

Reforming the European Union

Alan Butt Philip



John Stuart Mill Institute

Bibliographical Note

Dr Alan Butt Philip is Jean Monnet Reader in European Integration in the School of Management at the University of Bath. He has been an active member of the British Liberal Party and its successor the Liberal Democrats for over forty years, having contested as candidate seven parliamentary elections. He has published widely on European integration, regionalism, and European Liberals.

"Reforming the European Union"

Alan Butt Philip

Introduction

Few would dispute that the European Union has reached a point of crisis. There may be disputes concerning the diagnosis of its problems, the remedies required for curing those problems, and the prognosis for the future of the Union. But crisis is the appropriate word to apply to the present situation. There can now be no certainty that the EU in anything like its present form, or the process of integration itself can continue indefinitely, let alone progress to new levels of intensity.

As indicators of this crisis, perhaps it is worth briefly rehearsing some of the highlights of recent EU history. The twenty strong college of European Commissioners resigned en bloc in March 1999 amid scandal and recrimination. Apart from revelations of a 'jobs for the boys' culture, the most serious charge levied at the Commission was that it had displayed collective refusal to accept responsibility for the misdemeanours in its own house.¹

Then the elections to the European Parliament (EP) in June 1999 produced another disconcerting fall in electoral participation by the citizens of the Union. The average voter turnout across all fifteen member states fell below fifty per cent for the first time, and the turnout in Great Britain fell to record low of 23 per cent (see Appendix 1). At the same time confidence in the European Parliament and other EU institutions has also reached its lowest ebb with only a third of those responding to a recent Eurobarometer survey expressing a measure of trust in the EP's ability to defend the interests of the citizen (see Appendix 2)².

Finally the arrival of the 'Euro' from January 1999 has received rather mixed reviews, and has followed an unexpected decline in value relative to other globally-traded currencies such as the US dollar, the yen and the pound sterling.³ The weakness of the 'Euro' has many positive aspects in the short term for economic growth and employment in the Euro-zone, but the financial markets have taken fright at the novelty of this untried currency and the inability of those responsible for it to convey their strategy for the Euro with clarity and consistency. The complex policy management structure behind the Euro has proved to be incapable of responding adequately to the pressures of the markets and the media.

These incidents are all symptomatic of a wider malaise in the institutions of the European Union which themselves were all subject to review in the intergovernmental conference (IGC) convened at Nice in December 2000. A major reform of the institutional arrangements and decision-making procedures was essential if the Union really is serious about adding another dozen member states to its number in the next decade or so. The present structures and procedures designed for six states could not work effectively when there are 27 EU member states.⁴ The resulting Treaty of Nice has bought the European Union some time without really settling many of the key issues.

Yet our concerns should extend well beyond such mechanical issues to encompass the whole context in which the EU operates and is perceived. Changing the structures alone is not going to relaunch the whole European integration project or reconcile an increasingly sceptical public opinion to its present trajectory.

What is wrong with the European Union?

The EU and its antecedents have achieved great things for the peoples of western Europe. Above all the EU has provided a much-needed and central foundation for a climate of peace.

stability and prosperity, which the populations of European states rather take for granted. But the Union appears to be a prisoner of its past - in terms of structure, role, vision and *raison d'être*. The dinosaur failed to adapt and became extinct as a result. Is the same fate about to befall the European Union?

The European Community was constructed and has been for long sustained by the political, business and intellectual elites of its member states. Others may have been content with the overall design and intentions of the project, but they were not engaged in its implementation, nor did its actions appear to touch their lives directly. This acquiescence in the plans of such elites no longer exists. Trust and optimism have been replaced by cynicism and disappointment. The EU has begun to touch the lives of ordinary people and much of what they see they do not like. The EU should recognise that most of its citizens feel politically excluded or alienated from its activities. The loss of legitimacy described by this author in an earlier monograph has continued to erode the capacity of the EU's institutions to operate effectively and with consent.⁵ Trust in the EU is at an all time low, especially in the U.K. (see Appendix 2). One of the key factors behind the un-edifying squabbling and the modest results of the Treaty of Nice was the reluctance of EU leaders to trigger national referenda or major domestic debates prior to ratification.

It is also the case that the EU is under-performing and not having the impact that its leaders have promised in the past and its peoples have patiently awaited. We still do not have a frontier-free Europe. The single market is not working in many sectors (new car sales and sales of British beef abroad being two recent examples). The playing field for competition in goods and services is not level. European goods and services are still uncompetitive, especially in markets dominated by high technology. The agricultural policy is still largely unreformed. For all the subsidies the regional problem is still with us. The social dimension is blocked by member state governments. Despite EU legislation, the environment of Europe continues to deteriorate, as the latest European Environment Agency assessment confirms.⁶ The EU conspicuously failed to deal adequately with the break-up of Yugoslavia, and has yet to achieve a clear-cut success in Kosovo.

The Union remains distant from its people and technocratic in style. This distance is not just a matter of geography. It is also a matter of failing to communicate with or to inform the peoples of Europe. This is something for national governments as well as EU institutions to take on board. The sense of distance is compounded by the technocratic approach to rule-making that is so beloved of the EU authorities. Logic may be on the side of harmonising the size of funeral urns and sidelining the imperial measure, but such decisions are apparently made with scant reference to any cost-benefit analysis or to consumer preferences. The EU has recently selected as its motto the phrase "Unity in diversity", but it has yet to prove that it has fully taken this theme into its own policy-making.

