

*Thinking Enlarged Group*

# Bridging the Leadership Gap

A Strategy for Improving  
Political Leadership in the EU



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## **Bridging the Leadership Gap**

A Strategy for Improving Political Leadership in the EU  
by the *Thinking Enlarged Group*

## **The *Thinking Enlarged Group***

The *Thinking Enlarged Group* – named after the title of a strategy paper on the future of the EU published in November 2001 – is a group of 18 experts from both the accession countries and the EU-15 brought together by the Bertelsmann Foundation in Guetersloh and the Bertelsmann Group for Policy Research at the Center for Applied Policy Research (C•A•P), University of Munich, to produce a joint memorandum containing proposals on how to improve political leadership in an enlarged European Union (EU). The Group's considerations aspire to enrich the debate in both the future and current member states on how to provide the enlarged EU with a reformed institutional structure able to respond to future challenges. In preparation of the paper the Group met twice in September (Brussels) and October 2002 (Warsaw).

The Group represents a broad range of institutional, executive and academic expertise, although the views expressed herein do not reflect any official policy position, and the members participated purely in a personal capacity. Martin Brusis, Janis A. Emmanouilidis and Claus Giering of the C•A•P were responsible for writing the report and endeavoured to reflect faithfully consensus within the Group. However, given the complex range of subjects under discussion, this was not always possible, with the result that members of the Group do not necessarily share all the views expressed in this memorandum.

*December 2002*

## Summary of Main Proposals

The European Union is characterized by a lack of political leadership with respect to prospective thinking, steering capacity, consistent action and accountability. Aiming to improve political leadership, the first *Thinking Enlarged* report argued in favour of electing the President of the Commission by the European Parliament (EP). This would strengthen the overall legitimacy and political clout of the Commission, and at the same time reinforce the EU's parliamentary character. However, the current reform debate indicates that the election of the Commission President will have to be balanced by a reform of the Union's intergovernmental structures, the most controversial proposal being the appointment of a President of the European Council. The present strategy paper links this idea with the necessity to restructure the Council and to reinforce the role of both the Commission and the European Parliament, thereby providing for a holistic reform approach.

### *European Council*

- The Heads of State and Government should elect a senior political figure as “full-time” President of the European Council for a period of 5 years. The President should be a manager and promoter of political initiatives, a package-broker in the European Council, and a spokesperson for the Union as an international actor.
- Notwithstanding the necessity to further communitarise the Common Foreign and Security Policy (CFSP), the President of the European Council should (a) speak for the EU on the international political scene on the highest level and (b) assist the European Council in defining the principles of and general guidelines for the CFSP, including its Security and Defence Policy dimension (ESDP).
- Internally, the President should prepare, chair, and organize the follow-up activities of the meetings of the European Council and together with the Commission President chair the meetings of the *Coordinative Steering Council* (see below).

### *Council*

- The legislative functions of the Council should be separated from other policy-making functions and brought under the umbrella of a *Chamber of States*. The work of the *Chamber* should be subject to qualified majority voting, the co-decision procedure, the judicial control by the European Court of Justice and the Commission's monopoly of initiative. The *Chamber* could remain subject to a system of rotating Presidency.
- As to those operative fields not (yet) subject to law-making, the member states should come together in the framework of *Steering Councils*. Given the present level of integration, it would require four *Steering Council* formations: three related to the policy fields of CFSP, Justice and Home Affairs, and economic, monetary and social matters and one *Coordinative Steering Council* responsible for linking the overall work of the individual Council formations.
- The *Steering Councils* could be co-chaired by representatives of the member states and the Commission. The (co-)chairmen should fulfil the functions currently carried out by the rotating Presidency.

### *Commission*

- Aiming to improve the Commission's political power base, the President of the Commission should be elected by the European Parliament. European political parties should nominate their top candidate before EP elections. The elected Commission President should be subject to a final approval by the Heads of State and Government. The election of the Commission President would enhance the Commission's political legitimacy and re-establish the Commission as a political driving force of integration.
- The Commission President should have the right to autonomously select the members of the college. However, the Commission should not be dominated by one political party or a specific group of parties, but rather reflect the overall composition of the EP. The entire Commission should be subject to confirmation by the EP and subsequently by the European Council.
- The Commission should (a) continue to enjoy the exclusive right of initiative in the sphere of Community competencies, (b) propose the multi-year work and legislative programme concerning the sphere of Community competencies, (c) play a leading part in attempts to improve the EU's efforts to coordinate the member states' economic policies *via* the Open Method of Coordination and (d) have more competencies on the expenditure side of the budget.

### *European Parliament*

- The election of the Commission President, the restructuring of the Council and the appointment of a President of the European Council, will have positive repercussions on the position of the European Parliament.
- The election of the Commission President by the EP will reinforce the parliamentary character of the EU's political system.
- The establishment of a *Chamber of States*, as an indispensable prerequisite for an EU legislature representing both a Union of Citizens as well as a Union of States, will strengthen the EP's role as a law-making and democratic monitoring body.
- An increased level of accountability on the part of the member states will add to EP's ability to exercise its democratic control functions and to exert pressure on those responsible for the EU's (in)action.

