The democratic deficit is the biggest problem facing Europe today. But we will not solve it if we treat it as a ‘European’ problem which can be solved by tinkering with the institutions in Brussels. We must see the European Union’s legitimacy problems in the context of growing popular disconnection from all political institutions: local, national and transnational. It is time to turn the debate about democracy in Europe on its head and look not only at which reforms can help legitimate the EU but also at how Europe can help plug the national democratic deficit. With enlargement around the corner, there is an urgent need to create a European political space which embeds democratic values at the lowest possible level, and engages Europe’s constituents, East and West, in progressive political debates.

This is the framework document for a series of seminars, policy briefs, publications and conferences.

‘Next Generation Democracy’ is a The Foreign Policy Centre / British Council Brussels project in association with Weber Shandwick / Adamson

www.network-europe.net (from January 2002)
NEXT GENERATION DEMOCRACY
The Foreign Policy Centre / British Council project

This document launches a twelve-month project which will aim to:

• Reinvigorate discussion about democracy in an enlarging Europe, working from ‘first principles’ of democratic participation rather than established hierarchies and institutions.

• Explore how citizens can interact with policymakers in developing a powerful analysis of the role Europe can play in solving problems of national democracy.

• Analyse how democratic debates can operate effectively across cultural, social, political and national frontiers, and linking local-level government to European institutions.

• Establish an on-line practice of communication across countries, and explore how new media of communication can help in harnessing shared democratic values.

THIS PUBLICATION IS RELEASED AS SHAREWARE. IF YOU FIND THE IDEAS USEFUL OR INTERESTING, AND WOULD LIKE TO SEE YOUR RESPONSES PUBLISHED AS PART OF THE SERIES, PLEASE CONTACT NETWORKEUROPE@FPC.ORG.UK. ALTERNATIVELY, LOG ON TO WWW.NETWORK-EUROPE.NET (AFTER JANUARY 2002).

‘Next Generation Democracy’ is kindly sponsored by

WEBER SHANDWICK PUBLIC AFFAIRS ADAMSON
Everyone seems to agree that Europe’s next Grand Projet must be democracy. The advances of the last 45 years risk being swept away by a rising tide of popular disengagement from the European system if the EU does not link more effectively with its citizens.

But there is a danger that democracy will be seen as another technocratic project, hatched at a distance, like the creation of a single market or the development of the euro. It has started in exactly the wrong way: with an agenda set out through the declaratory speeches of statesmen, speaking in the gilded splendour of 19th century halls in Europe’s historic cities, with the establishment of conventions and conferences and a ‘greater and wider debate’ that goes no further than national elites and cognoscenti.

Many of the proposals seem to be about rearranging EU institutions in a vacuum. They focus on the micro-politics of the Rond-Point Schuman rather than developing a debate which connects. Such a debate would have to link national to supranational politics; to link formal politics with its informal equivalent; to get people talking about European policy choices in a constructive way, rather than focusing on “more or less Europe.” Above all, it should explore how the EU can deliver popular outcomes which the nation state acting alone is nowadays unable to deliver.

The very idea of a ‘constitutional convention’, like so much of the debate, draws on the historic processes of democracy that were instrumental in the construction of modern nation states, whether in the 18th or 19th centuries, just after the Second World War, or after 1989 in the new democracies of Eastern Europe. But the European Union, as a network of states, peoples and institutions, will need different democratic models from a hierarchical state. The paradox is that leaders are drawing on traditional systems of national democracy at precisely the time that these have entered a crisis of declining turnout, a wilting of traditional party political activism, and a growing cynicism about politics in general.

If Alexis De Tocqueville and Tom Paine were around today, the solutions they would suggest would not be designed to dilute the power of a despotic monarch. Instead, they would be addressing the widespread awareness that, at all levels of government including the national, even the most democratic institutions are not
democratic enough. Parliaments and ministers across Europe are seen as unresponsive and more concerned with inter-institutional rivalry than with citizens’ problems. The institutions of government are all too obviously not transparent, not representative of women and ethnic minorities, battered by a 24-hour media cycle, dependent on corporations for funding, and regularly hit by scandals of corruption and mismanagement. Everywhere, formal political structures seem unable to compete with the dynamism of single-issue campaigns that are freed from the responsibility of government and able to energise core constituencies with their simple messages.

It is time to turn the debate about democracy in Europe on its head and see how Europe can play a role in plugging the urgent democratic deficit at the heart of all its member states. The distinguished historian Alan Milward has argued forcefully that the construction of the European Union did not displace nation states but rescued them by allowing them to reconstruct their war-torn economies and rebuild their civic lives. The key challenge to ask of today’s generation of reformers is whether they can bring about a European rescue of democracy at national, supranational and regional levels.

The key to Next Generation Democracy in Europe is to create a political system which allows strong national and regional senses of identity to be combined with effective outcomes, a system that allows people to feel they have some kind of control over a whole set of issues that the national political space simply cannot deal with. It will be a different order of democracy from anything we have seen before, within the EU or outside it. To develop this new agenda for democracy, we need to go back to some of the first principles of democracy - such as the matching of policies to the public’s priorities, accountability, political competition, participation and representation - and look at how the European system can help to deliver these outcomes. Next Generation Democracy must combine the two sides of the democracy equation: looking at how the public’s preferences are expressed by the system (“input democracy”) and seeing what policies the system delivers (“output democracy”).