The EU's recent failings, combined with longer term structural, political and management failures, have resulted in a massive loss of faith in the Union's institutions or its capacity to benefit its citizens. The Eurobarometer survey findings from 1999 and 2000 make chilling reading, and these are the results of the EU-organised tracking of public opinion tracking over a period of more than twenty-five years. EU citizens now think that the costs of EU membership outweigh the benefits for their state in (ten) member states out of fifteen. Most EU citizens do not trust any of the Union's institutions to represent and defend their interests. (See Appendix 2). A large minority want the integration process to go no further - a smaller minority would like their country to withdraw from the EU altogether. Only a quarter of

British electors now think the UK's membership of the EU is 'a good thing' (see Appendix 3). Some of this may be attributable to a general loss of faith in politicians and representative political institutions, but a fair proportion of this disenchantment has been caused by the behaviour of major EU actors themselves. The Euro was imposed on a reluctant German population (for their own good?).⁷ Now enlargement of the EU is going ahead, it seems, despite the reservations of a majority of the EU population.⁸ How many times do EU leaders reckon they can kick their electorates in the teeth on major issues of EU development before voter consent for the whole integration process is withdrawn altogether? Much of the resistance to new EU projects may well be the product of lack of knowledge of the issues, misinformation and fears for the future. National governments and EU institutions, which are formally committed to parliamentary democracy, need to show more awareness of what democracy requires, and to take their case to the public and persuade the voters of the wisdom of the EU's proposals. What they can no longer afford to do is to carry on with their integrationist plans regardless of public opinion. To do so is equivalent to kicking away the building-blocks on which the whole edifice of the EU stands. The European Union is running out of legitimacy fast - soon it will be running out of time altogether.

Such is the condition of the European Union which right now is seriously considering further widening and deepening of the scope of the integration process. Many friends of the Union think that EU enlargement, in particular, will force policy and institutional changes which will enable the Union to recover much of its credibility with the voters. They are deceiving themselves. Not only will such enlargement force a reduction in agricultural and regional subsidies which will adversely affect large swathes of France, the UK, Spain and Portugal⁹, but it also threatens to force the EU decision-making system into further gridlocked impasse as it wrestles with all the extra diversity of interests and circumstances that it has so enthusiastically embraced.¹⁰

It is highly likely that the enlargement process will be completed without the necessary political resources or economic financial means to make it successful. But what the EU needs to bring to any new project as much as to its existing activities is a change of style and culture. So far there is little evidence that its institutions and their leaders understand what is needed or why they are encountering so much suspicion or resistance to their integrationist ideas. The failure to engage in serious and prolonged public consultation exercises ahead of the intergovernmental conference at Nice is just the latest evidence of this.

Rebuilding Consent

The present situation of the European Union may be difficult, but it is not beyond redemption. The task in hand is to rebuild popular consent for the EU's institutions and ambitions. The urgency of this task is hastened by the imminence of further changes to the EU Treaty base, heralded by last year's IGC, which will require approval by the parliaments of all the member states and support of the electors at large in national referenda, which will be called at least in some member states. The treaties of accession enabling applicant states to join the EU will also have to be approved by each and every one of the national parliaments of the fifteen existing EU member states. The European Parliament too will be called upon to ratify the planned Treaty changes and the various accession treaties. These facts alone should make EU leaders think carefully about their chances of completing all these stages without any obstruction, given the present jaundiced state of public opinion.

Some boost in consent for the EU will come from short term measures (and accidents of history). The fact that the Commission is trying to reform itself is certainly helpful, but may not ultimately be successful (see below). The weakness of the 'Euro' has added to the economic growth and employment opportunities in many Euro-zone states. If sustained, this may provide a very favourable economic background against which the EU will be judged. But the Germans did not sign up for a weak Euro, which has a corrosive impact upon confidence in the whole integration process. The results of various EU summits in the coming months may restore some popular confidence, but they might not. A longer lasting programme of action is required.

First, the EU needs to take the ideology of much greater accountability and transparency to heart. Several ideas for this were explored by this author in an earlier work.¹⁰ The EU institutions need to be more accountable and transparent than national or local governments precisely because they are more distant from the people and they are no longer beyond suspicion. This calls for greater efforts by each of the major EU institutions to explain and publicise their work, and to put their finances in order and available for closer scrutiny. The main culprits here are the Council of Ministers and the web of hundreds of EU committees, but the European Parliament itself is certainly not above criticism. An enhanced role for the Court of Auditors would also assist this development, as would a more interactive use of internet contact points and of the Europa website.

Secondly, the agenda of the EU needs urgently to be reshaped. Europe is still too much an affair for business interests rather than for the people at large. The 'People's Europe' concept espoused by President Mitterand of France in 1984 needs to be revived. A few key pledges with wide public appeal could be made which would then have to be delivered. These could include: travel within the EU without a passport, a Charter of European Rights, minimum payments upon being made redundant, legal aid to secure redress under EU law, a basic grant for individuals to learn another EU language, better consumer protection and food safety.