## 1. Political Leadership – Defining the Challenge

Leadership is not a quality one would assign to today's European Union (EU). The EU has all too often performed far below the potential of its economic power. Most European citizens consider the EU a bureaucratic machinery incapable of solving urgent European problems and largely unaccountable to the public. To take only the most recent examples: In the looming *U.S.-Iraq confrontation*, European policymakers conveyed an impression of amateurism, disunity and adhocism. It was not just Europe's notorious military incapability, but the blatant lack of a common vision, strategy and voice that characterized the EU's Common Foreign and Security Policy. In reviewing the *Common Agricultural Policy*, the member states failed to repudiate the claims of entrenched interest groups to half of the EU budget. Blockade coalitions rendered policy coordination an exercise of pork-barrel politics and produced incoherent policies, which to some extent have also impeded the accession process. In effect, the Union continues to support an economic sector of the past. Its spending priorities utterly contradict its self-declared policy priority of becoming the world's most dynamic knowledge-based economy. In reacting to prohibitively high budget deficits in Portugal and Germany, member state governments and the Commission President joined in an attempt to relax the rules of the *Stability and Growth Pact*. The Pact's clearly specified rules were inconsistently implemented, thereby damaging the credibility of economic policymaking in the European Union.

These examples illustrate obvious shortcomings of political leadership and point to four desirable features of leadership that a reform of the EU's institutional setting should attempt to optimize:

**Four features of political leadership**

(1) *Prospective thinking*, i.e. to define a common European interest beyond the lowest common denominator. Prospective thinking denotes strategic action, i.e. anticipation, empathy and an orientation towards long-term strategic aims and aggregate welfare. Prospective thinking includes the power to set strategic priorities among conflicting objectives, to commit oneself to a policy despite increasing costs and resistance and to change a policy if priorities or parameters of the situation alter.

**Prospective thinking**

(2) *Steering capacity*, i.e. to ensure that the member states of an enlarged EU arrive at an agreement by balancing divergent interests, to move policy initiatives through the decision-making process, to negotiate package deals and in the end to formulate coherent policies. Steering capacity denotes the ability to build the broadest possible coalitions in support of a policy while aiming at the maximum possible policy impact.

**Steering capacity**

(3) *Consistency*, i.e. to make certain that agreed rules or objectives are implemented. Consistency entails taking the indispensable actions to implement a policy, even if these generate costs or conflicts, and to exercise a hands-on management if implementation is diluted or activities become fragmented.

**Consistency**

(4) *Accountability*, i.e. to ensure that the EU has visible leaders as well as simple and transparent rules and institutions. Prospective thinking, steering capacity and consistency require and reinforce accountability. A prerequisite of public accountability is that decision-making occurs in a political culture of shared symbols and narratives. Procedures should legitimize decisions and actions in the perception of European citizens, thereby enabling the public to identify who is responsible for a certain policy and who can be held accountable for the EU's (in)action.

**Accountability**

The EU needs accountable and effective political leadership more than ever because advanced economic integration within Europe, global economic and security challenges, and the fast-approaching reality of 27 and more member states require effective common policy responses. Political leadership can be described as the quality of institutions, office-holding persons ("leaders") and of the EU as such. The following proposals do not elaborate on the personal qualities of leaders, but rather seek to design an optimal institutional setting to promote political leadership.

## 2. Reinforcing Political Leadership

Reinforcing political leadership calls for a holistic reform reflecting the complexity of the institutional setting – including the European Council, the Council, the Commission and the European Parliament (EP). Isolated reform proposals that aim at improving only one or a subset of these institutions have proliferated in the current debate. Implementing one of these proposals without considering its collateral effects is likely to damage the institutional equilibrium. Instead one should develop a systemic strategy in order to improve political leadership with regard to prospective thinking, steering capacity, consistent action and accountability. The main challenge for such a strategy is to re-define the division of power and purpose in the EU, thereby providing the system with the ability to deliver. In addition, the logic of institutional politics in the EU requires that the strategy should attempt to strike a balance between those who support a strengthening of the EU's intergovernmental structures and those who advocate the Community method. No plan for reforming the institutions will be viable, if it seeks to tilt the balance strongly in one direction or another. The equilibrium of EU institutions needs to be re-calibrated in two major ways:

**Holistic reform**

- The EU system needs to facilitate the exercise of power embedded in a democratic system of checks and balances. All four major EU institutions must increase their respective powers. The European Council should be enabled to focus its energies, decide on the most fundamental issues, and thereby give strategic guidance to the EU. The Council, besides being co-legislator, must regain its key coordinating role in the EU's inter-institutional architecture. The Commission as the European institution traditionally committed to a common European interest needs to regain its lost political power. The European Parliament should become the main body of democratic control on the European level. Concerted empowerment will retain and reinforce the existing checks and balances since it reflects the in-built rationality of the system. In addition to inter-institutional power relations, an enlarged EU has to re-balance

**Checks and balances**

the power relations between small and large member states. The very fact that the EU needs to overcome the small/large-cleavage is a crucial point of reference when deciding on how to organise political leadership.

- The EU system needs to assign clear and distinct purposes to institutions, procedures and policies. To achieve this, roles and responsibilities must be clearly divided between the EU institutions, and between the Union and the member states. Notwithstanding the necessity to continue to deepen integration, the institutional setting should be more clearly differentiated into intergovernmental and communitarian tiers. This would reflect the fact that in some policy areas, such as foreign, security and defence policy, the member states are likely to continue to act in an intergovernmental manner. In other policy areas, such as the common market, agriculture, competition, monetary policy etc., member states have pooled their sovereignties, thus providing a basis for the Community method to take full effect. Re-balancing purposes will improve the systemic preconditions for accountability, both in inter-institutional relations and in the public perception of the EU.

**Clear division of responsibilities**

The subsequent proposals focus on the optimal institutional structure designed to facilitate political leadership, and examine in particular the European Council, the Council, the European Commission and the European Parliament.

