy would effectively hand control of the Common Agricultural Policy to farmers. The second is that, given Parliament's record of voting for increases in agricultural spending – against the prevailing mood in Council, which is to seek to maintain or reduce agricultural spending levels – extending co-decision to the CAP and to the whole budget would lead to a ballooning of the EU budget and of CAP spending in particular. Although there can be little doubt that a minority of MEPs (and certainly most members of the Agriculture Committee) would hope for this increase in agricultural spending to happen, it is not very likely, for two reasons.

First, the introduction of co-decision would alter the composition of the Parliament's Agriculture Committee. At present, the Agriculture Committee is heavily dominated by farmers and farming interests. As it has no formal powers, Parliament as a whole is quite happy to let this be. Agricultural questions are dealt with almost exclusively by the experts and are rarely discussed in full meetings of the political groups. Those matters relating to agricultural policy in which the European Parliament does have co-decision power (primarily in the field of food safety) have been transferred to the Committee on the Environment, Consumer Protection and Public Health. If the European Parliament were to be granted full power of co-decision, that would undoubtedly lead to a re-evaluation of the Agriculture Committee and a more varied composition to reflect better the different interests that are at stake, including those of consumers, the environment and developing countries.

Second, a similar argument applies to the fear of overspending. The European Parliament currently allows its Agriculture Committee to vote for increased spending in the field of agriculture, as Council is not bound to accept the amendments voted by Parliament. That means that agricultural spending (market support as opposed to rural development) does not compete with other spending priorities. If such competition were to arise, it is

very unlikely that agricultural spending would be able to compete with other priority areas, such as R&D or development policy.

If member states are not convinced by these arguments, a solution could always be envisaged whereby the spending limits contained in the Financial Perspective – the EU's seven-year budget plan – are made legally binding, so that Parliament could make changes only within those limits.

Full parliamentary scrutiny of the Common Agricultural Policy (CAP) will require the Council to open up both policy discussions and budgetary issues to co-decision.

Finally, there is a good case to be made for reforming the way EU legislation is applied in member states. In rough terms, there are two types of EU laws: Regulations, which are directly applicable in every member state, and Directives, which must be transposed into national law before they take effect. This is cumbersome, as each country transposes Directives at its own rate, and it also creates a big time-lag between the time a Directive is approved by Council and Parliament and the date of its actual implementation on the basis of national legislation. No Directives which will be adopted by the European Parliament between now and next year's European elections will take effect before those elections. As a result, it will be difficult for voters to judge MEPs on their deeds. Directives were originally designed as framework legislation, the details of which were to be left to national legislation to refine. In practice, Directives are now as detailed as Regulations.

Several things can be done to deal with this problem. First, the EU should return to the original idea of Directives as framework legislation. This has been tried with some success in the financial services field in recent years. Second, a time limit should be imposed on the implementation of Directives, for instance requiring that they must always be transposed into national law within one year of adoption. At present, there is no standard time limit for the implementation of Directives.

2. Better scrutiny of the Council and the Commission

The European Parliament's role in scrutinising the Council and the Commission must be enhanced. This is the area where the European Parliament's role has most evolved in recent years, and which needs to develop further, both in the Convention on the Future of Europe and in the European Parliament's own working methods and procedures. This is not just because of the general need for scrutiny of the executive branch, but in particular because, while the Parliament's legislative role is shared with national parliaments, scrutiny of the European Commission's work, as well as that of the Council when acting in an executive capacity, can realistically only take place at the European level.

The Commission

In 1999, the European Commission was forced to resign following allegations of fraud, mismanagement and nepotism. The allegations surfaced as part of the annual discharge process, in which Parliament's Committee on Budgetary Control scrutinises the way the Commission has implemented the EU's general budget for the previous year. It does so largely on the basis of reports, particularly setpiece annual reports, produced by the European Court of Auditors. It was not until the allegations were brought to the public's attention by Dutch whistleblower Paul van Buitenen that the European Parliament as a whole took them seriously. To this day, many longer-serving MEPs are resentful that their policy of "constructive engagement" with the Commission was upset by – in their view – a lowly Commission bureaucrat. But the events only served to highlight the degree of disconnection between most MEPs and their voters. An investigation by a Committee of Independent Experts concluded that it was "becoming difficult to find anyone who has even the slightest sense of responsibility" in the Commission.⁶ It was this sentence that led the full Commission to tender its resignation, following the refusal of French Commissioner Edith Cresson – who was blamed for most of the problems – to resign on her own. The resignation of the Santer Commission led to a brief improvement in Parliament's public standing.⁷

The new European Commission that took office in the autumn of 1999 was subjected to public confirmation hearings for the first time. New Commission President Romano Prodi undertook to reform the Commission and extracted a promise from all his colleagues that they would resign if asked by him to do so. All Commissioners were eventually confirmed, even though many MEPs were critical of the return of four Members of the Santer Commission.⁸ Two of the candidates came under heavy fire (Loyola de Palacio from Spain for her alleged involvement in an agricultural subsidies scam and Philippe Busquin from Belgium for a lack of mastery of his brief) but were spared owing to the fact that each belonged to one of the Parliament's two main political families.

Despite this half-hearted approach to the confirmation process, it quickly became apparent that the new Commissioners were all too aware of the problems that brought down the previous Commission, and moved swiftly to demonstrate their willingness to be subjected to close parliamentary scrutiny. Since 1999, members of the Prodi Commission have appeared before plenary and committee meetings hundreds of times. A framework agreement on relations between Parliament and the Commission was agreed in late 1999, setting out the ground rules for engagement between the two institutions. In addition, it adopted new rules governing the conduct of

⁶ Committee of Independent Experts, *First Report on Allegations regarding Fraud, Mismanagement and Nepotism in the European Commission*, Brussels, 15 March 1999, p. 144.