The EU must also ensure much greater implementation and enforcement of EU rights and legislation. It is still admitted by the Commission that 13 per cent of single market directives have not been implemented in every member state.¹¹ The ill-fated Santer Commission opened with a pledge to do less but to do it better. The sentiment was well-judged, but the second part of the pledge did not really materialise. Better access to EU provided rights, especially through the national courts system, and an insistence on higher standards of service from manufacturers, retailers and the utilities are certainly options. Also much greater efforts could be made by the Commission to follow up more of the complaints alleging non-compliance with EU rules which are sent in by the thousand each year.¹²

More effort is also required in the national or regional education systems of member states to explain and account for the European integration process and the work of the EU institutions. The Jean Monnet project has done just this since 1990 in the higher education sector, creating almost five hundred university posts and supporting a wide variety of other teaching initiatives. But the sector most in need of such development is the secondary school sector. With the demise of so much history and geography in the UK school system, the launch of a European curriculum which combined such subjects with more general citizenship education could be highly beneficial.

Two strategies in addition would assist in making further EU development more acceptable to the public at large. One is an explicit espousal of the principle of variable geometry which

would allow member states to implement various parts of the EU Treaty base at different times. No state would be excused permanently from any aspect of the integration programme, and no state could delay adoption of the core elements (e.g. the single market and customs union, competition and external trade policies, EU citizenship and human rights guarantees). But those states that needed more time to develop their economies or to win public support before adopting other parts of the Treaty base (e.g. economic and monetary union) could be given time. This should give the more sceptical publics time to be won over, and even to appreciate the costs of staying apart from parts of the integration project. This appears to be exactly what is happening in Sweden and Denmark in regard to participation in the single currency. If these states decide finally to participate, they will do so of their own free will and in their own good time. Nothing will have been imposed on them by Brussels.¹³ Integration becomes a voluntary decision rather than a mandatory requirement.

A second strategy to bring to bear is to seek to make more use of borrowed legitimacy. This concept was explored in an earlier work, but in essence it means bringing those political institutions which have stronger claims to legitimacy than the EU institutions more into the processes of Union decision-making.¹⁴ This means primarily bringing the national parliaments and the national courts into partnership with their EU counterparts and sharing the tasks of scrutiny, implementation and review of EU policies between them. Not only would this be educative for national level elites but this approach should also better legitimate the activities of the EU by using well-known national institutions as intermediaries. This is increasingly happening in the national court system as European case law is subsumed into national case law over time. But the national and European parliaments could share the burdens of monitoring and scrutinising EU activities instead of competing against each other. This option ought to be easier now that the specialist committees of the national parliaments in the EU have a transnational network which is already in dialogue with the European Parliament.¹⁵ A recent enquiry by Chris Davies, Liberal Democrat MEP for North West England, produced the information that of over 40,000 parliamentary questions asked since 1997 only one asked how the UK government had cast its vote in the Council. So much for Westminster scrutiny of EU business!

Given the very low levels of citizen understanding and informed-ness of EU policies and processes, it is probably time for the EU to embark on a long term public information campaign using national local media to explain its activities and its institutional arrangements¹⁶ (see Appendix 4). The paucity of EU-wide mass media which report EU matters poses a major barrier to communication between the citizen and an ever more important level of government. Hence the need to use national and local media to convey such information. If the media will not report EU matters adequately or at all, then space that is paid for may have to be taken in the local press or on broadcasting networks.

Reforming the EU Institutions

Academic and political observers have long been critical of the present institutional arrangements for the EU, and most have argued that a major reform is required ahead of the major round of enlargement that is planned for the next decade. The Amsterdam Treaty (1997) failed to address most of the institutional issues, because the member state negotiating teams were deadlocked on most key points under discussion.¹⁷ These issues were then revisited by the recent intergovernmental conference which produced a new treaty in Nice in December 2000.¹⁸

Concerns about the institutional structure are no doubt real and justified, but they are of limited salience to the average citizen, at least in the short term. What will matter more is the conduct and performance of the EU institutions in their present forms. However, the problems that are foreseen for the EU structures when the number of member states exceeds twenty do need to be addressed now. In particular, the balance between smaller and larger states has had to be recast taking into account levels of national representation in the Commission and the Parliament, voting strength in the Council of Ministers, and the remaining areas of policy where a national veto is still in place. The Amsterdam Treaty limited the number of Commissioners to twenty and the number of MEPs to a maximum of seven hundred. Those limits were not adhered to in Nice, and a major problem has been created with as many as 27 Commissioners being appointed later this decade. This paper will however concentrate less on structure than on the role and performance of the leading institutions, in particular the Commission and the Parliament.

