THE FEDERAL TRUST
Enlightening the Debate on Good Government

Steps Towards a Federal Parliament

John Pinder

The European Parliament and Institutional Reform

John Bruton

European Essays 2 & 3

A Definition of Federalism

Federalism is defined as "a system of government in which central and regional authorities are linked in an interdependent political relationship, in which powers and functions are distributed to achieve a substantial degree of autonomy and integrity in the regional units. In theory, a federal system seeks to maintain a balance such that neither level of government becomes sufficiently dominant to dictate the decision of the other, unlike in a unitary system, in which the central authorities hold primacy to the extent even of redesigning or abolishing regional and local units of government at will."
(New Fontana Dictionary of Modern Thought)

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&

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Introduction

Institutional reform in the European Union is high on the agenda following the recent European Council in Helsinki. The year 2000 will see a new Intergovernmental Conference devoted to putting the institutions of the Union in good order to cope with the accession of up to a dozen more member states. Although this IGC will concentrate on the votes of member states in the Council and the number of Commissioners, it will be difficult to avoid discussion about the Parliament as well. The Union represents a delicate balance of power and responsibility among all the institutions. Change one and you alter that balance. Partial reforms may yet call for more widespread changes in order to re-establish that balance.

These two European Essays are especially timely as the Parliament has now come of age. Directly elected for the first time in 1979, Parliament reaches the traditional age of maturity in the first year of the new Millennium. John Pinder's essay reviews the progress it has made step by step over recent years in extending its powers. John Bruton's essay offers a provocative contribution to the debate, suggesting the Commission in future should reflect the political majority in Parliament.

Adjusting the institutional balance in the EU is no easy task. These essays point to how it has been achieved recently and how it might be done in the future, both concentrating on the Parliament. Each offers insights that enlighten the debate about accountability, transparency and the democratic deficit, helping to steer the argument between two extremes, that of being content and that of being impatient, between accepting the status quo and crying for the moon. Together they show what has been done and might be done to move to a new balance between the representation of national and European interests.

Martyn Bond
Director of the Federal Trust

Steps Towards a Federal Parliament

a contribution by
John Pinder

for ECSA CONFERENCE on

Democracy in Europe and the European Parliament

The aim of what follows is to show that the history of the European Parliament can reasonably be seen as part of a process of development towards a federal parliament. This is demonstrated by examination of six episodes in that history. It is suggested, not that completion of such a process is inevitable, but that it has advanced far enough for this to be a useful form of analysis for political scientists.

I. A parliamentary assembly for the ECSC

Jean Monnet, who had personal experience of the ineffectiveness of intergovernmental institutions, was convinced that an authority independent of national governments should be created to ensure Europe's security and prosperity after World War Two. By 1950 he had identified coal and steel as a key sector with respect to which such an authority could be established and launched the proposal that resulted in the European Coal and Steel Community.

Monnet's own experience had related to the executive, not the parliamentary branch of government, so his focus was on the establishment of the independent High Authority of the ECSC. But following the proposal of André Philip, a federalist Deputy of the French Assemblée Nationale, that parliamentarians should be associated with a Community which was to be responsible for governing important sectors of the economies of democratic states, a parliamentary assembly was included among the Community's institutions.[1] Monnet, in his inaugural address as the first President of the High Authority, which he had requested the leading federalist Altiero Spinelli to draft for him, emphasised the federal characteristics of the Community and said that the High Authority was 'responsible, not to the states, but to the European Assembly……the first European Assembly to be endowed with sovereign powers'.[2]

The right to dismiss the Community's executive was, however, the only significant power given by that Treaty to the Assembly; and this status was retained by the Rome Treaty which established the European Economic Community. But although the Assembly remained relatively powerless until the 1970s, Monnet and other founding fathers had intended that it, like the Community itself, should by stages be provided with additional powers; and the following five episodes show how far this intention has been realised in the event.