⁷ Until it became engulfed by its own scandals, see in section 2.6.

⁸ Franz Fischler, Neil Kinnock, Erkki Liikanen, Mario Monti

Commissioners and their private offices, as well as an impressive range of financial management and control and personnel policy reforms.

As a result of the 1999 crisis, the European Parliament's scrutiny role vis-à-vis the Commission has clearly strengthened. But it still lacks some essential powers. One of the criticisms most frequently levelled at the European Parliament is that, unlike national parliaments, it is not free to elect the leader of the executive it is meant to control. Furthermore, it is unable to force the resignation of individual members of that executive. The criticism is justified. The Parliament should be able to do both. The President of the European Commission should be directly elected by the European Parliament.⁹ The election should be confirmed by the European Council on the basis of a decision taken by qualified majority.

This combination would guarantee two things: first, that the fate of the Parliament becomes inextricably linked with that of the European Commission, and that the majority who elected the President of the Commission has every interest in helping them make their term of office a success. This would require Parliament to operate in a more self-disciplined manner than has hitherto been the case. Second, as the Council would have to ratify the election, the President elected by Parliament would have to be a politician who can command a broad range of support. If Parliament were to opt for a less mainstream candidate, a Council veto would become very likely, forcing Parliament to reconsider its choice.

Better still, if each European political family were to declare its candidate for President of the European Commission in time for the next European elections, that could inject new life and vigour into the electoral process and strengthen the identity and cohesiveness of political groups. The President elected by Parliament would then be free to select his or her own team of Commissioners, within the parameters set by the Treaty (in particular the nationality requirements). In doing so, he or she would probably pick a team comprising representatives from different political families, as the Commission would still need to be able to command absolute majorities in Parliament (at least for as long as the co-decision rule requires one), and as majorities in Parliament shift depending on the issue that is under consideration.

As is the case at present, the full Commission team should then be subjected to a vote of confidence, following public hearings with the individual candidates for Commissioner in the relevant parliamentary committee. These hearings should be more extensive than the ones which took place in 1999, which lasted for only half a day per Commissioner. One or two full days

⁹ Other methods have been suggested and are being discussed within the Convention on the Future of Europe. Another worth considering, election by national parliaments, is outlined by Simon Hix in *Linking National Politics to Europe* (The Foreign Policy Centre, 2002).

would seem a minimum for a thorough hearing, during which every Member of the relevant Committee would have an opportunity to question the candidate for Commissioner at some length—similar to the confirmation process followed in the US Senate for Cabinet appointees.

Finally, with respect to the Commission, the European Parliament should be given the right to sack individual Commissioners. In 1999, the ability to fire Edith Cresson would have prevented the fall of the Commission. The arguments against this proposal simply do not stand up to scrutiny. One is that the power to sack individual Commissioners would undermine the concept of collegial responsibility. This is nonsense. Member State governments also operate on the basis of collegiate responsibility, yet national parliaments can usually sack individual ministers or call for their resignation. Another argument is that the European Parliament would abuse its power for party political or nationality reasons. That is also an unfounded fear. If the European Parliament is made responsible for picking the President and confirming his or team, it will share in the responsibility for its performance, and sacking individual members of that team for the 'wrong' reasons would reflect badly on the European Parliament itself. Furthermore, if an absolute majority was required, that would exclude the possibility of a single political group acting on its own to fire a Commissioner it does not like.

The Council of Ministers

In a classic Western liberal democratic system of government, with the Parliament in the role of lower house and the Council as the upper house, the Council's management of its own affairs would be no-one's business but its own. But in the EU system, the Council is not comparable to a classic senate.

The Council has both a legislative and an executive role. The legislative role applies in all 'first pillar' areas; in short, all areas to do with the completion of the internal market. In the second and third pillars (as created by the Maastricht Treaty), the Common Foreign and Security Policy (CFSP) / European Defence and Security Policy (EDSP) and Justice and Home Affairs (JHA) policy, the Council has both a legislative and an executive role. This was explicitly recognised when the Secretary-General of the Council Secretariat, previously a purely bureaucratic role, was also made High Representative for the CFSP. The Council's executive role in the second and third pillars has grown significantly in recent years, and the European Parliament should be able to exercise proper scrutiny in this area, as it would automatically have been entitled to do had these powers been conferred upon the European Commission rather than the Council.

Some progress has already been made. The High Representative makes regular appearances before Parliament, and at the end of 2002 the European Parliament and Council reached an agreement on Parliament's access to confidential information in the second pillar. This arrangement should also

apply to any future permanent EU Presidency, the creation of which we support, as, among other benefits, it will bring greater accountability to the work of the Council.

Furthermore, the 'gentlemen's agreement' which allegedly exists between the Council and the European Parliament whereby the two institutions do not scrutinise each other's budgets, should be 'amended' to allow the European Parliament to scrutinise those parts of the Council budget which are earmarked for its operational role.¹⁰ Pressure in this area is already being applied: in April of this year, Parliament voted to include the Council in the broader budgetary discharge procedure for the first time. The Council opposed the idea.

Parliament's internal procedures

The changes suggested in this section will make an enormous contribution to Parliament's ability to scrutinise the European Union's executive organs, and improve its public standing as a result. Most of them require either Treaty changes or an inter-institutional agreement. In the meantime, Parliament should improve its own internal procedures to facilitate its scrutiny role.

The European Parliament should ensure that its relations with the Commission and the Council are managed more consistently. In the present situation, each parliamentary committee has its own 'foreign policy' vis-à-vis the other institutions. Commissioners are often invited to appear before different committees to discuss the same subject matter. That is a waste of their time and a waste of parliamentary resources, and it dilutes Parliament's impact. More central co-ordination is needed.