The future role of the Commission

Much has been made of the reforms being undertaken inside the European Commission. The original structures and culture established in the 1950s, with the ethos of the French civil service, had continued almost unchanged for over forty years. Many of the reforms announced by the Commissioners Prodi and Kinnock were undoubtedly overdue. Promotion on merit alone (and not according to nationality), the integration of Commissioner cabinets into the directorates-general, an end to cronyism, and the replacement of Roman numerals by words describing the scope of each directorate-general are welcome. We are told that more reforms are on the way, and that the Commission has brought in outside consultants to review its whole operation.¹⁹

The structure of the Commission may well be changed to introduce a hierarchy of Commissioners with no more than five or six overseeing all the portfolios. The Nice Treaty will also greatly strengthen the hand of the President of the Commission in hiring, firing and reshuffling his team of Commissioners. This may well improve the effectiveness and coordination of the administration which has been so famously lacking for decades. But changing the structure will not necessarily change the culture of the organisation, and certainly not quickly. The Commission is over-hierarchical as it stands and needs to spread responsibility and flexibility down the organisational chain rapidly in order to unlock the talents of its staff currently stuck in the lower echelons awaiting promotion, and to improve the quality of service and of responsiveness of the organisation as a whole.

The present Commission is investing a great deal of effort in seeking to achieve more decentralisation of policy responsibility, either to the member states themselves or to independent agencies. This is a logical strategy for an organisation to adopt which is short of resources (which are unlikely ever to be made up) and whose limited powers have been demonised by the Eurosceptics. But decentralisation could easily lead to inconsistent and damaging application of EU policies and rules, so it must be thought through and carefully monitored. Serious discussion is now under way concerning the decentralisation of competition policy application, but attempts to achieve the same in the field of environmental policy have so far foundered on an alliance between environmentalists and multinationals who support the greater certainty and relative transparency of the status quo. The telecommunications industry is expressing extreme alarm at the prospect of regulatory decentralisation to the national level without any recourse to the Commission in the result of inconsistent or incoherent decisions being made.²⁰

A recent development in EU decision-making methods has been the adoption since 1999 of the 'open method of coordination' process. This process is still evolving but, in effect, the Commission is trying to build partnerships between national governments, NGOs and the Commission/Council of Ministers in Brussels to take forward European integration in subject areas where the EU's legal capacity to act is shared or uncertain or both: a good example is the policy on border controls. Subjects already identified for the OMC process include education, employment, immigration, competitiveness, social inclusion and pensions.

This agenda is of high significance throughout Western Europe, but the OMC process itself risks shutting out many of the existing elements of democracy, transparency and accountability in the EU and reinforcing instead a Union for insiders, even if the pool of insiders is enlarged! The OMC process is designed to encourage cross-national learning and the sharing of best practice in each selected policy area, and much of its bite will rest upon a joint analysis of key policy indicators and bench-marking, enabling comparisons to be made between one EU state and another. This may spur governments, NGOs and the EU itself to further action and intervention, but it still leaves in the murky shadows whose agenda the participants will be acting upon, and who decides who will take part in the process itself.²¹

There is no doubt that the Commission could be made more accountable to its stakeholders - the MEPs, a wider variety of interest groups than at present, and the public at large. The Commission should be encouraging greater access to its officials via the internet and e-mail (including interactive answering services), and could thus steal a march on most national civil services. The Commission has to demystify itself and to overcome the distance barrier that separates it from the public at large. Travel grants to enable local groups to visit the EU institutions should be instituted (chosen by lot possibly). The Commission's register of interest groups needs to encompass a wider selection of groups, especially those which do not represent commercial interests.

The accountability of the European Commission would also be greatly improved if individual Commissioners could be censured and dismissed by MEPs. The inability of MEPs to do this early in 1999 in the end provoked the resignation of the entire college of Commissioners. The present blockbuster power of the EP either to dismiss the entire Commission team or none of them does not enable the EP to single out weak or inadequate performers, and allows such characters to hide behind national government protectors and the reputation of the college as a whole. It is deplorable that the UK government under Labour opposed this proposal when it was discussed in the IGC leading to the Treaty of Nice.

But the main change that needs to occur in the Commission is one of role. The dirigiste technocrat anxious to acquire power and prestige for the Brussels institutions needs to give way in many areas of policy to the facilitator, coordinator and manager of transnational networks of expertise.²³ The added value of the Commission rests in its understanding of all the different aspects of particular policy domains, in managing its contacts with interested parties in all member states and elsewhere, and its specific EU legal and institutional knowledge.

The European Parliament

Euro-philés, as well as Eurosceptics, will often admit some disappointment with the European Parliament's limited impact on the EU decision-making scene so far. It is a prisoner of being based on three sites (not of its choice) and of being so far from the areas

that many MEPs represent. MEPs have resorted to scams with their expenses mainly because the Council will not agree to a substantial salary for all MEPs since this would mean some MEPs being paid more than their national MP counterparts. The relatively weak position of the European Parliament in the scheme of EU decision-making is all too evident. Although slightly more trusted than the Commission the EU's parliamentarians do not score well in the public opinion poll ratings.²⁴ When under half the voters turn out to elect the members of the EP it is time to ask who the MEPs really represent and whether the whole outfit should even be closed down.

The EP came close to distinguishing itself in 1999 when it pursued the Commission over claims of cronyism and misuse of public funds. Yet it stumbled as the first censure motion directed at the Commission was defeated and the Santer team later decided to resign en bloc rather than face the certainty of the EP's censure second time around. The courage and single-mindedness of the Liberal group leader, Pat Cox, and his colleagues was a major factor in the EP emerging with some credit from this tawdry affair and in the resignation of the Santer team. Even so, many would argue that none of the outgoing Commissioners should have been included in Signor Prodi's new college of Commissioners, and the EP should have taken a stand on this point. This time though there was no appetite for such a fight.