II. Parliamentary power over public expenditure

In 1965, following agreement on the form of the common agricultural policy which was to be financed by the Community, the Commission put forward its proposals for the method of financing. In February of that year, the Second Chamber of the Dutch parliament, in view of the impending decision on this first major item of public expenditure by the Community, had resolved that the Assembly must be given power over such expenditure.[3]

The principle that public expenditure must be subject to parliamentary control had deep roots in the history of Dutch political institutions and, indeed, of parliamentary democracy. Already by the seventeenth century, the approval of Dutch burghers had been required for expenditure by the princes who had responsibility for the defence of the United Provinces of the Netherlands.[4] The Dutch now argued that European expenditure could not be properly controlled by six separate parliaments, so had to be controlled by the Assembly of the Community. The Rome Treaty stipulated that decisions on the Community's own financial resources be ratified by all the

member states. Given the profound commitment of the Dutch to the principle of parliamentary control, bolstered by their federalist view of the development of the Community, there was no question of their abandoning it in this case; and they were supported not only by the Dutch government but also by parliaments of other member states. The conflict between this principle and President de Gaulle's insistence on national sovereignty resulted in the Community's crisis of the mid-1960s and the shelving of the decision on 'own resources' until after his demise.

By 1970 De Gaulle had gone but the Dutch parliament had not; and in that year an amending treaty gave the Assembly some power over the Community budget, which was strengthened by a second amending treaty in 1975. The Assembly now had approximately equal power with the Council over budgetary expenditure, with one very big exception: the French government ensured that the amending treaties gave the Assembly little power over the agricultural expenditure (together with some other items, rather obscurely called 'obligatory'), which then amounted to over two-thirds of the total and was of particular importance to France.

Through the 1980s and 1990s, however, expenditure on other programmes, in particular the structural funds, rose much faster than that on agriculture, which now accounts for less than half the total; and the Maastricht Treaty gave the European Parliament (as the Treaties now named it) some additional supervisory powers. Thus the Parliament has become at least the equal of the Council in controlling half the budget - and much more effective, as the events of March 1999 were forcefully to demonstrate.

III. Direct elections

The founding treaties foresaw elections by 'direct universal suffrage'.[5] But the Council was to 'act unanimously' to bring this into effect, which resulted in its failure to act until the mid-1970s. But in 1974 fifteen years of gaullist government in France were ended by the election of President Valéry Giscard d'Estaing, who wanted to mark his Presidency with European initiatives. After consulting Monnet, he decided to launch two: conversion of the ad hoc summit meetings of the heads of state and government into the European Council; and a decision on direct elections to the European Parliament.[6] The initiative for direct elections was supported by many of the political forces in the six founding member states; the decision to hold them was taken in Rome in December 1975 by the European Council under Italian Presidency; and the first direct elections were held in June 1979.[7]

Following the direct elections, the European Parliament, according to the highly realistic diplomat who was Britain's Permanent Representative to the Community at the time, 'increased its influence dramatically'.[8] Another result was to give the Parliament the self-confidence to accept Spinelli's initiative to draft a Treaty of European Union on federal lines, which it approved by a large majority in February 1984. While the draft as a whole was to remain a statement of federalist intentions, many of its elements have been incorporated in the Single European Act and the Treaties of Maastricht and Amsterdam; and it was one of the two main sources that led to the negotiation of the Single Act.

IV. The Single European Act and the Parliament's legislative role

France held the Presidency of the Community's Council during the first half of 1984; and soon after the Parliament's vote on the Draft Treaty, Spinelli together with the Presidents of the Parliament and of its Institutions Committee visited President Mitterrand and gave him a paper on the Draft Treaty and its significance. In his presidential address to the Parliament in May, Mitterrand expressed his support for the 'inspiration behind' the Draft Treaty[9] and, at the following meeting of the European Council, initiated the setting up of a committee (known after its Irish chairman as the Dooge Committee) of personal representatives of the heads of state and government to put forward institutional proposals to a subsequent meeting of the European Council. The committee's report, proposing a new treaty to establish a European Union, 'guided by the spirit and method' of the Parliament's draft, was presented to the European Council under Italian Presidency in Milan in June 1985, along with the Commission's White Paper proposing the programme to complete the single market by 1992.[10]