Furthermore, one result of the 1999 crisis is that scrutiny of the Commission in particular is very much focused on financial management and control, and personnel questions. The Committee on Budgetary Control is seen as the 'lead committee' on scrutiny issues. This focus on budgetary issues, egged on by a media actively seeking stories about fraud and mismanagement, has led to an incident- and scandal-driven politics that does not do justice to the full range of activities undertaken by the Commission. Parliament should set up a Public Administration Committee, distinct from the Budgetary Affairs Committee, to act as the key scrutiny committee for the general aspects of the Commission's executive role—without undermining the ability of sectoral committees to scrutinise the work of the Commission in their respective areas.

¹⁰ Whether this agreement actually exists is a bone of contention both between the institutions and within the European Parliament—but either way it is certainly being adhered to.

3. Closer links with national parliaments

The European Parliament needs to develop closer links with national parliaments for a number of reasons. The first reason is to strengthen the legislative process. Although many bilateral and trilateral contacts take place involving MEPs, MPs and national governments, these contacts tend to focus on acute crises – such as the aftermath of September 11, the BSE and foot and mouth crises or the shipping disasters involving the Erika and the Prestige – or on safeguarding perceived vital national interest, as in the case of German MEPs collectively jumping to the defence of their car industry when it is deemed under threat. Most national parliaments make little effort to share information and co-ordinate activities on issues that are relevant to both the European Parliament and the national parliaments. Similarly, the European Parliament does not have a strategy for dealing with national parliaments, apart from a few isolated areas related to the Common Foreign and Security Policy (the second pillar). Better information sharing and increased co-ordination would put both national parliaments and the European Parliament in a stronger position vis-à-vis national governments and the Council.

Second, closer links between the two levels are necessary to strengthen the scrutiny process. For instance, the European Commission is often criticised for fraud and irregularities involving EU funds. In actual fact, most of the EU budget is decentralised, spent by member states – but whereas the European Commission can be (and frequently is) hauled before the European Parliament, national governments are rarely called to account over the way EU funds are handled. Similarly, the Presidency of the Council of Ministers only appears before the European Parliament, and not before fourteen out of the fifteen national parliaments (not to mention regional parliaments in the case of federal states). These fourteen national parliaments rely on the European Parliament to scrutinise the Council Presidency effectively. Finally, links need to be strengthened because MPs are generally more in tune with the mood of voters than MEPs are, and can therefore inject a touch of realism into the European Parliament's work.

There are several ways in which links can be strengthened. First, national parliaments that have not already done so should set up a unit dedicated solely to monitoring the European legislative and decisionmaking process and to developing and maintaining relations with the European Parliament. Several national parliaments (including those of the UK, Denmark and Finland) have stationed permanent representatives in Brussels whose job is to do just that. They play a key role in the Convention on the Future of Europe, acting as liaison officers between national MPs and MEPs. Other national parliaments should follow suit.

Second, the European Parliament should create permanent institutional links with each of the fifteen national parliaments. Draft legislation being

considered by the European Parliament should be made available to each of the national parliaments, which could then make their own assessment of the impact of the proposed legislation in their country. The outcome would assist the EP's rapporteur and his or her Committee in coming to a balanced overall view, taking into account its estimated impact in member states. Finally, the European Parliament could envisage posting liaison officers with every national parliament (based, for instance, at the existing European Parliament information offices), mirroring national parliaments' representation in Brussels.

Third, national parliaments should involve MEPs more systematically in their work. In several member states, MEPs have the right to attend meetings of the national parliament. The situation differs widely per member state. In Britain for instance, MEPs cannot participate in Westminster committee meetings. In the Netherlands, on the other hand, new rules were introduced in 1999 giving MEPs the right to attend meetings of the European Affairs Committee – attendance at meetings of other committees is subject to the chair's approval. Once a year, the leaders of the national party delegations in the European Parliament participate in the annual plenary debate in the Dutch Parliament on the 'State of the Union', based on a Government report setting out its European policy for the next year. Most MEPs are in the same position as their British colleagues. Only a few member states give MEPs rights approximating the Dutch model.

That is not to say, however, that the Dutch model is perfect. The annual plenary debate on the State of the Union is a very subdued affair, partly due to the fact that MEPs may not interrupt MPs or ministers. In committee meetings, the attendance of MEPs more often than not leads to friction with MPs of the same political party, wary as they are of MEPs interfering in the serious business of controlling the government. The *ad hoc* nature of the arrangement means that neither MPs nor MEPs are getting used to the new system. These problems could be resolved by opting for a permanent joint parliamentary committee for European Affairs, bringing together MPs and MEPs, operating on the basis of equal rights for all its members. Such a committee could play an important role in co-ordinating work on European legislation, as well as scrutinising the work of the Council in non-legislative areas. It would lead to a better awareness of European issues in national parliaments and a more active involvement of national MPs in EU affairs, but it would also force MEPs to assess the development of European policies in a national political context.

Fourth, national MPs should be more systematically involved in the work of the European Parliament. This already happens on an *ad hoc* basis: national MPs are sometimes invited to attend Committee meetings where issues that are relevant to both the European Parliament and national parliaments are discussed. To achieve more systematic involvement, a number of steps could

be envisaged. One would be to involve national MPs in the confirmation hearings of prospective Commissioners. Another would be to give national parliaments the right to submit opinions to be considered by the European Parliament when voting on proposed legislation. Finally, MPs should be involved in the annual debate on the Commission's legislative programme for the following year. This currently lacklustre event could be livened up, both in terms of ceremony and in terms of substance, by allowing MPs to take part in the plenary debate, and perhaps by inviting all leaders of EU governments to take part as well. The Congress of the Peoples of Europe proposed by Convention President Giscard d'Estaing could provide the setting for such an event.

Finally, we believe that the proposal currently being discussed by the Convention, which would allow national parliaments to block proposed Commission legislation before it is considered by the Council of Ministers and the European Parliament, would constitute a useful 'early warning system' in defence of the subsidiarity principle.