The whole Santer affair does however raise an important point about what the main role of the European Parliament should be. Traditionally the Commission and the Parliament have found themselves on the same side trying to push the Council of Ministers more in an integrationist direction. There has often been a pragmatic alliance between the two institutions which has obscured and inhibited the MEPs from their prime task, which is to hold the Commission accountable for its actions. The Santer affair shows the way forward for the European Parliament. It must concentrate less on legislation and more on scrutiny of the EU institutions and policies, especially the Commission. It must focus on particular areas of enquiry and not expect to cover all aspects of EU policy all the time. It should share out the task of scrutiny of policy with national parliaments so as to build coalitions, consensus and credibility, while extending the coverage of its work.

The European Parliament needs the courage to do the unthinkable. It has to attract attention and visibility in the media, which usually it is denied. But its targets should be well judged – failed policies, financial mismanagement, political ineptitude or timidity, favouritism or worse, incompetence and inertia, or EU institutions acting beyond their powers. There is plenty of ammunition around which the Court of Auditors brings to light in its annual report.²⁵ But the EP is not good at concentrating its fire on a few issues and building up political credit for depth of analysis and persistence in pursuit of truth and transparency. MEPs are tempted to spread their efforts across a thousand and one topics hopping day to day like bumble bees from one topic to another - the floods in Bangladesh, the famine in Ethiopia, the state of AIDS research, the fate of the Portuguese textile industry - while achieving little.

The European Parliament however is not well placed to occupy any moral high ground so long as it tolerates the fiddling of expenses by MEPs or makes access to its own buildings for lobbyists the preserve of Brussels insiders. If the EP has the presence of mind to put its own house in order, and to stand its ground with the Council and the Commission, then it could win back friends for itself and for the EU institutions in general.

The EP committees need to prioritise their workloads so that more time is spent on fewer key issues, which are both salient and significant. Commission reform must be closely scrutinised. The European Central Bank has to be called to account for its stewardship of monetary policy several times a year, which to its credit the EP is now doing. The civil liberties implications of creating a common external frontier should be explored in detail, as well as the continuing degradation of Europe's environment despite hundreds of EU environment laws, and the inefficiencies of the CAP - all are meaty subjects for the MEPs to grapple with. The job of MEP is no longer suitable for the political tourist putting in brief appearances to pick up a daily expense allowance of £136. The job has to be professionalised, and there are encouraging signs that this is happening. Attendance by MEPs is improving and so is party discipline,²⁶ but absenteeism is still so high that it is very difficult for the EP to use its strongest powers, which often requires a majority of all MEPs to be present and approving their use. The MEPs must also do more to make themselves seen and heard in their own states and regions. This will probably require holding committee hearings in member states and spending on information campaigns in national and regional media, as well as continuous political campaigning by individual MEPs in their own countries or regions. Above all, the EP as a body, as well as MEPs, as individuals need to go out of their way to be both serious and newsworthy in what they do.

If MEPs cannot bring themselves to do all this, then the abolition of the European Parliament may not be long delayed. All their functions could be transferred to a network of national parliament EU specialist committees with a select group of national parliamentarians in each member state concentrating on EU affairs. Such a radical (and negative) solution will not be well received among Euro-philes and federalists. But they will be well aware that already the views of the EP are devalued by national governments claiming to be far more representative of public opinion than the MEPs. The starkest case is presented by the United Kingdom where some 15,000,000 more voters voted at the last general election as at the last European election. There will be a point - perhaps when average voter turnout at an EP election falls to 33 per cent - where the rationale for having a directly-elected European Parliament at all will be called into question. There is a danger that the EP could end up representing only the extremes of Europhilia and Euro-scepticism with few representatives of the ordinary confused mass of people in between. There is no need for such an outcome, but the writing is clearly on the wall.

Other institutions

Reform of the European Union does not only apply to the European Commission and the European Parliament. Much needs to be done elsewhere inside the EU web to streamline the institutions and to make them more transparent and accountable.

The European Council and the Council of Ministers too are far from beyond reproach. More light needs to be thrown on the organisation of the second and third pillars of the EU covering foreign and security policy, and judicial and home affairs. The Council presidency needs to be shared troika-style on a permanent basis to ensure continuity and dextrous management of ever more complex agendas. The secrecy of Council meetings and minutes needs to be broken once and for all, with the right to EP representation at all stages of Council discussions a first step. The working languages of the Council should be limited to three or four, except at ministerial level. The searchlight of parliamentary scrutiny needs to be shone on the work of the 1200 plus EU committees working in the shadows.²⁷ National parliaments must also scrutinise carefully what government ministers are doing in their

name, especially in those policy areas where the European Parliament has few powers to do this work.

The European Court of Justice needs to be brought under closer scrutiny. The EP should begin to inquire into the way the ECJ's workload is organised and why it can take two years or so for a case to be heard in Luxembourg by the relevant European Court. Legal aid for legal representation at ECJ cases should be available to all bona fide litigants. All appointments by member states to the bench of judges at the European Court should be scrutinised by the EP.