### ***2.1 Continuity and Efficiency in the European Council***

The European Council should concentrate on providing the EU with the necessary strategic direction concerning the Union's overall development and policy priorities. In an enlarged European Union with 27 and more member states the current system of a rotating Presidency will not be able to cope with an overwhelming number of tasks and challenges. Some presidencies have been impeded by election campaigns or were unable to fulfil their leadership role on account of internal crises. Moreover, a Presidency that each country in an enlarged Union could only exercise every 14 years for six months would elicit no political motivation within member state governments. Even today it is very difficult to maintain the continuity of administrative know-how connected with the tenure of the Presidency. The run-up to, the execution, the handing-over, and the subsequent summing-up of the Presidency represent an enormous operational strain on the administrative capacities of a member state. Against the background of only six months of incumbency it seems increasingly difficult to justify these tremendous burdens.

**Inefficiency of rotating Presidency**

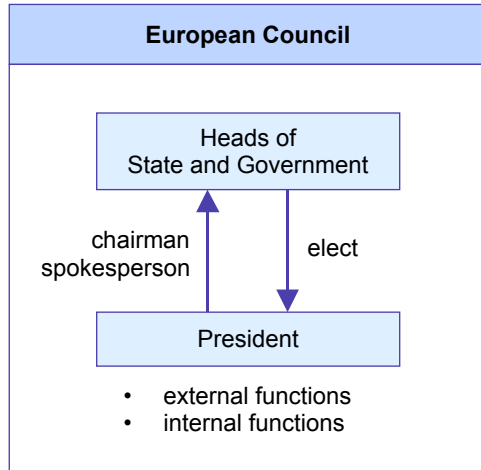
In order to enhance continuity, efficiency and visibility the Heads of State and Government should elect a prominent senior political figure as "full-time" President of the European Council for a duration of five years. The five-year period should run parallel with the political timetable of both the EP elections and the Commission's period of office. Every member state should have the right to nominate a candidate. The President should be elected on the basis of a double majority. The rule of double majority, which comprises a majority of both citizens and member states, would in effect constitute a safeguard for both the large and the small/medium-sized mem-

**Election of a President of the European Council**



ber states. In an EU-27 neither the six larger nor the 21 smaller member states could elect a President of the European Council on their own. Finally, the Heads of State and Government should also have the right to dismiss the President after a motion of no confidence.

The President should be a manager and promoter of political initiatives, a package-broker in the European Council, and a spokesperson for the Union



as an international actor. The President of the European Council could play a vital and delicate political role, diplomatically steering the way towards the broadest possible consensus among the Heads of State and Government whilst maintaining momentum and avoiding stagnation. By heading the European Council for a multi-year period, the President could acquire an extensive knowledge of a wide range of issues and develop the necessary skills to chair the

meetings of the EU's most powerful political players – the Heads of State and Government.

In more concrete terms, the President of the European Council should exercise the following functions:

- Externally, the President, who must be able to call on the general support of all the Heads of State and Government, should speak for the EU in the international political arena on the highest level (equal to Bush or Putin). In effect, the President of the European Council would be positioned on a higher political level than the current High Representative, who should be subordinate to the President. The President should assist the European Council in defining the principles, general guidelines, and strategic priorities for the Common Foreign and Security Policy (CFSP) – including especially those areas of the EU's foreign, security and defence policy in which the influence of the Union relies on the ability and readiness of the member states to pool their power resources, i.e. crisis management, military security and defence. In the light of the principal need to develop a common European foreign policy culture, a President of the European Council could help overcome the lack of consensus on both the EU and member state level when it comes to issues of hard security, which the current and future member states (still) strongly perceive as belonging to the realm of national sovereignty.
- Internally, the President should be responsible for the preparation, chairmanship, and follow-up activities of the meetings of the European Council. The President should function as the European Council's spokesperson. Furthermore, the President could assist the European Council in its role as constitutional co-architect by representing the Heads of State and Government in a possible future reform Convention. In addition, the President of the European Council should, after each European Summit, submit to the European Parliament and the public a

#### Role definition

#### External functions

#### Internal functions

report which will replace the current Presidency Conclusions. Finally, the President of the European Council should be in charge of issuing an annual written report on the progress achieved by the European Council. In order not to establish yet another exclusive bureaucratic machinery, which in the long run might evolve into an institutional competitor to the Commission, the President of the European Council should be able to rely on the support of the General Secretariat of the Council. The mutual coordination and cooperation between the President of the European Council and the Commission President will require an even closer and more regular working relationship between the General Secretariat of the Council and the Commission services.

Taking into account the growing need to link the tools of internal and external security policy in a comprehensive manner, the suggested reform of the European Council Presidency should by no means counter efforts aimed at overcoming the outmoded pillar structure. The necessity to increase the level of political leadership in the field of CFSP is to a great extent due to the prevailing intergovernmental approach, which is no longer adequate and will become even more problematical in a Union comprising 27 or more member states. Hence, the traditional civilian aspects of the EU's foreign policy, including non-military crisis management, should be brought closer to the Community method, since the resources required to implement them are to be found mainly in the area of today's Community competencies. An immediate communitarisation of the entire area of CFSP including its Security and Defence Policy dimension (ESDP) is clearly impossible. The introduction of an elected President of the European Council, who will be held politically accountable for the Union's external record, will increase the pressure on the Union and its member states to improve the EU's efficiency as a foreign policy actor, especially with respect to those areas remaining in the intergovernmental realm.