4. Politicisation of the European Parliament's working methods and media relations

The European Parliament's internal organisation and working methods have traditionally been – and to a large extent still are – based on the premise that Parliament is a unified actor whose main aim is to secure greater powers for itself. Institutional power is concentrated not with individual political groups or with the plenary, but with the collective decision-making bodies of the Parliament: the Conference of Presidents (of political groups) and the secretive Bureau, which consists of the President and 14 Vice-Presidents. While Parliament probably needed to play this role in the first twenty years of its existence in order to establish the minimum conditions necessary to be able to operate effectively as a parliament, the inter-institutional debate (the Council's power vs. the Parliament's) is no longer the dominant axis in Brussels.

Instead, it has been replaced by a more traditional left-right axis or, perhaps more accurately, a number of traditional left-right axes. The European Parliament now fights over issues such as social affairs, environmental policy and consumer protection in the same way as any national parliament would. The federalist consensus has virtually disappeared, and even enlargement has become controversial, with Turkey's possible accession to the EU under fire from Parliament's largest political group, the European People's Party.

This move towards a more party political approach is a positive development. The European Parliament is now more in tune with national political debate. In that sense, it has become more like a real parliament. But this positive development is not yet reflected in the way Parliament and its political groups

are organised. Parliament continues to be seen by many as a dull federalist powerhouse.

There are several ways in which Parliament can present a sharper and better-focused political image.

First, by shifting resources from the Parliament and individual MEPs to the Parliament's political groups. The political groups are by no means ideal entities. They are relatively loose groupings which do not reflect the variety of opinions and political positions of individual MEPs, or even of national parties. The European People's Party, the largest political group, comprises avowedly pro-European Christian Democrats as well as ardently anti-European British Conservatives. The Socialist Group, Parliament's second largest group, includes the former Italian Communists and old-style socialist parties as well as Tony Blair's New Labour and other 'third way' social democratic parties. The Group of the United European Left includes Danish Socialists, French Radicals and German Communists. The Green Group is made up of pro- and anti-European Greens, as well as pro- and anti-European Regionalists. The Liberal Group is home to the pro-European Social Liberal Democrats (D66) as well as the conservative and more eurosceptic Liberals (VVD), both from the Netherlands.

This has two consequences. First, members of the same political group do not always vote the same way; alternatively, and much more importantly, they often vote the same way even when they actually disagree. If every MEP was completely free to choose his or her political group in the European Parliament, regardless of national political party affiliation, the European Parliament could look very different, but such a situation is unlikely to arise in the near future.

Despite their failures and lack of internal consistency, political groups are in a better position than the European Parliament as an institution to reach out to voters by expressing in public the political disagreements that take place. This is because political groups are free to put their partisan views across, whereas Parliament's spokesmen must stick to a politically neutral line. Resources should therefore be shifted from European Parliament's central administration (including the committee secretariats, the research service and the spokesman's service), as well as from MEPs' individual 'information campaign' budgets, to the political groups.

These additional resources would enable the political groups to play a greater role in the legislative and scrutiny process, resulting in more distinctive policy outcomes and a greater degree of differentiation in the public's perception of the European Parliament. This could also be applied to the European Parliament's Information Offices in the member states. Their general information activities could be merged with those of the European Commission, creating a single EU Information Office in each member state,

leaving the political groups to conduct information campaigns of a more partisan nature.

Second, the European Parliament can sharpen its message by becoming more political and strengthening the role of its political groups in the ongoing debate about the future of Europe. The Parliament's external identity should be expressed less in terms of inter-institutional and Brussels-vs-member-states rivalries, and more in terms of the different political identities that make it up. An example where the clash between these two identities of the European Parliament clearly came to the fore was a recent speech by Parliament's President, Pat Cox, to the European Council of Heads of State and Government. All European Council meetings open with a speech from the President of Parliament (who does not, however, attend the remainder of the meeting). Following the Copenhagen summit in December 2002, French Socialist MEP Pervenche Bérès complained that in his speech, Cox had largely ignored the Parliament's Convention agenda, and instead had focused on his own priorities as President. Bérès may be right—but would it have been better for Cox to follow the example of his predecessors, who gave bland, lowest common denominator speeches, offending no-one but equally failing to make any political impact whatsoever? Cox was in a clear bind – say something interesting and incur the wrath of many MEPs, or play the diplomat and be ignored.

An alternative, more attractive approach would be to invite the leaders of Parliament's largest political groups to attend European Council summits to put across the position of their respective Groups. That would free the President of his institutional shackles and help the Parliament develop a multi-dimensional, multi-party message. Furthermore, it would end the anomaly – at least compared to national parliaments – whereby the guardian of Parliament's internal rules and procedures is also its chief political spokesman.

Third, the development towards truly European political parties could be encouraged. Most political groups in the European Parliament are linked to a European party family.¹¹ They are financed by their national member-parties and by their party groups in the European Parliament, and as such lack the ability to operate independently.