The European Central Bank is already subject to EP scrutiny and MEPs should make the most of their rights in this area given the important policy-making role of the ECB which is largely free of any democratic control. But the activities of the European Investment Bank should also be able to be scrutinised by the EP, where currently it seems to operate in a vacuum.

The European Parliament could also systematically attempt to examine the work of the dozen or so independent agencies set up by the EU to carry out specific tasks - the European Medicines Agency in London, the European Environment Agency in Copenhagen, and Europol in the Hague are all examples. Joint meetings between the EP and other bodies such as the Committee of the Regions, the Economic and Social Committee and the Court of Auditors could also identify new areas for inquiry and scrutiny by one or more of these institutions.

Reforming the Whole and the Parts

A discussion of how different parts of the apparatus of EU-decision-making could be reformed risks obscuring the need for the whole of the EU system to be repositioned and cleaned up. Mistakes and misdemeanours in one EU institution inevitably contaminate the reputation of all the institutions. It is the whole system and what it stands for that is currently on the skids, not just one institution.

Of course the public needs to be reminded forcibly about the scale of the achievements by the EU (and its antecedents) and NATO jointly since 1945. The prosperity and the opportunities for which European integration is responsible would have been beyond the imagination of pre-war generations. But the EU needs to guarantee its future, not its past.

To do this it needs to adopt policies which incorporate transparency, accountability, respect for diversity, efficiency and effectiveness.

The poison of intergovernmentalism which obscures responsibility for policy, encourages integration by stealth, and which frustrates progress by waiting for the consent of the most reluctant member state before taking action, needs to be washed out of the EU system. There should be no more closed door meetings depriving EU citizens of their rights and some others of their liberty (e.g. asylum-seekers).

The intergovernmental conference to be convened in 2004 to revise the Treaty base needs to complete its task quickly and to hand on to EU citizens a constitution, not just a consolidated treaty, that is clear and purposeful, accessible to the interested lay reader. Clear limits to the remit of the Union should be set. Above all the process of preparing such a constitution for

Europe must invite early participation from civil society at large, as well as more interested parties. There are signs that this is starting to happen, but a highly concerted campaign will be required once the Convention assembled for this purpose has reported.

All the EU institutions need to invite public interest and scrutiny, and to be ready to offer comprehensive but digestible information about their activities. Better communication, more information and unfettered transparency offer a way forward which will put the EU well ahead of most member state governments in accessibility and openness to all.

The EU institutions in general, but the European Parliament in particular, need to build stronger working relationships with the national parliaments in each of the member states, both to secure consent for what they are doing and to maximise the advantages of borrowed legitimacy described earlier.

With this approach it will still be possible for the EU to rescue itself from the rush to oblivion. The EU's institutions are unlikely ever to be able to mirror the close democratic control exercised by public opinion and elected representatives in some of the smaller states of Western Europe.²⁸ But they could do so much more than at present to reduce the distance between the Eurocrats and the people, to attract interest and news coverage from around the Union, and to make their activities more relevant and intelligible to electors. Instead of being seen to combine their weaknesses and shortcomings, the Union's leaders and institutions need to combine with each other to demonstrate the strengths of the EU system as a whole, one which a dozen or more European states are queuing up to join, whatever that system's present faults.

Appendix 1

VOTER TURNOUT IN EUROPEAN PARLIAMENT ELECTIONS

	EU Average % voting	UK % voting
1979	62	32.6
1984	60	32.4
1989	58.4	36.2
1994	56.2	36.4
1999	52.8	24.0

Source: European Commission, Bulletin of the European Communities 6 – 1984, 6 – 1994
and 6 – 1999

Appendix 2a

Trust in the EU institutions

Q: "Do you tend to trust or not to trust [the named EU institution]?"

	EU-15		
	Tend to Trust %	Tend Not to Trust %	Don't Know %
... The European Parliament	53	27	20
... The European Commission	45	30	25
... The Council of Ministers	38	29	33
... The European Court of Justice	45	24	31
... The European Central Bank	44	25	31

	UK (Denmark)*		
	Tend to Trust %	Tend Not to Trust %	Don't Know %
... The European Parliament	28 (51)	39 (42)	33 (7)
... The European Commission	24 (39)	38 (51)	38 (10)
... The Council of Ministers	15 (39)	35 (38)	50 (23)
... The European Court of Justice	27 (65)	31 (23)	42 (12)
... The European Central Bank	23 (40)	33 (30)	44 (30)

*The scores in brackets are the results for the same questions asked in Denmark at the same time as in the UK.

Source: Eurobarometer 52, Autumn 1999

Appendix 2b

Trust in EU institutions and bodies

(Median score - % of respondents saying they 'tend to trust' the nine named EU institutions and bodies*, by country)

<u>Country</u>	<u>Median score (%)</u>
Luxembourg	55
Ireland	54
The Netherlands	53
Belgium	49
Finland	48
Spain	47
France	46
Portugal	46
Italy	42
Denmark	39
Greece	39
[EU - 15	38]
Austria	38
Sweden	34
Germany	34
United Kingdom	18

Source: Eurobarometer 53, Spring 2000

*The nine institutions and bodies were the European Parliament, the European Commission, the Council of Ministers, the European Court of Justice, the European Ombudsman, the Court of Auditors, the Economic and Social Committee and the Committee of the Regions

Appendix 3

National attitudes towards EU membership

Q: "Is EU membership a good/bad thing for your country?"