**Overcoming the pillar structure**

The alternative proposal, which seeks to combine the Presidency of the European Council and the Commission in one person, and aims to combine and reconcile supranational and intergovernmental legitimacy, may at a first sight seem promising. However, providing the Union with a single face or voice would upset the equilibrium between the institutions and, as a result of the resources available to the Heads of State and Government, would curtail the Commission's autonomy. Given the current level of integration, a single person at the top of both the Commission and the European Council might orientate her or his loyalty and interests towards the member states' political representatives. This solution would thus, in the long run, degrade the Commission to the level of a subordinate authority. Combining both Presidencies in one person might eventually become the best-case-option if EU integration truly reaches the level of Political Union. Until then, however, the institutional setting should reflect the actual division of power within the European Union.

**"Double-hat" president: pros and cons**

The mere introduction of an elected President of the European Council will lead to a disequilibrium in the inter-institutional balance if it is not supplemented by substantial innovations on the part of the Council, the Parliament and, most significantly, the Commission. Whether or not the Convention and the forthcoming Intergovernmental Conference will be able to

**Alternative solution: Team Presidency**

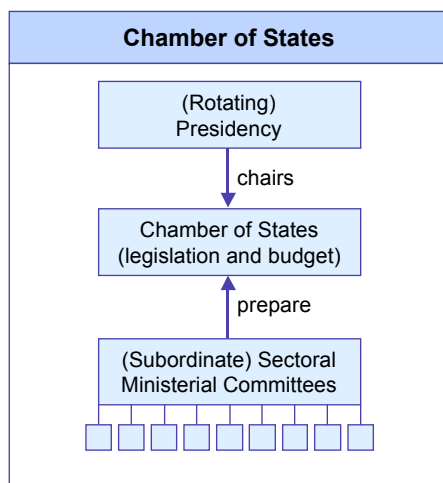
adopt such a holistic reform, the present system of rotating presidencies is not a viable option in an EU of 27 or more member states. If, however, an agreement on an elected Presidency as part of a reform comprising all four major institutions should not be possible, one might also consider the alternative solution of a Team Presidency consisting of three member states, which will always include one of the larger EU members. The Team Presidency would fulfil all those tasks and responsibilities currently carried out by the rotating Presidency for a minimum period of 18 months. In order to provide the Team Presidency with a single face and voice, the three member states exercising the Presidency might select a person of their choice to coordinate their triumvirate. If the power of a European Council President is not counterbalanced by a stronger Council, Commission and European Parliament, a Team Presidency could replace the current inadequate system of rotating Presidency.

## 2.2 Council Reform – A Clear-cut Division of Functions

A reform of the Union's intergovernmental structures should not be restricted to the European Council. Any reform aspiring to improve political leadership will also depend on a major adaptation of the Council. Aiming to increase the efficiency of the decision-making process, the EU's ability to consistently implement agreed policy objectives and the overall accountability of the actors involved, the Council's legislative functions should be separated from operative policymaking functions of the EU.

The Council and the European Parliament should constitute the two main branches of the EU's legislature. The respective functions of the Council should be brought together under the umbrella of a *Chamber of States* co-responsible for approving every single legislative or budgetary act. These acts would be adopted by representatives of the member states, e.g. by a

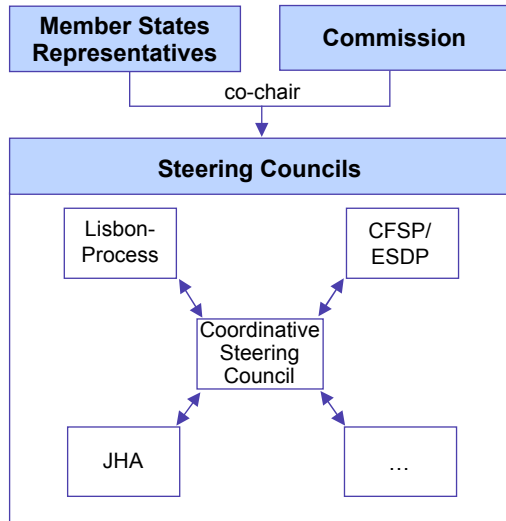
### Chamber of States



permanent round of European Ministers or by the group of ministers responsible for the issues on the agenda. On the part of the member states, laws should be prepared by subordinate sectoral ministerial committees, structured along the lines of the Seville Summit Conclusions. The Chamber of States could retain the system of a rotating Presidency, thereby enabling member states to continue to introduce their specific national policy priorities into the EU's decision-making machinery. Since the Chamber of States will deal

with issues in the sphere of Community competence, its work must be subject to the relevant procedures, including qualified majority voting, the co-decision procedure, the judicial control by the European Court of Justice and the Commission's monopoly of initiative. The meetings of the Chamber of States should be public.

Other policy areas in the field of operative tasks or at least parts of them, which the member states still ascribe to the realm of national sovereignty, are not (yet) subject to law-making. In those fields in which the EU does not legislate, the member states should come together within the framework of *Steering Councils*. The policy areas mainly affected are (1) CFSP, in which



executive decisions are not taken on the grounds of Community legislation, (2) those elements of Justice and Home Affairs (JHA) which remain in the intergovernmental sphere, and (3) all those matters related to economic, monetary and social affairs, which the member states do not (yet) want to regulate within the framework of the Chamber of States. Thus, on the basis of the present level of integration, it would require four Steering Council formations: three

related to the policy fields of CFSP, JHA, and economic, monetary and social matters and one *Coordinative Steering Council* responsible for linking the overall work of the individual Council formations. In general, the Steering Councils would be subject to the procedures applied in the respective policy fields.