Every time that treaty amendments have enhanced the Parliament's powers, this has accompanied decisions to increase the powers of the Community; and this time was no exception. In January 1985, in his first speech to the Parliament after becoming President of the Commission, Jacques Delors explained how he had visited the capital of each member state to find out whether its government would accept the single market programme, the single currency or institutional reform, and how he found that only the single market programme was unanimously acceptable.[11] It was also strongly supported by industrial and financial interests. Delors, with his federalist perspective, had chosen as his priorities three main elements

required to complete the process of building the Community into a federal union; and it was not surprising that the British and Danish governments favoured the single market but not the other two. The single market programme was the crucial element when the European Council decided in Milan to convene the Intergovernmental Conference that was to produce the Single European Act. But given the momentum generated for institutional reform by the Parliament's Draft Treaty and the general consensus that the procedure of qualified majority voting would have to be accepted by the Council if the vast programme of single market legislation was indeed to be enacted, even the British and Danes came to accept the Single Act's provision for treaty amendments giving new scope for majority voting and some enhancement of the Parliament's legislative role. The resulting 'co-operation procedure' in fact gave the Parliament substantial influence over legislation relating to the single market and some other fields; and the success of the single market programme, which would not have been possible without the recourse to majority voting in the Council, was to lead to the achievement of Delor's second objective, the single currency, again accompanied by a significant extension of majority voting and substantial enhancement of the Parliament's powers.

V. Maastricht, Amsterdam: co-decision and power over the Commission

Riding on the success of the single market programme, Delors was able to build support for the single currency. Business organisations were strong supporters. As a former French finance minister, Delors knew that France would back the project, seeing the single currency and European Central Bank

as the means to recover a share in the control of monetary policy which had long since been gravitating towards the German Bundesbank, a trend that, in the context of a single financial market, seemed otherwise irreversible. Chancellor Kohl was persuaded that the single currency would set the seal on the integration project, which he judged essential for both Germany and Europe.

Meanwhile the European Parliament, following the Single Act, had been promoting proposals for increasing its powers, including legislative co-decision and power over the appointment of the Commission; and it had secured the support of the Italian Parliament, the Belgian government and a range of political forces in the Community.[12] But it remained far from certain that such proposals would be converted into treaty amendments or that the single currency project would come to fruition, let alone that the two would be combined. The event which brought them both about was the seismic shock of German unification.

German unification breathed new life into the original motive for the foundation and development of the Community: the vital interest of France, Germany and their neighbours in a political framework that would ensure their peaceful and constructive cohabitation. So Kohl and Mitterrand proposed that the Intergovernmental Conference, already planned for treaty amendment relating to the single currency, be accompanied by an IGC on 'political union', vaguely defined to include both common foreign policy and institutional reform.

As regards institutional reform, there was little opposition to stronger powers for the Parliament. British and Danes were reluctant, but more concerned to ensure that they could opt out

from the single currency. The French were not enthusiastic, but intent on maintaining the partnership with the Germans who saw powers for the Parliament as an essential aspect of a democratic structure for Europe. So the Maastricht Treaty introduced the two reforms that were most important for the Parliament: co-decision, giving the Parliament approximately equal power to that of the Council in a number of fields of legislation; and power to approve, or not, the appointment of the Commission.

Since a number of member states were not satisfied with the Maastricht Treaty in several areas, including institutional reform, the Treaty provided for the convening of the IGC that led to the Amsterdam Treaty. Six weeks before the Amsterdam meeting of the European Council at which the new treaty was finally negotiated, Tony Blair's New Labour replaced John Major's Conservative government. The new British government did not resist enhancement of the Parliament's powers. The Treaty extended the scope for co-decision, which is now expected to apply to over half of future legislation. It also gave the Parliament power to approve the appointment of the Commission's President, in advance of its approval for the Commission as a whole; and the significance of this is enhanced by the President's new right to approve the governments' nominations of the other Commissioners, which the Parliament can therefore influence in the course of its proceedings to approve the President.

The significance of all this gradual accumulation of the Parliament's powers was to be illustrated with dramatic force in March 1999.