	EU-15	UK	Denmark	Sweden	Austria	Germany
Answer:	%	%	%	%	%	%
Good Thing	49	25	53	34	33	41
Bad Thing	14	24	24	38	25	15
Neither Good Nor Bad	28	29	20	25	32	33
Don't Know	9	22	4	3	10	11

Source: Eurobarometer 53, Spring 2000

Q: "Would you say [your country] has benefitted/not benefitted from EU membership?"

	EU-15	UK	Denmark	Sweden	Austria	Germany
Answer:	%	%	%	%	%	%
Has benefitted	47	25	65	26	34	37
Has not benefitted	32	44	22	56	48	42
Don't know	21	31	13	18	18	21

Source: Eurobarometer 53, Spring 2000

Appendix 4
Degree of (self-perceived) informedness about EU affairs

Q: "How much do you feel you know about the EU, its policies, its institutions and bodies?" (on a scale of one to ten)

<u>Rank</u>		<u>Average Score</u>
1.	Austria	5.25
2.	Germany	4.8
3.	Denmark	4.71
4.	Luxembourg	4.68
5.	Finland	4.52
6.	Italy	4.44
7.	Belgium	4.37
8.	Greece	4.36
9.	France	4.29
10.	Netherlands	4.27
	Sweden	4.27
	[EU-15 Average]	4.24]
12.	Ireland	3.95
13.	Spain	3.76
14.	Portugal	3.58
15.	United Kingdom	3.4

Source: Eurobarometer 52, Autumn 1999

ENDNOTES

1. The first report of the committee of three independent experts appointed by the European Parliament in January 1999 were published in March 1999 and concluded that there had been inadequate sense of collective responsibility for losses of administrative and management control within the Commission. The full report can be seen at <http://www.europarl.eu.int/experts>.
2. The Eurobarometer series of opinion surveys has been running twice a year since 1972 and uses independent national polling organisations in each member state to sample public opinions. Its results are published by the European Commission and are often supplied free of charge to the hundreds of European Documentation centres spread across the EU and beyond. They can be accessed on the internet at <http://europa.eu.int/comm/dg10/epc/>
3. Such a decline was however predicted by the Jean Monnet network of economics chairs in their paper on EMU published in mid 1998.
4. The Treaty of Nice may be found at http://europa.eu.int/igc2000/index_en.html and a summary of the institutional reforms agreed is given in the Bulletin of the EU, 12-2000, pp.31-32
5. See Alan Butt Philip, Accountability in the European Union (JSMI 1996) pp 23-28.
6. European Environment Agency, The Future State of the Environment in the European Union (1999). Accessible also on <http://www.eed.eu.int/>
7. The last opinion survey of German attitudes to the single currency made by Eurobarometer before the changeover to the Euro in January 1999 found 54 per cent of Germans in favour of the new currency and 32 per cent were opposed to the new currency (Eurobarometer No.50). A year earlier only 40 per cent were in favour of the Euro, and 45% were opposed to it (Eurobarometer No.48).
8. Eurobarometer surveys in the autumn of 1999 found that on average 43% of EU-15 respondents supported accession of up to fifteen new member states. Very large majorities were to be found for Norway and Switzerland (not currently candidates for entry), clear majorities for the accession of Malta, Hungary, Poland, Cyprus and the Czech Republic. Otherwise opinion was divided, or hostile – especially to Turkish membership.
9. The reduction in the flow of EU funds will be most marked, following the first round of enlargement involving the six fast track applicants, in regard to the distribution of the structural funds. This has all been set out in the Agenda 2000 report of July 1997 (com(97) 2000 final, 17 July 1997) and in the conclusions of the special Berlin summit of March 1999 (Bulletin of the European Communities, 3-1999, pp 7-25).
10. See Alan Butt Philip, Accountability in the European Union (JSMI, 1996)