In the light of the requirements of coherence and coordination between the member states and the Commission, the Steering Councils could be co-chaired by a representative of the member states and a member of the Commission. The (co-)chairmen should for a multi-year period perform the functions currently assigned to the rotating Presidency (agenda-setting, chairmanship and organization of meetings on all levels, representation of the respective Council within EP sessions, etc.).

The *Coordinative Steering Council*, which would be responsible for preparing the meetings of the European Council, should be co-chaired by the President of the European Council and the President of the Commission. On the whole, the Coordinative Council should help to limit the number of issues referred to the European Council. Thus, it would provide the latter with the ability to concentrate on important strategic matters.

The Steering Council dealing with external relations should be co-chaired by the responsible Vice-President of the Commission and the High Representative. The latter should be appointed by the Heads of State and Government after consultation with the President of the European Council for a period of five years. The High Representative should be subordinate to the President of the European Council, ranking more on the level of foreign ministers than on that of Heads of State and Government, and would be responsible for the day-to-day management of the Common Foreign and Security Policy (see the following overview).

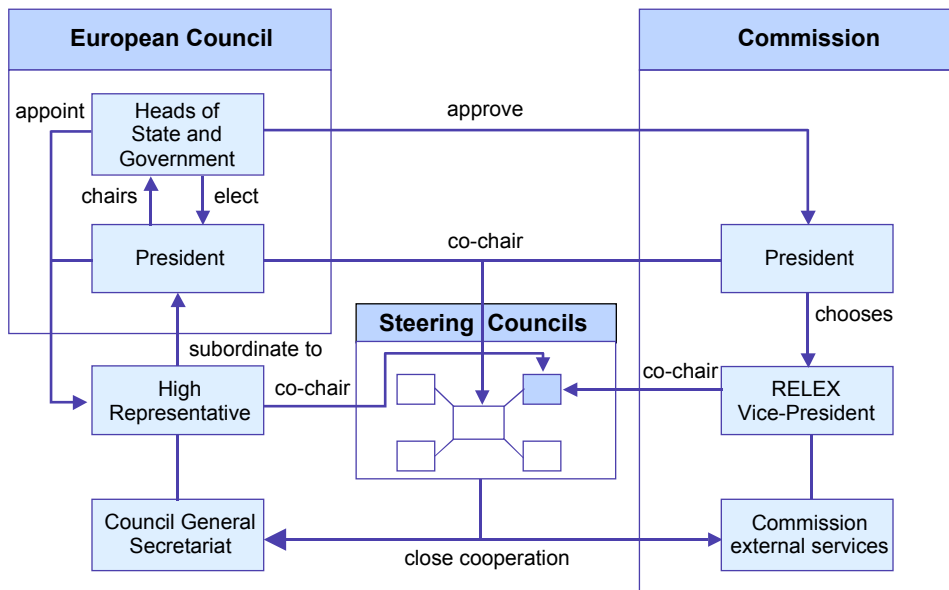
## Steering Councils

### Co-chairmanship of the Steering Councils

### Coordinative Council

### External Relations Council

### Overview: Cooperation in the field of external relations



The Steering Council concerned with issues related to Justice and Home Affairs and the one dealing with economic, monetary and social matters should be co-headed by the respective Vice-President of the Commission (“JHA-Commissioner”; “Lisbon-Commissioner”) and a representative of the member states. The latter could either be a person elected from among the respective ministers or appointed by the Heads of State and Government (“Mr Tampere”, “Ms Lisbon”).

**JHA and economic, monetary and social matters**

The election of both the President of the European Council and the member states’ co-chairs of the Steering Councils, and the appointment of the High Representative should take into account national proportionality.

**Respect for national proportionality**

The clear-cut division of the current Council structures into a legislative Chamber of States and a number of Steering Councils, which are subject to the procedures dominating the respective policy fields, would relate policy-making structures and procedures to clearly defined purposes. This would, in effect, not merely raise the EU’s ability to formulate a policy above the lowest common denominator and increase the efficiency of coordination among member states and institutions, but more importantly, raise the level of accountability of those institutions or individuals which or who are politically responsible.

**Raising the level of accountability**

### 2.3 Strengthening the Commission’s Political Power Base

Changes to the intergovernmental structures of the EU have to be paralleled by an improvement of the Commission’s political power base. Hence, following elections to the European Parliament, the Commission President should no longer be nominated by the European Council but elected by the EP. The European political parties should on the basis of a common electoral programme nominate their top candidates for the post of President of the Commission. The elected Commission President should be subject to a final approval by the Heads of State and Government.

**Election of the Commission President by the EP**

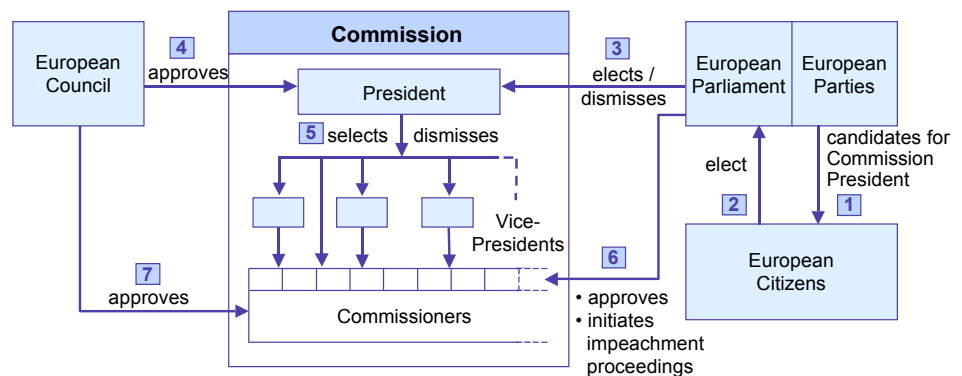
One should dismiss the idea of attributing the task of electing the President of the Commission to a *European Congress* consisting of European and national parliamentarians. As it is the task of the EP to continuously control the Commission, the Parliament must of course be the institution which has the right to elect or dismiss the Commission President. In general, the establishment of a *European Congress* as yet another institutional body would be an inappropriate way of integrating national parliaments, and would merely exacerbate the complexity of EU decision-making.