VI. March 1999

The power to dismiss the Commission, given to the parliamentary assembly by the ECSC Treaty, had long been seen as a deterrent too extreme to be usable. In fact it was not used because the Parliament was too weak to use it. The treaties provided that, until the governments had unanimously agreed on the membership of a new Commission, the old one would remain in place; and the governments would probably have humiliated the Parliament by leaving it there. With few other powers, the Parliament lacked the weapons with which to fight back.

As we have seen the Parliament now has a wide range of powers, including equivalent power to that of the Council over half the legislation and half the budget. In addition it has the right to approve the Commission and its President and various forms of supervision over the Commission once it is in office.

The legislative powers are highly significant but have little impact on public opinion and hence on the Parliament's legitimacy in the eyes of the public. Control over the executive and the budget is different; and in March 1999 this proved, as it has done on other occasions in the history of parliamentary democracy, a potent combination.

The Parliament will probably be seen, with hindsight, to have played its hand skilfully. It waited to strike until the committee of auditors that it appointed had presented a case that shocked public opinion and was hard for governments to refute. With the Amsterdam Treaty about to be ratified and the German Presidency acting as if ratification was already completed, the Parliament can play a key part in the appointment of the new

Commission. This episode may come to be seen as a watershed over which the Parliament crossed to become generally accepted as the keystone in building a democratic Europe.

Conclusion

A federal legislature comprises two chambers, a house of the people and a house of the states, which together exercise the two main functions of representative government: enactment of laws and control of the executive. In the European Union, the people's house is the European Parliament, directly elected by the citizens, while the Council contains the representatives of the member states. With respect to around half of the legislation and the budget, they co-decide in a way similar to that of a federal legislature and the citizens' representatives are therefore acting much as they would in such a legislature. The power of assent over treaties of accession and association, which was another product of the Single Act, also gives the Parliament what may be called a federal power in the field of external relations. In appointing the Commission, the Parliament likewise has powers similar to those of the people's house of a parliamentary federal system, with the right of approval over the appointment of the executive; and the part that the Parliament played in securing the resignation of the Commission in March 1999 showed it to be far more effective that the Council in acting against maladministration.

The comparison with the people's house in a federal legislature may not be regarded as useful if there is no more than a remote chance that the Parliament will gain the remaining powers which such a chamber would normally possess or that the Union itself will have sufficient powers to justify the use of the term.

With the coming of economic and monetary union, however, in addition to the single market and common policies such as those for agriculture, transport, the budget and external economic relations, the Union already has most of the powers required by a federal system to deal with the interdependence among member states in the economic field, to which can be added its powers with respect to the environment. It lacks powers over defence, let alone integrated armed forces, without which it cannot be called a federal state. But if the Union's economic and environmental powers are those required by a federal system, it is surely useful to ask how its institutions compare with those of such a system and what reforms would convert them into the institutions of a federal representative government.

As far as its legislative and budgetary powers are concerned, the European Parliament's power of co-decision over some half of the legislation and the budget would have to be extended to virtually the whole of them, including the revenue as well as the expenditure side of the budget. As regards control of the executive, the Parliament will have to show that it can use its power of approval and control as effectively as the equivalent house of a federal legislature. Its performance in securing the resignation of the Commission in March 1999 showed promise in this respect.

Thus the question whether the Parliament will become the equivalent of a federal house of the people depends mainly on whether it can acquire the power of co-decision over the remainder of the legislation and the budget. With the more open attitude of Britain's present government, the main source of opposition to increasing the Parliament's powers has been much attenuated if not removed. If the Parliament continues to

use its existing powers effectively, the Intergovernmental Conference to be held before the next round of enlargement may well decide on a further substantial extension of the scope for co-decision and thus come close to applying it to all of legislation and the budget. From there to full co-decision would not be such a big step.

Academics have generally been sceptical about the relevance of this federalist line of thought. Neo-realist historians and scholars of the Harvard school of international relations in particular, who have included some of the most influential writers on the European Community and Union, have found no room for it within the confines of their intellectual framework. Nor have neo-functionalists, with their lack of concern for constitutional questions, been ready to confront it. But with integration at its present advanced stage, control of the power involved in integration, together with its effective use, has become a crucial political question. Integrated power has been a necessary response to the interdependence of European states whose separate powers are unable to cope with its consequences. Use of the integrated power is an act of government. So the question is whether we should be governed at the European level by various groups of ministers and officials or by the methods of representative government. That is the question which the federal analogy poses and can, I believe, help us to answer.