11. European Commission, Single Market News No.22, July 2000. The figures relate to almost 1500 directives in force on 15 April 2000.
12. The latest report from the Commission on the implementation of EU law finds that there were over 1200 complaints about non-implementation made to the Commission in the year 2000 and a further 800 investigations were started by the Commission on its own initiative that year. Some 1050 infringement proceedings were started in 2001 and 162 cases were referred to the European Court of Justice (2001 COM 309 final, 16 July 2001 and European Commission General Report for 2001, p.391)
13. For further discussion of the concept of 'variable geometry' see H. Wallace with A. Ridley, Europe: The Challenge of Diversity (Routledge and Kegan Paul, London, 1985 – Chatham House Paper No.29). S. Andersen and K. Eliassen, Making Policy in Europe (Sage, 1993, chapter 12); L. Cram et al, Developments in the European Union (Macmillan, 1999)
14. See discussion in Alan Butt Philip, Accountability in the European Union (JSMI, 1996) pp.21-23 and 32-34 especially.
15. The network of national parliamentary committees which specialise in EU subjects is known as COSAC (the Conférence des Organes Spécialisées aux Affaires Communautaires) and meets every six months.
16. The Autumn 1999 Eurobarometer survey which tested the information base of the general public in regard to the EU matters found that almost forty per cent of UK respondents felt they knew nothing or almost nothing about the EU, its policies, institutions and bodies – by far the worst score in the Union. Other relatively ignorant (self-defined) publics were to be found in Portugal (33%) and Ireland (28%). The average EU-15 scores were 22% knowing (almost) nothing, 50% knowing a little, 24% knowing quite a lot, and 2% a great deal.
17. For an account of the Amsterdam Treaty negotiations, see S. Hix, The Political System of the European Union (Macmillan, London 1999); H. Wallace and W. Wallace Policy-Making in the European Union (Oxford University Press, Oxford, 2000)
18. See Financial Times 12 December 2000.
19. Neil Kinnock, Vice President of the European Commission in charge of administrative reforms, has made a number of decisions since 1999 which are increasingly alarming the staff unions at the Commission. The internal consultants' report 'Designing Tomorrow's Commission' was published on 7 July 1999 and many of its conclusions are being implemented.
20. European Voice, 1-7 February 2001.
21. European Commission, 'European Governance: A White Paper' COM(2001) 428, 25 July 2001.
22. Christopher Lord, 'Legitimacy, Democracy and the EU: when abstract questions become practical policy problems', ESRC "One Europe or Several?" Programme

Policy Paper P3/00, Sussex European Institute, University of Sussex, September 2000.

23. See L. Metcalfe, 'Building Capacities for Integration: The Future Role of the Commission', EIPA Scope no.90/2 (1996) and 'Reforming the Commission', EIPA Scope no.99/3 (1999) – Journal of the European Institute of Public Administration at Maastricht (NL).
24. Recent Eurobarometer opinion surveys on levels of trust in EU institutions including the Parliament are summarised in Appendix 2 Eurobarometer 52 (Autumn 1999) found that overall in the EU-15, 53% of respondents tended to trust the EP, while 27% tended not to trust the EP. The most mistrustful publics were to be found in the UK (39%), Sweden (40%), Denmark (42%) and the Netherlands (34%) but only in the UK were there more "mistrusters" than "trustees" to be found. A similar picture emerges in Eurobarometer 56 (Autumn 2001) although Sweden, alongside the UK, has more 'mistrusters' than 'trustees' in the EU institutions.
25. Court of Auditors, Annual Report for financial year 1999, Official Journal vol.42, C 342, 1 December 2000.
26. See Simon Hix, 'How MEPs vote', ESRC "One Europe or Several?" Programme, Briefing Note 1/00, Sussex European Institute, University of Sussex, April 2000.
27. M.P.C.M. Van Schendelen (ed), EU Committees as Influential Policymakers (Ashgate, Aldershot, 1998)
28. See Ralf Dahrendorf, Democracy beyond the Nation State (John Stuart Mill Institute, 2002)

John Stuart Mill Institute

Recent Publications

<i>The Erosion of Judicial Independence</i> Lord Ackner, 1997	£3.50
<i>A Conservative Economist? The Political Liberalism of Adam Smith Revisited</i> Robert Falkner, 1997	£7.50
<i>Towards a Humane Individualism</i> Sir Samuel Brittan, 1998	£7.50
<i>Freedom in the Electronic Age</i> Baroness Nicholson, 1999	£4.50
<i>Britain's European Policy</i> Helen Wallace, 1999	£3.50
<i>New Democracies: Underpinned or Undermined</i> Michael Meadowcroft, 2002	£4.50
<i>Democracy Beyond The Nation State</i> Dahrendorf, 2002	£4.50
<i>The State, The Market and Social Services</i> Julia LeGrand, 2002	£4.50
<i>The 2001 Election: Long Term Lessons</i> David Butler, 2002	£4.50
<i>Reforming the European Union</i> Alan Butt Philip, 2002	£5.00

John Stuart Mill Institute

The John Stuart Mill institute was founded in 1992 to stimulate debate on issues of public concern. Inspired by the philosopher economist and social reformer, John Stuart Mill (1806-73), the institute stands for the freedom of the individual, supports responsible democratic participation and seeks to develop a coherent tradition of thought on political, economic and social issues relevant to the 1990s and beyond.

Working at the point where academic research, serious journalism and policy formulation meet, the institute is independent of any political party. It seeks, however to apply the values of liberty and participation to present-day problems and to suggest policy positions. Valuing society, yet putting the individual first, the Institute asserts the importance of a principled approach, both to problems and opportunities in the UK and also internationally.

Trustees:

His Hon. John Baker
Dr Alan Butt Philip
Gordon Lishman OBE
Ann Moore DL
Professor Ian Morison
Cllr David Morrish FRGS
Edward Mortimer
Roger Pincham CBE
Earl Russell FBA

Charity reg. no. 1010395

For further information, please write to: John Stuart Mill Institute,
Whitehall Place, London SW1A 2HE.

£5:00

ISBN 1 871952 18 2