### Rejecting a European Congress

The election of the Commission President would not only increase the President's own power base but also substantially enhance the Commission's political legitimacy and weight in the inter-institutional balance. A parliamentary election similar to national parliaments electing national executives on the grounds of a political programme would clarify and increase the political accountability of the Commission to the electorate of the European Parliament (i.e. the citizens of the EU).

### Politicizing the Commission

Politicizing the Commission by increasing its political strength, its visibility and its democratic legitimacy will trigger people's interest in European affairs. It is sometimes said that politicisation



will harm the Commission's role as an independent and objective agency. However, the danger that the Commission will continue to lose political influence might prove to be even greater. Strengthening its power base *via* the election of its President will enable the Commission to counter recent tendencies of political marginalisation. In effect, it will provide a major impetus for re-establishing the Commission as a driving force of integration.

The Commission President should have the right to autonomously select the other members of the Commission. When choosing the members of the Commission, the designated President should take into account national proportionality (large/small, new/old, East/West, North/South etc.). On the grounds of the current level of EU integration, the choice of Commissioners should by no means lead to a college dominated by one political party or a specific group of parties, but rather reflect the overall composition of the European Parliament. The Commission President should be granted the sole responsibility for the assignment of tasks among the members of the Commission. On the whole, the structure and distribution of tasks within the Commission should in general reflect the structure of the Chamber of States and the Steering Councils. The entire Commission should be confirmed by the European Parliament and subsequently by the European Council.

### Selection of Commissioners

With regard to the Commission's composition as a whole, there are two principal options:

### Composition

(1) If member states are not always represented in the Commission, the composition of the college should, as was decided in Nice, be based on

### Rotation model

the rotation principle. Such a rotation should basically guarantee (i) that no member state is excluded from the Commission for longer than one term, and (ii) that the composition of the Commission always reflects the composition of the EU (large/small, new/old, East/West etc.). The latter can be achieved by grouping the member states accordingly.

- (2) In a situation where every member state is always represented in the Commission even after the EU reaches 27 members, the Commission will have to reorganize and rationalize its work by, for example, establishing a qualitative ranking of positions like Vice-Presidents and Vice-Commissioners on the level of state secretaries or junior ministers.

**Qualitative ranking**

The European Parliament should not have the right to table a motion of no confidence against individual Commissioners. Conversely, the Commission or its President should not be granted the right to dissolve the European Parliament. The EP (and the Council) should have the right to initiate impeachment proceedings against individual Commissioners only in cases of misconduct, and not solely for political reasons. In addition, the EP should be entitled to dismiss the Commission President, but only by electing a new President at the same time (constructive vote of no confidence). A dismissal of the Commission President would automatically be followed by the dismissal of the complete Commission. The President of the Commission should have the power to dismiss any Commissioner.

**Dismissal of the Commission**

The Commission's political leadership scope will not solely be determined by institutional arrangements. A democratically elected Commission President of a weak European Commission will not be able to exert political leadership. Hence, the Commission's powers will have to be increased along the lines of the following proposals:

**Powers of the Commission**

- The Commission should continue to enjoy the exclusive right of initiative in the sphere of Community competencies. The Commission has shown that it is an honest broker; it has not misused the right of initiative, and has demonstrated openness towards proposals coming from either the member states or the European Parliament.
- The Commission, and not the European Council, as was decided at the Seville Summit, should propose the multi-year work and legislative programme relating to the field of Community competencies. In those areas for which the Commission is not (yet) responsible, as for example in the spheres of CFSP, ESDP or economic coordination, the strategic programming should be drafted primarily by the European Council. In general, when it comes to the elaboration of the EU's multi-year programme, laying down clearly who is responsible for what would tend to strengthen the Commission's position. More transparency in this respect will make it easier to single out which institution can or should be held accountable.
- The Commission must take the lead with regard to attempts to improve the EU's efforts to coordinate the member states' economic policies *via* the Open Method of Coordination – still a rather new instrument, which is likely to become more prominent in the years to come. Due to its independence and resources, the Commission should develop and propose benchmarks and targets for member states to pursue. A comprehensive

**Monopoly of initiative**

**Multi-year work and legislative programme**

**Open Method of Coordination**

involvement of the Commission can ensure that the potential of the Open Method of Coordination is not misused to undermine the Community method.

- The Commission should be given more competencies on the expenditure side of the budget. At present, the basic structure of the budget is initially defined in multi-year proposals by the European Council. Subsequently, funds cannot be shifted from one budget heading to another. As a result, for example, savings which accrue from the Common Agricultural Policy are always remitted to the member states. For this reason, the Commission to a certain extent is not particularly interested in more efficient policies. Extending its competencies in line with the rights of the EP on the expenditure side of the budget would increase the Commission’s political influence and at the same time raise its accountability for how EU taxpayers’ money is being spent.