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[1] Etienne Hirsch, *Ainsi va la vie* (Lausanne: Fondation Jean Monnet pour l'Europe and Centre de RecherchesEuropéennes, 1998), p.107.

[2] Jean Monnet, *Les Etats-Unis d'Europe ont commencé: Discours et allocutions* 1952-1954 (Paris: Robert Laffont, 1955). P.57; Altiero Spinelli, Diario europeo: 1948-1969, edited by Edmondo Paolini (Bologna: il Mulino, 1989), p.142.

[3] See Miriam Camps, *European Unification in the Sixties: From the Veto to the Crisis* (New York: McGraw-Hill, 1966), p.59.

[4] See E.II. Kossmann, 'Republican Freedom against Monarchical Absolutism: The Dutch Experience in the Seventeenth Century', in John Pinder (ed.), Foundations of Democracy in the European Union: From the Genesis of Parliamentary Democracy to the European Parliament (Basingstoke: Macmillan Press, 1999). The chapter by Jonathan I. Israel in the same volume shows how that Dutch tradition became one of the bases for British constitutional monarchy and parliamentary democracy.

[5] Art. 21 ECSC, Art.138 EEC, Art. 108 Euratom.

[6] Jean Monnet, *Memoirs* (London: William Collins Sons & Co., 1979), p.513.

[7] See Luigi Vittorio Majocchi and Francesco Rossolillo, *il Parlamento europeo: Significo storico di un'elezione* (Napoli: Guida editori, 1979), pp.101-4.

[8] Sir Michael Butler, Europe: *More than a Continent* (London: Heinemann, 1986), p.158.

[9] *Debates of the European Parliament*, 24 May 1984.

[10] 'Report of the Ad Hoc Committee on Institutional Affairs ('Dooge Committee'), *Bulletin of the European Communities* 3-1985, p.102; and Commission of the European Communities, *Completing the Internal Market,* White Paper from the Commission to the Council (Luxembourg: Commission, 1985). The Parliament's own part in promoting institutional reforms that were incorporated in the Single Act and subsequently in the Maastricht and Amsterdam Treaties is recounted in Richard Corbett's 'The European Parliament and the Idea of European Representative Govemment', in Pinder, *Foundations of Democracy in the European Union* (op.cit. in n.4 above).

[11] Jacques Delors, 'Introduction of the New Commission', in 'Debates of the European Parliament 1984-1985, report of proceedings from 14-18 January 1985', Annex to *Official Journal of the European Communities* 2-1985, pp.3-11.

[12] See Richard Corbett, *The European Parliament's Role in Closer Integration* (Basingstoke: Macmillan Press, 1998), ch.11, and his 'The European Parliament and the Idea of European Representative Government' (op.cit. in n.10 above), pp.100-101.

The European Parliament and Institutional Reform

by John Bruton

Is the European Union in Need of an Elected European Government?

The European Parliament which will be elected on 13 June 1999 will be more powerful than any of its predecessors. The recent entry into force of the Amsterdam Treaty has resulted in the co-decision procedure being extended to most important areas of European Union policy. The Parliament's role in prompting the resignation of the European Commission some months ago has served to highlight the reality that this institution, long regarded as the 'Cinderella' of the E.U. decision-making process, must be taken seriously in future.

As the only directly elected European Union institution, the Parliament can argue that it has a direct link with the citizens of Europe. This is, I believe, important at a time in which the phenomena that I would describe as euro-scepticism, eurominimalism, and euro-scapegoating are growing in some countries. All of us who are committed to the process of European integration must tackle these phenomena head on.

It has been clear to me for some time that there is a big gap in political legitimacy in the current European Union structures. Many citizens feel that they themselves have not necessarily chosen the people who take decisions on their behalf, and that they have, therefore, no direct voice in the European decision-making process. I believe that the people of Europe should be given such a direct voice.