In most party families, relations between the party federation and its parliamentary group are fraught with friction and rivalry. This is a shame,

¹¹ Most national political parties in Europe belong to a European party federation that brings together national member parties of the same political persuasion. Socialist and social democratic parties, for instance, are members of the Party of European Socialists (PES). MEPs who belong to a party affiliated to the PES are members of the Group of the Party of European Socialists in the European Parliament. Other key groups in the European Parliament include the European People's Party (EPP), the European Liberal Democrat and Reform Party (ELDR) and the European Federation of Green Parties.

because the party federations can and should play an important role in the development of a European political debate that is more than just the sum total of all national contributions. The existence of European political parties was acknowledged for the first time in the Amsterdam Treaty and has been placed on more secure legal footing by the Nice Treaty. Since late 1999 efforts have been under way to draw up a European party statute, which would provide for official recognition and EU funding of European political parties. Talks collapsed in 2002 as a result of disagreements on the minimum thresholds for establishing a European party and on the question of sponsorship and donations, a sensitive subject in member states. With the Nice Treaty, decisionmaking on the party statute shifts from unanimity to qualified majority with co-decision, and so an early decision on the statute should now be possible: in fact a deal now looks likely before the end of June this year. Parliament will have to use its co-decision role to ensure that the recognition of European parties is not confined to the existing party families—although care should be taken to ensure that any newly formed European political parties are not opportunist amalgams of national political movements just out to secure European party funding; and also that tight rules are introduced regarding sponsorship and donations, to avoid igniting a funding arms race.

Once they have secured direct funding from the EU budget, European political parties can focus on developing their role in organising debate, generating ideas and fighting elections. As suggested above, one of the key ways in which European political parties can contribute to livening up European politics is by presenting a candidate for the Presidency of the European Commission; there is no reason why this cannot be done before the 2004 elections, even if the Treaty has not yet been amended. The organisation of US-style primaries within each party family could bring the debate about the future of Europe a lot closer to citizens than it has thus far been.

5. Reform of the electoral system

The system used to elect MEPs needs to be reformed. The present arrangement does not do enough to encourage close links between MEPs and voters. In the 1999 elections to the European Parliament, for the first time, some form of proportional representation was used in all member states. Although proportional representation ensures a balanced representation of political views, it also has a tendency to weaken the link between voters and their representatives. Under PR, constituencies are larger (sometimes encompassing the whole country), and each constituency has more than one MEP. MEPs elected under such a system inevitably end up being more out of touch with their voters than politicians elected in a single member constituency.

In an indication of the need felt by at least some MEPs to produce closer politician-voter relations, most Dutch political parties represented in the EP have divided the Netherlands into 'virtual constituencies', making individual MEPs responsible for maintaining links with one or several of them. That trend is likely to continue and, until the electoral law is changed to address the issue, we believe it should be encouraged as a stop-gap measure. We support the principle of proportional representation, but we also believe that a direct link with a distinct group of voters is necessary in order to improve the quality and effectiveness of representation in the European Parliament.

Under European law (the 1976 'Act concerning the election of representatives of the European Parliament by direct universal suffrage'), each Member State sets its own rules for the election of MEPs. Between 1979, when the first direct elections to the European Parliament were held, and the 1999 elections, the divergence between the electoral systems used by member states gradually grew smaller as almost every member state opted for a system which respects the principle of proportional representation. The United Kingdom was the last country to do so, in time for the 1999 elections. This was an autonomous decision, not a requirement imposed from the outside, although one must assume that peer pressure from other EU member states and political expedience (minimising the effect of Labour's expected loss of the election) probably also played a role. The UK's adoption of PR for European elections opened the way for an agreement between the Council and the Parliament and the 1976 Act was amended. The amendments laid down common principles on how to elect the European Parliament, but within these guidelines member states are free to apply their own national provisions. The most important common principles are the following:

- Elections must be held by means of a system of proportional representation, using a (preferential) list system or the Single Transferable Vote, with a maximum threshold of five percent, at national level, for the allocation of seats to political parties.
- A member state may establish constituencies or other electoral divisions, as long as this does not compromise the proportional nature of the system.
- A member state may set a ceiling for candidates' campaign expenses.
- From 2004, MEPs may not also be members of a national parliament (abolition of the dual mandate).

These amendments have important consequences.

First, a member state government will no longer be free to change the electoral system for its MEPs and eliminate proportional representation. An

incoming Conservative administration in the UK, for instance, could not change the electoral system back to First Past The Post without first securing the agreement of all other member states.

Second, the commitment to proportional representation will continue to bring more political stability to the European Parliament. The 1999 European elections, which saw control of Parliament shift from the centre-left to the centre-right for the first time in its brief history, would have produced an even greater shift had the UK not abolished First Past The Post. This would have given a small minority of British voters a disproportionately large say in determining the make-up of the European Parliament. Radical shifts in the political makeup of the European Parliament are now very unlikely as a result of these amendments – unless, of course, there is a radical shift in voting behaviour among Europe's voters.

Third, the abolition of the dual mandate (with an opt-out for the United Kingdom until 2009, secured for the benefit of Members of the House of Lords who are currently also MEPs) will reduce the problem of absenteeism. Many Italian MEPs hold a dual mandate as a senator or as a national MP and are rarely seen in Brussels or Strasbourg. French lists for the European elections are usually headed by national party figureheads who resign their seat following the election, thereby contributing to the second-order image of the European Parliament. With these EU-wide changes in the electoral law, this will no longer happen.

However, there are two aspects of the electoral system which still need further reform. The first change is to create a more direct electoral link between individual MEPs and their voters. If achieved, this may make a real difference to the legitimacy of the European Parliament, as well as to reverse the trend of declining voters' turnout in the elections.

Two practical steps can achieve this. One is for larger member states which have not already done so to make use of the possibility under the 1976 Act of dividing its territory into multiple constituencies, each electing several MEPs. While in the smallest member states national lists are the only realistic option, in larger countries they fail to create that all-important direct electoral link between the MEP and his or her voters.

The other step to create a direct link between individual MEPs and their voters is to use open as opposed to closed lists, also in the smaller member states. In many EU countries, closed lists are used. For example, in France each party makes a ranking of candidates, and voters can only give a preference to the party and not to a person. Dutch MEPs are elected by a semi-closed system, where voters can express a preference for a candidate, but the ranking established by the party is eclipsed by the voters' ranking only when the candidate receives a number of votes above the threshold established by law. What is needed is something similar to the Irish system:

a combination of multi-member regional constituencies (a single one in the case of the smallest member states) and an open list system within those constituencies. This would achieve a direct link between the MEP and his or her voters, one similar to that which ensues from the British First Past The Post system; but which would also respect the proportionality principle, whereby no votes weigh (much) more than others.