**Increased budgetary competencies**

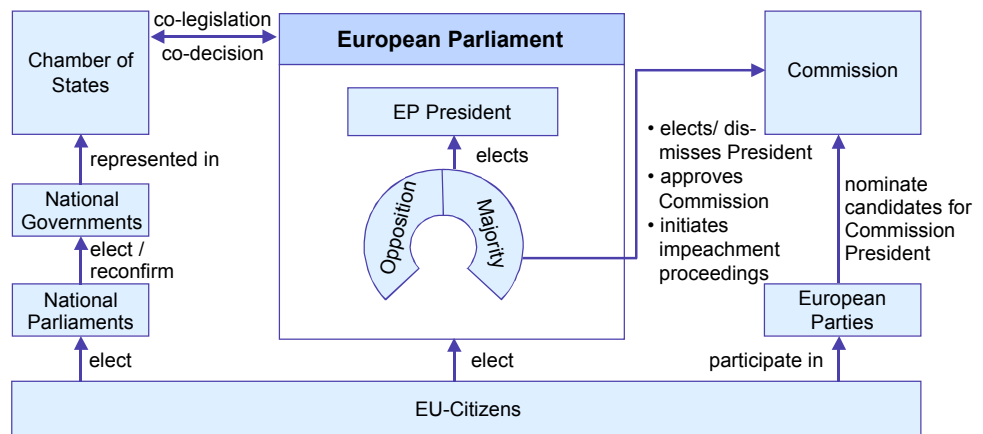
### 2.4 Enhancing Democratic Legitimacy

The above-mentioned reform proposals, i.e. the election of the Commission President by the EP, the restructuring of the Council and the appointment of a President of the European Council, will have repercussions on the position of the European Parliament in the inter-institutional setting.

The election of the Commission President in the wake of EP elections will reinforce the parliamentary character of the EU’s political system. The fact that European political parties will nominate their top candidate for the post of Commission President on the basis of a specific political programme will increase the level of politicisation of European affairs in the eyes of the European electorate. The EU will still be a long way away from a level of politicisation comparable to that of member states. However, the voters’ direct impact on the

**Reinforcing the EU’s parliamentary character**

election of one of the EU’s most prominent political figures could trigger people’s interest in the elections of the EP and generally stimulate political debates, which in turn will attract media coverage and emphasize the significance of the only democratically elected European parliamentary body. In addition, providing the Parliament with the right to elect and dismiss the Commission President will increase the EP’s political influence on the Commission. As a result, the European Parliament’s weight within the institutional equilibrium will increase.



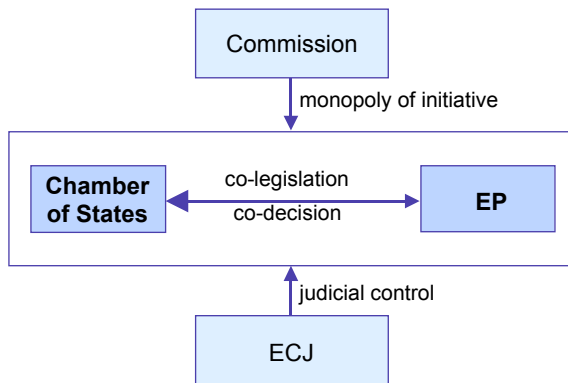
size the significance of the only democratically elected European parliamentary body. In addition, providing the Parliament with the right to elect and dismiss the Commission President will increase the EP’s political influence on the Commission. As a result, the European Parliament’s weight within the institutional equilibrium will increase.

The establishment of a Chamber of States responsible for approving all legislative or budgetary acts on the part of the member states is an indispensable prerequisite for an EU legislature representing both a Union of Citizens as well as a Union of States. A clear-cut division of the current legisla-

**Co-decision**



tive and executive functions of the Council will strengthen the European Parliament's role as a law-making and democratic monitoring body. The



fact that the Chamber of States will be subject to legislative procedures which currently dominate the areas of Community competence will enhance the rights of the EP. The introduction of qualified majority voting in the Chamber of States and the use of the co-decision procedure by the two

branches of the EU's legislature as a general rule governing EU law-making will secure the powers of the Parliament and counter the current legitimacy deficit.

The establishment of Steering Councils for those operative policy areas which are not (yet) subject to legislative procedures and the introduction of a President of the European Council will increase the level of accountability. Increased clarity as to who in the EU is responsible for a certain action or decision and who in certain cases can be held accountable for the Union's inertia will increase the European Parliament's ability to control and exert pressure on those in positions of power. A higher degree of accountability will contribute to the EP's capacity to efficiently exercise its democratic control functions.

**Enhancing the EP's  
parliamentary control  
functions**

### 3. Perspectives: Governing a Larger Europe

The proposals outlined in the present paper seek to optimize the enlarged European Union's institutional structure with respect to the key features of political leadership – prospective thinking, steering capacity, consistency and accountability. The Commission President elected by the European Parliament together with a President of the European Council can form the leadership team capable of defining the EU's long-term interests and providing strategic orientation.

The two presidential positions are embedded in an institutional framework that separates legislative from other policymaking functions of the EU, thus relating institutions and procedures to distinct and clear purposes. In the field of legislative functions, policies will be coordinated by a stricter and more comprehensive application of the Community method. As far as legislation is concerned, the EU member states should adopt laws within the framework of the *Chamber of States* on the basis of qualified majority voting and the rules of co-decision, i.e. together with the European Parliament in a bicameral system. The application of these procedures will contribute to a smoother decision-making process as the scope of veto options is reduced.