This is especially important, now that the Euro has been introduced, we are developing a stronger common foreign and security policy, and we are admitting additional member states to the Union. All of these issues bring the potential for a conflict over legitimacy

We have a gap in political legitimacy because there is no visible connection between how people vote, either in national or European Parliament elections, and the choices that are made in the European Council, Parliament or Commission.

A visible link must exist between the way people vote and who does what, and when, in the European Union, if we are to bridge the gap in political legitimacy.

The pressing need for reform comes when you hit a crisis of some kind and a conflict arises over the right policy response. In a democratic system, where people have been consulted on leader choice, it is easier for them to accept a solution they dislike because at least they had some say in the system.

Citizens don't vote for a European government when they elect the European Parliament in the same way as the Irish people do when they vote in Dáil elections, and as voters in other EU Member States do when they elect their national parliamentarians. At present, we have a different set of public opinions in each of the 15 Member States. We need to develop a 'European public opinion' to give us the ballast necessary for legitimate European decision-making.

We also need to have people voting more for personalities. If, for example, the Irish had to choose between *Helmut Kohl* and *Lionel jospin* in an election for EU President, this would give them the opportunity to come to a view about these individuals and what they stand for. Neither one may visit Ireland or even speak in English - but they would still offer voters that necessary element of personal choice required in politics.

In suggesting the creation of an EU President or Prime Minister, there are three options we could consider.

First, the people of Europe could elect the President of the European Commission at the same time as they elect the European Parliament - but on a separate ballot. The second option would be to elect the entire Commission also on the same day as the Parliament, but again on a separate ballot. That would be a variant of the US system. The third, and possibly the best option in my view, is to elect the European Parliament as now and allow the members in turn to elect the Commission President. This would probably mean the leader or nominee of the largest group would become Commission President, and then he or she could choose the Commissioners from within their own group.

Each one of these options would create a personal link between the voter and the ultimate EU government. People would know in Ireland, for example, that in voting for Fine Gael as part of the Christian Democrats, they would be voting perhaps for *Wilfried Martens* as Commission President. In another case, if they voted Labour, they would be voting for, say, *Pauline Green* to head the Commission, and so on. Thus there would be a personalised legitimisation of the Commission.

There are potential problems with these suggestions and in elaborating on them I can see six specific drawbacks. First, there could be a major problem with the continuity of Commission policy, as voters normally reject a serving Commission and choose candidates offering opposing policies. Or, an unpopular Commission President could be rejected at the polls, and all the incumbent Commissioners and their policies would fall with the President. But when you think about it, you realise that this is fundamental to democracy. I also believe that over time it may prove to be self-correcting.

Second, if you opt to select the Parliament and Commission in separate ballots, the situation could exist where they would be in direct conflict. That is to say, one majority could run the Commission and another could run the Parliament, because the people could vote contradictorily. But, again, that can be overcome. Indeed, the creative tension that this may bring about could of itself be productive by moderating extreme policy positions.

Third, there is a risk that someone directly elected by EU voters could lay claim to legitimacy that might undermine the national governments' authority. On the other hand, the Council of Ministers would retain co-decision with the Parliament. National governments could thus block anything the Parliament and Commission might do and keep a substantial check on them.

The fourth objection is that such a model would require a clear division of powers in the form of a written European Constitution. I am not certain that this is possible without a raft of accompanying exemptions and qualifications that would render it meaningless. But I think it far more important that, in practice, anyone seeking election would have to guarantee member states not to interfere too much by extending European powers. They would have to do this in order to be elected.

The fifth objection centres on doubts about groups that are unsuccessful in being elected accepting the outcome and the decisions made by the successful group. I don't consider this a valid argument. I believe it is far more likely that the unsuccessful groups will accept an election outcome because they will have been given a say at the polls.

The final objection is more serious because it concerns 'variable geometry'. In other words, would voters from states outside the Euro-zone, or from militarily neutral states, have an equal vote in choosing a Commission President who may have a role in monetary union or defence? This is a real problem, because I think variable geometry is a virus that could ultimately destroy European integration. But it is also a problem whatever way you proceed. Variable geometry creates difficulties whether you opt for a more democratic model or retain the current more bureaucratically oriented system.