Second, regional constituencies and open list electoral systems will only live up to their democratic potential if the role of political party elites in selecting parliamentary candidates is significantly reduced, or even eliminated altogether. In most member states, parties' candidate selection is in the hands of a small group of ranking party members and officials. In a closed list system, this gives party elites excessive power. Party elites instead of voters effectively determine who should represent their party in the European Parliament. But even in an open list system, where voters have the final say, party apparatchiks may choose not to admit candidates who are likely to have too much individual electoral appeal and are thus likely to get elected at the expense of established party loyalists. Political parties should not be able to exclude potential candidates from standing, provided that they comply with the party's rules. There is no reason why political parties should not rank candidates in order of preference, although for this to be democratic it should be done by 'primary' elections on a one-member-one-vote basis. But in the end, electors must be able to change the party ranking with their votes.

These changes, while absolutely necessary in our view to improve direct links between voters and MEPs, would have to be adopted by member states on a voluntary basis. With the recent amendment of the 1976 Act, the Union has probably gone as far as it can in determining the ground rules for European elections. The introduction of further binding electoral rules at an EU level would not do justice to the different electoral traditions that exist within the Union.

We did consider one very radical idea for reform, which would be to do away with the present arrangement altogether, and to replace it with a single electoral procedure for the whole of the European Union. This idea would involve dividing the enlarged EU into equally-sized constituencies of approximately one million inhabitants each. Each of these constituencies would be represented by a single MEP elected by Alternative Vote (candidates are ranked in order of preference by voters, and the candidate with the least votes is eliminated and his/her votes are transferred to the candidate of next preference; this process is repeated until one candidate has obtained a simple majority). The advantages of such a system are clear. It would make for a European Parliament of some 450 Members, a much more workable number than the 734 foreseen by the Nice Treaty. It would give every EU citizen equal representation in the European Parliament, as opposed to the current system in which some member states are over-

represented and others are under-represented. And it would ensure that every citizen has a single representative in the EP.

But there are also several disadvantages. In the enlarged EU, several member states will have less than 1 million inhabitants. In order to enable them to have at least one MEP, the rules would have to be changed in order to allow the smallest member states to be over-represented—unless we were to opt for cross-border constituencies, which would seem even more difficult to sell to the general public than the idea of pan-European party lists. Furthermore, even having one MEP per country as a minimum would pose problems. In most member states, there are at least two to three important political forces. Having the voters of a member state represented by just one MEP, even if elected on the basis of Alternative Vote, would run into too much opposition. It is debatable whether the benefit of having a directly elected MEP outweighs the disadvantage of losing the plurality of political views represented under the present system. On balance, we do not feel that this idea merits further consideration.

6. Increased efficiency, transparency and accountability

Last but not least, the European Parliament must put its own house in order. The Parliament is often criticised for its lavish lifestyle. Newspapers and broadcast media in the UK, Denmark, Sweden, Finland, the Netherlands and Belgium frequently carry reports of taxpayers' money being wasted. Such coverage is not limited to the popular press. On 5 May 2002, for instance, the Observer newspaper ran an article under the alarmist headline, "Europe squanders billions spoiling MEPs". An outlandish claim, even by British eurosceptic standards, given that the total annual budget of the European Parliament amounts to some 650 million pounds, most of which is spent on general costs such as buildings, staff, IT, translation and interpretation. Less than one third is spent on MEP expenses, and none of it is used to pay for their salaries – they are paid out of the national exchequers.

Despite the frequently inaccurate and misleading coverage, the Parliament's critics do have a point. The European Parliament's generous system of expenses is characterised by lax rules and a lack of adequate control mechanisms. This doubtlessly contributed strongly to the record low turnout at the June 1999 European elections, and reform is necessary to prevent a recurrence in 2004.

First, the European Parliament must reform the system of pay and expenses for MEPs. MEPs currently receive the same salary as members of the national parliament in the country in which they were elected (the only exception are the Dutch, who earn slightly less). As a result, there are huge disparities in salary between MEPs from different countries. Italian MEPs, the highest paid, earn 3.5 times as much as their Portuguese colleagues. Additionally, MEPs derive revenue from the Parliament's system of

expenses. MEPs are paid a flat-rate daily allowance of 256 euros for each day they attend meetings in Brussels and Strasbourg, and are paid travel expenses on the basis of published, not actual fares. This obviously encourages MEPs to find the lowest priced ticket available and to pocket the difference – something which has been made even more lucrative with the arrival of budget airlines in Brussels and Strasbourg. A German MEP flying with Lufthansa from Berlin to Brussels can pocket up to 900 euros per trip – tax-free.

In addition, MEPs are paid a secretarial allowance for staff costs. The rules for the use of this allowance have been tightened up in recent years but are still open to abuse.

MEPs are also paid a flat-rate office allowance of 3,620 euros per month to cover the cost of constituency office rental, phone and computer costs, etc. There are no checks on how this money is actually used. Finally, MEPs can join a voluntary pension fund which comes on top of their national pension, and to which the taxpayer also contributes. The overall package of pay and expenses is generous, even in the case of badly-paid Portuguese MEPs, who compensate for their low salary handsomely by racking up excess travel money.

For several years now, Parliament has been discussing reform of the system. The idea is to provide all MEPs with the same salary, which would be subject to Community rather than national tax (as for EU civil servants) to ensure equal net pay. Travel expenses would be paid out on the basis of actual costs incurred. This proposal – known as the MEP Statute – has run into several problems. For some (the Germans, the Italians), the proposed pay level is considered too low. For others (the British, the Scandinavians), the proposed EU tax is anathema. And others still dislike the idea of expenses being paid on the basis of actual costs incurred. So far, only the tax issue has been resolved (member states can complement the EU-tax with a national top-up tax).