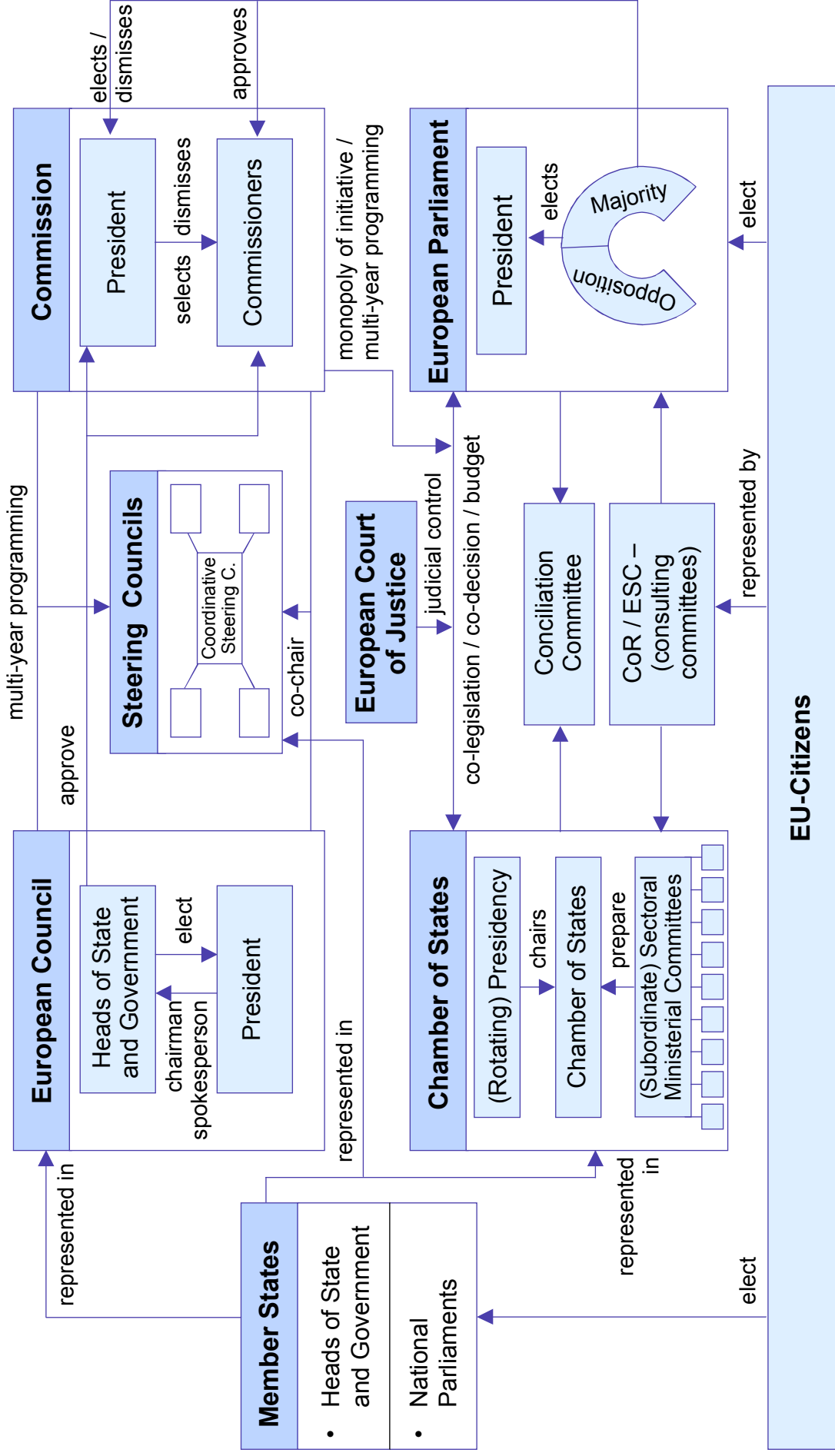
In non-legislative areas, policy will principally be coordinated by inter-governmental structures and decision-making procedures, embodied in a system of *Steering Councils*. To ensure consultation with and involvement

of the Commission, the Steering Councils will be co-chaired by Commission representatives. European Council meetings will be prepared by a Coordinative Steering Council, under the joint chairmanship of the President of the European Council and the President of the Commission. Since the rotating Presidency will be replaced by more continuous chairpersons, and the Steering Councils relieved of legislative functions, they will be in a better position to negotiate a balance between divergent interests, which is the precondition for a coordinated policy. Thus a strengthened Commission President and a President of the European Council can build broad supportive coalitions and steer policy initiatives through the decision-making process while aiming at a maximum policy impact.

On the whole, prospective thinking and improved coordination within the framework of a reformed institutional setting will lead to a more consistent implementation of EU policies. Moreover, the effective implementation of policies will be attained by increasing the powers of the Commission in the budgetary process and in the context of the Open Method of Coordination.

More importantly, the reform programme presented in this paper seeks to establish a more accountable political leadership. It sets out visible leadership roles and clarifies the division of responsibilities between the legislative and the operative policymaking institutions of the EU. Since the EP will elect the President of the Commission, the European political parties and the European citizens will be involved in the selection of one of the most prominent political leaders on the EU level, who in turn will become more accountable to the Parliament and the electorate. The President of the European Council, as the person representing the EU in the international political arena and presiding over the European Council for a multi-year period, will also be held more accountable by the European public. This will reduce the pervasive practice of avoiding blame and claiming undue credit, which characterises the current EU system, and has been facilitated by overlapping powers and ambiguous roles. Creating institutional accountability is the only feasible way to stop citizens from turning their backs on the European Union.

# Thinking Enlarged – Bridging the Leadership Gap



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