While it may be desirable to introduce a common electoral system, it would not pose any significant problems if a variety of electoral systems persist - so long as each system is democratic, each vote has equal value and each citizen has the right to vote. That, of course, applies to the option of electing the European Parliament, which in turn would select a Commission President and/or each Commissioner. But if you opt for a directly elected Commission President or Commission then clearly you would have to have the same electoral system in each country.

The protection of smaller states' rights could also be an issue. Smaller states could lose out to bigger states with their greater number of electors. So, a system of checks and balances would have to be established, for example, guaranteeing a Commissioner for each member state. The rights of the Council of Ministers *vis-à-vis* the Commission and Parliament would also have to be upheld.

I would support the right of each member state to nominate a Commissioner because it would also ensure that, if you are

electing the Commission directly or indirectly, each political bloc would have to campaign in each country. In practice, that would also oblige each political group to have a presence in each country. The current situation is that the Christian Democrats have no real presence inside the UK, and the Gaullist (UFE) group has no real presence outside of France, Ireland or Italy. The proposal I am making would create a 'European public opinion' because it would force the creation of European political parties as distinct from coalitions of national parties. All of this is necessary for European political legitimacy

Clearly, many checks and balances would have to be built in. But I believe that if we do not do something along these lines, when Europe faces a crisis the citizens will suddenly question 'Europe's' right to take contentious corrective measures. People will say, 'I didn't select the President of the European Central Bank or the President of the European Commission. The only people I will respect are my own country's government.'

Of the options which I have suggested, my preferred model is the European Parliament electing the Commission President and selecting his or her Commissioners. That would mean the President would be something of an EU Prime Minister. This system would leave him or her free to do a mid-term reshuffle of the Commission and re-present it to Parliament. It would also leave MEPs with power to censure or even remove the Commission President.

Currently, MEPs have no say in the Commission President's nomination. They have only an extreme negative power to remove the entire Commission. Any group with negative powers only is liable to act irresponsibly just to demonstrate it has power. Given the positive power of selecting, Parliament would be forced to take responsibility for its decisions.

I believe that the right of initiation of legislation should remain with the Commission. If you give Parliament a separate right of initiative, it would be a recipe for conflict and grandstanding, with people putting forward things to look good rather than because they would work. I accept co-decision by the Parliament and the situation after the Amsterdam Treaty, which gives a fair equality of power between Council and Parliament. But with a new role for MEPs in choosing Commissioners, you may not have to further increase legislative powers of the Parliament as fast as you might otherwise have to.

Under these arrangements, member governments would still have a key role in agreeing legislation through the Council. Again, I see each member state nominating a Commissioner - even after enlargement. There will still be plenty of work, and if you look at the size of some national governments, like the UK, you can see numbers do not necessarily militate against efficiency.

Within the Council, governments will still process legislation, increasingly by qualified majority rather than unanimity in the interests of efficiency. This of course poses a risk of radical alienation by one or more member states if a number of important decisions go against them. However, with an elected Commission, I see the emergence of 'alternative channels of legitimacy'. A Commission that knows it needs votes in a member state will be mindful of what legislation it proposes and its popularity. So it would be more careful with its proposals.

Parliament can also call the Commissioners to account. But not in the present system where Commissioners are at times left open - usually unfairly - to allegations that they are 'unelected bureaucrats'. An elected Commission would have as much

democratic legitimacy as the European Parliament.

On the issue of subsidiarity, I made my own views clear at the Noordwijk and Amsterdam summits. The articles are too vague and too broad and open to use by those who want to challenge democratic decisions in the EU Court. Essentially, it builds doubt into a huge amount of EU legislation. Subsidiarity is a fine word that looks great in a papal encyclical but has no place in practical politics. Member states have enough power of negotiation when legislation is being agreed. They cannot have the luxury of re-visiting it afterwards on subsidiarity grounds.