Pat Cox, the Parliament's current President, has made agreement on the MEP Statute one of his top priorities. In December 2002, following several months of behind-the-scenes negotiations, he and the Parliament's rapporteur on the subject, German Socialist Willi Rothley, agreed on a joint letter to the current President of the European Council, Greek Prime Minister Costas Simitis, spelling out the principles on which a Statute should be based. This could well be the final chance to reach a deal¹². If Cox does not succeed, the issue of MEPs' pay and expenses will return to haunt the 2004 European election campaign in several member states, and continue to

¹² The painful history of attempts to negotiate an effective MEP statute is best expressed by an anonymous Parliament official, who told us: "The sheer resilience of the brick wall against which anyone wishing to address this subject has to bang their head is truly amazing."

undermine Parliament's legitimacy. If a pay and expenses deal for MEPs is finally agreed however, that would also remove a major obstacle to a statute for parliamentary assistants – arguably the worst protected employees in the European Union today due to the absence of minimum employment standards and the lack of regulation governing their cross-border employment status.

Second, the European Parliament should have a single seat. The present arrangement is neither efficient nor effective. A recent report by Parliament's Secretary-General to the Convention on the Future of Europe showed that the additional cost to the taxpayer, per year, of having three places of work amounts to 165 million euro, and this will go up after the enlargement of the EU with new member states. The split-site arrangement puts unnecessary strain on MEPs, in particular those with young families. And the European Parliament's monthly absence from Brussels means it is less well placed to control the two other major institutions, the Council and the Commission. Brussels-based journalists usually cover the work of all three institutions; when the European Parliament travels to Strasbourg, they often stay behind.

In 2000, the European Parliament voted to reduce the length of its stay in Strasbourg from five to four days per month following intense lobbying by the Campaign for Parliament Reform which the authors of this paper co-founded. However, any further reduction in the number of days would probably be thrown out by the European Court of Justice (this did not stop MEPs, in April 2003, from voting to reduce the number of Strasbourg sessions in 2004 from twelve to ten). A change to the Treaty is now what is needed. The Convention on the Future offers a unique opportunity to bring about change. British Liberal Democrat MEP Andrew Duff has tabled a proposal making each institution responsible for its own working arrangements; it offers a face-saving way out for the French Government. In return, the Convention could agree to make Strasbourg the meeting place for the proposed annual Congress of MEPs and MPs.

Finally, the European Parliament should back the setting up of a Committee on Standards in Public Life (CSPL). The setting up of such a committee was recommended by the Committee of Independent Experts which investigated allegations of wrongdoing inside the European Commission in 1999. In their second report, the experts argued that the Community institutions should draw up codes of conduct in a range of areas, and that a CSPL should monitor the operation of these codes. The European Commission incorporated this idea in its White Paper on Reform of April 2000, and produced a draft Inter-institutional Agreement. While the European Parliament endorsed the idea initially, MEPs gradually grew resistant to it. German and Spanish MEPs in particular warned of a return to the days of the Weimar Republic and Franco, expressing the fear that it would lead to civil servants controlling politicians. The proposal was duly buried in the

Parliament's Legal Affairs Committee, and nothing has been heard of the proposal for over two years. It is high time to resurrect it.

The fears expressed by German and Spanish MEPs can easily be overcome by ensuring that the terms of reference of the proposed Committee respect the primacy of politics. The 1999 Committee of Independent Experts (a de facto precursor to the proposed CSPL) demonstrated the value of having an independent body exercise a degree of scrutiny over the activities of the EU institutions.

SECTION THREE: THE WIDER CONTEXT

This is not the place to examine the wider challenges facing the European Union as it enters a dramatic phase of change. The ongoing discussions on the constitutional future of the EU, and the transforming process of enlargement, will fundamentally alter the nature of the EU in ways which are difficult to predict at present. Such changes will, undoubtedly, leave a significant mark on the way in which the European Parliament operates and is viewed politically. The focus of this paper, however, is on the changes which the Parliament can and should implement itself, regardless of wider developments.

Nevertheless, two especially important factors beyond the control of MEPs should be noted, because they have such a direct bearing on their work. First, the crushing myopia of much of the national media and national political elites in many EU member states. Whilst it varies from country to country, it is broadly the case that EU governance generally, and the European Parliament specifically, simply do not receive the attention they deserve in domestic political debates. This can partly be explained by the relative complexity and lack of familiarity of EU procedures. But it is also due to an insular and defensive reaction from national political elites who prefer to ignore the evolution of EU decision-making altogether rather than engage the public in it. National parliamentarians are also susceptible to an immature belief that any power or attention devoted to MEPs somehow occurs at the cost of their own standing. Reports of territorial machismo between national MPs and MEPs are common in almost all member states. Yet, without greater participation in EU debates and in the work of the European Parliament by national politicians and the domestic media, it will prove enormously difficult to enhance the standing of the EU as a whole and MEPs in particular.

Voters do not confer trust on political institutions overnight. Trust requires familiarity. Familiarity cannot be foisted on voters from above. It emerges slowly, bit by bit, from the bottom up, and only if the work of the European Union is discussed daily in the media and by familiar national political figures. Without the active participation of national media and political elites, the European Parliament is doomed to remain a distant, unfamiliar entity, notwithstanding the valiant efforts of MEPs themselves. That is why we have placed a great deal of emphasis in section 2.3 on incorporating national MPs more fully into the work of the EU. Some MEPs foolishly regard this as a concession to national interests which will cut across the European vocation of the European Parliament. In our view, it is a necessary evolution if the common interests of Parliamentarians at all levels in the EU are to be identified, and if voters are to be encouraged to familiarise themselves with the realities of EU governance.