Ideally, I would take the article on subsidiarity out of the treaties, if I could. One of the pressures for subsidiarity came from the German Lander in a power struggle between federal and regional governments. There was pressure from France over the EU regulation of the shooting of migratory birds. Surely this is a quintessential EU issue; if migratory birds are shot in one country they will not arrive in the other country. So, one country's laws can destroy the environment of another.

If you ask people what they want from Europe they will say, 'Give us peace and jobs - not regulations on lorry weights.' But the problem about EU defence is at the member state level; it is not the fault of the European Commission, the Parliament or the Council of Ministers. I do not see this being resolved until we politically reconcile three differing views of European defence. Britain and the Netherlands want US involvement through NATO; France and some others want a more EU-driven method; still other countries, like Ireland, remain neutral.

I have no answers as to how it will be resolved. But I sense it may not be resolved until perhaps the US is forced to disengage from European defence for financial reasons. Meanwhile, my

own party believes Ireland should join the NATO Partnership for Peace Programme and co-operate more with the Western European Union without engaging in treaty obligations. But Ireland is not likely to broach the issue of neutrality until it is forced like the others to resolve EU defence. There is a lot to be said in politics for not taking decisions until you have to.

As regards the move towards regionalisation in the European Union, essentially these create another form of variable geometry and leave us with a problem which may become increasingly difficult. There is a problem of accountability. At least national governments must turn up at Council of Ministers meetings, and if they are not implementing EU decisions they can be called to account. But if regional authorities are blocking implementation nobody can be called to account. I worry about this. We think we can have the luxury of deciding things in common and also deciding them separately at the same time. We have the benefits of both and we pay the price of neither. This isn't going to work. We have got to decide that there are things that have to be done at the European level, and we should all accept the European decisions in that respect. Then there are other things that can be done at the national and regional level. As far as possible there should be the same division in each country.

Obviously this is difficult to achieve at present. Regionalisation in Belgium has happened for particularly Belgian reasons; the Federal German Constitution fulfils certain German needs; Scotland and England have their own arrangements particular to the needs of that island. You cannot enforce uniformity, but you must recognise that a system of government exists primarily to make decisions - not just to provide cultural affirmation for different peoples. Government is about

decision-making and not simply about ethos and identity. If you have a European system of government perfect in differentiating cultures that share the European territory, the likelihood is that it will be so differentiated that it will not be capable of decision-making.

The Euro-11 will be the centre for exchange rate decision-making, and there is going to be a tension there. But as I have said, variable geometry is a problem. It's messy especially when you combine the Euro with other exceptions and exemptions, tax havens and things like regional governments sharing power with central governments. It is messy and it also means that you have a lot more government than people really want. In a sense, the more layers of government you have, the more people you have on the public payroll, and so on.

My argument is that if this is ever to be sorted out and simplified, it can only be done on the basis of a democratic mandate from all of the people of Europe. That is why I come back to my central thesis that we need to find some way to elect a European government. Because it is only a European government that will have the legitimacy to say, 'Look, these anomalies need to be cleared up.'

I know that some of these suggestions could be seen as Utopian, but if these ideas do not go into circulation before they are needed, they will not be available when they are needed. It is valuable to put them forward even if they are not accepted in the next two, three or four years. Because when the time comes - perhaps in four years - and people are calling for democratic improvements, these ideas will be there.

John Bruton has been the leader of Fine Gael since 1990 and is the Party spokesperson on Northern Ireland. He was Taoiseach from December 1994 to June 1997, leading a 3-party Coalition Government of Fine Gael, Labour and Democratic Left. He was the Deputy Leader of Fine Gael 1987-1990. He was Front bench spokesperson on Education 1989-90 and on Industry and Commerce 1987-89. He was Minister for Finance, February 1986-March 1987; Minister for Industry, Trade, Commerce and Tourism, December 1983-February 1986; Minister for Industry and Energy 1982-83; Minister for Finance, June 1981-March 1982. Leader of the House 1982-86. Publications: *Reform of the Dail,* 1980; *A Better Way to Plan the Nation*, 1981; *Real Issues or Mock Battles*, Furrow, 1986.

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