Second, we believe familiarity and trust amongst voters also require a degree of institutional and constitutional stability. In the last decade or so, the European Union has been embroiled in an almost constant process of institutional change. One Intergovernmental Conference (IGC) after the next has introduced significant changes to both the powers of the EU and the way in which EU decisions are taken. This is set to accelerate still further in the months ahead with the conclusion of the Convention on the Future of Europe and the IGC that will follow it. Whilst it can be argued that this pace of change is well justified in view of the evolutionary needs of the European Union, it should not be forgotten that this occurs at a political price. Voters are left either bemused or confused by the sheer scale of change at EU level. The EU, far from clarifying its image and standing in the eyes of the electorate, an aspiration loftily declared in the ongoing constitutional discussions, has become a restless, moving target, always mutating, never stable. This, we believe, must come to an end. At some point, MEPs and all politicians active in the EU must be able to present a clear, stable proposition of what the EU is about to voters if they are to stand any real chance at strengthening popular support for EU integration.

For this reason, we would advocate that, once the next IGC is complete, and irrespective of its outcome, there should be a moratorium on further constitutional change for a period of, say, five to ten years. The EU has been a great work in progress for almost fifty years. It has now embarked on perhaps the largest revision of its internal composition and working methods. But it should not remain an open-ended work in progress indefinitely. We believe to do so would be incompatible with the need to build legitimacy and accountability in the way in which the EU operates. The European Parliament will remain central to that endeavour, and we believe that a period of institutional stability will help it in this crucial task.

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Nick Clegg and Michiel van Hulten

May 2003

THE WAY AHEAD

The 'Next Generation Democracy' project explores the theme of legitimacy in an enlarging Europe, organised around five themes: Matching Policies to Public Priorities, Accountability, Political Competition, Participation and Representation.

The initial output of each theme will be a policy brief, which will aim to direct the thoughts of the next generation of policymakers towards solving key problems thrown up by debates about democracy, legitimacy and accountability in Europe. Policy briefs will engage key stakeholders throughout Europe, who may be from the political, academic, public, private or voluntary sectors, at local and national level.

Each publication will be published on the www.network-europe.net, which will be publicly available, and which aims to bring together these ideas and responses to them.

The policy briefs will be collected together, along with the best of the contributions from the online 'workshops' in a publication, entitled 'Next Generation Democracy: Legitimacy in Network Europe.' This will be launched at the end of the project in summer 2003. The issues were also discussed at Next Generation Europe, the first in a series of yearly conferences bringing together the successor generation from across Europe, which took place in Taormina in November 2002.

The Foreign Policy Centre and the British Council would like to thank Weber Shandwick Public Affairs for their generous support for the Next Generation Democracy Programme.

Weber Shandwick has emerged as the most powerful public affairs and government relations resource in Europe. With offices in all major European political centres, Weber Shandwick offers the most comprehensive network and range of services in its field.

PREVIOUS POLICY BRIEFS IN THE 'NEXT GENERATION DEMOCRACY' SERIES

Is Europe Reviving National Democracy?

By Tom Arbuthnott, February 2003

People's ability to hold their governments to account is weaker now than it was before. This policy brief argues that Europe is a key part to the solution. Comparability is the new accountability in the EU. The heightened capacity of the EU to allow people to make meaningful comparisons between their own governments' performance and others has subjected national politicians to an ever-higher degree of scrutiny.

"Full of excellent insights." *Lord Howell of Guildford*

"This is an important theme. Well done." *Denis MacShane MP*

Communicating Europe

By Claes de Vreese, May 2003

Democracy relies on communication between citizens and those in power. However, at the European level, too often the strategy is to focus on sending out rigidly pro-European messages, rather than presenting the EU as a political system with room for disagreement, discussion and debate. Unless the Convention takes account of how the newly constitutionalised EU links to its citizens via the media, it will produce solutions that fail to engage its stakeholders, and will reinforce the 'democratic deficit.'

Can Brussels Earn the Right to Act?

By Mark Leonard and Jonathan White

Many argue that the problem of the European institutions is that they are unelected and remote. Leonard and White take a different view: the problem is a delivery deficit. EU institutions must earn their powers by proving their ability to execute them effectively. Ultimately this is the only EU that can count on the sympathy of its citizens.

"Provides interesting ideas for my work at the Convention." *Gisela Stuart MP*

Linking National Politics to Europe

By Simon Hix, March 2002

The European institutions are increasingly disconnected from the citizens they are meant to serve. Part of this results from the divorce between national politics, which tend to be the focus of popular and media attention, and European policies. In this policy brief, Hix explores how the election of the Commission President by national MPs could rectify this.

“Very interesting document”, *Ana Palacio, Foreign Minister, Spain*

The Convention may choose not to endorse [Hix'] ideas, but it should at least give them serious consideration.” *European Voice*

Rebooting Europe

By Mats Engstrom

Without open and common political arenas, confidence in European institutions will remain low, no matter how they are designed. This pamphlet examines how digital technologies such as the internet can help develop European political spaces. It includes twenty concrete proposals for action.

Next Generation Democracy: Legitimacy in Network Europe

By Mark Leonard and Tom Arbuthnott, November 2001

The framework document for the *Next Generation Democracy* programme.

“A most important policy brief... It is good to see new and clear thinking on the future of the EU.” *Baroness Nicholson of Winterbourne MEP*

“It certainly is an intriguing project, which I shall follow with interest.” *Sir John Kerr, Secretary General, The European Convention.*

FORTHCOMING

Next Generation Democracy (June 2003)

Edited by Tom Arbuthnott and Mark Leonard

This pamphlet will bring together all the outputs from the Next Generation Democracy project. It will be launched in London and Brussels to stoke debates about the role of democracy in the new European constitution.