Usually, these discussions start with one institution after another, and look at how to reform them. This programme will aim instead to produce some heretical ideas which can add life to the democracy debate and force us to rethink some of the assumptions that frame it.
1: MATCHING POLICIES TO PUBLIC PRIORITIES

Abraham Lincoln famously described democracy as ‘government of the people, by the people, for the people’. Most of the legitimacy debate in Europe explores whether we have the right processes to express the people’s will, given that, for example, the European Commission is not elected and that European elections are not decided on European issues. One unfortunate consequence of the way the debate is framed is that very little attempt has been made to address the other side of any democratic debate: what sort of outcomes a democratic Europe should be delivering.

And yet it is clear that most citizens worry more about outcomes than processes. There is an enormous gulf between what people expect from the EU and what they get. Eurobarometer polls show that EU citizens expect the EU to act effectively in areas that member states can’t cope with on their own: large majorities favour a common foreign and security policy, European defence, common measures to protect the environment, and common policies to fight terrorism, drugs and organised crime. These continue to be among the areas where the EU is seen to be least integrated and least effective.

This perception of failure in the areas where people support EU action is easily contrasted to a seeming yen to interfere with all the nooks and crannies of our everyday life: the Common Agricultural Policy, bans on tobacco advertising, single market measures that regulate the curviness of bananas and lawnmower noises. The transfer of power from national to European level seems to be an inexorable one-way street with no attempt to return policies to the national level if they do not work or have served their historical purpose. For many people the EU seems driven more by the ideology of ‘Ever Closer Union’ than by any concern with effectiveness.

The culture of the EU has to be changed so that delivery is at the top of everyone’s agenda, by establishing the principle that levels of government must ‘Earn the Right to Act’. This means transforming the debate about subsidiarity. There are many things that the EU should theoretically be better placed to do than the nation state, such as the delivery of overseas aid where it is failing. Subsidiarity should be about proving that policy decisions are not best done at a particular level just because it looks right on an organigramme - but also because better results can be achieved by working together. We need to abandon overtly the traditional federal principle of allocating exclusive responsibility for different tasks to different

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tiers of government by function. Instead, we should explore how the European Council can set shared objectives which the different tiers of government work together to achieve. The idea of ‘earned autonomy’, whereby institutional powers are determined by independent evaluations of those institutions’ performance, is presently being pursued in the domestic context both in Europe and the US. We must explore how to create a more flexible and responsive governmental regime in Europe by following similar models.

Central to this will be fleshing out the idea of government by objectives as well as directives which was initiated with the employment targets set in Luxembourg in 1997, and was further established with the targets adopted at Lisbon in 2000. The EU must set itself timed objectives in all the areas that matter most to its citizens and then work out clear ways to drive progress. There must be a clear audit process in the public domain to adjudicate on the performance of the different European executive agencies in each of these areas, and a mechanism by which failed policies are re-evaluated and reformed.
2: ACCOUNTABILITY

One of the core functions of a political system is to hold executives to account for their actions and scrutinise their policies and their use of their budgets. At a national level there are clear lines of accountability: parliaments take the lead, spurred on by an inquisitive media and a medley of different interest groups. One of the persistent criticisms of the EU is that it has undermined this system by removing policies from the national political realm to an opaque EU system where these responsibilities are blurred and unclear.

The European Parliament is critical to scrutinising the European executive, just as national parliaments are critical to scrutinising their respective national executives. However, we do the European institutions a disservice by seeing accountability simply through the prism of the European Parliament’s scrutiny of the Commission and the Council. In fact there is no single European executive which can be held to account in this way. European policies and ideas are sometimes implemented by the Commission, usually by national and local governments, and occasionally even by the social partners. The distinction between national and supranational that the traditional idea of accountability builds up means that many policies and issues are never discussed in meaningful public or political debates.

One answer is to create more substantial links between national and European. Could national Commissioners be given a role in reporting back to their national parliaments? Could MEPs be given a more formal role in the national political space, for example by giving them a role in national second chambers? It is undoubtedly a positive sign that the Convention will be examining the role of national parliaments in the European system.

A more imaginative approach to accountability would be to take advantage of the informal political space which has developed in the EU, as people begin to compare and contrast the policies and performance of their national governments – everything from the price of cigarettes and cars to the quality of transport systems and hospitals. This ability to compare the results of national policy choices and tradeoffs to those made in other states is already changing national political discussions, as when Blair committed the British government to raising health spending to the European average by 2006, or Schroder passed tax reforms that were adjudged strangely Anglo-Saxon. It is also changing the nature of political participation, as the Europe-wide protests over fuel duty in Autumn 2000 showed, with people in one member state taking their cue from anti-political actions in other
states, and with the fire being stoked by cross-national comparisons about the price of fuel.

The European average could be the key to setting up a competition between policies that empowers citizens to hold their national governments more accountable for their actions. We should investigate how the provision of meaningful statistics in the public domain could start to develop a real European political space. By being able to compare the performance of one government against the performance of others in a certain area, a dynamic policy competition can be developed which allows membership of the European Union to drive up the performance of national governments. This does not mean that all policies fall to the lowest common denominator: it is to find a way in which it is the differences rather than the similarities between European systems that act as a motor to accountability at national level. Can the European average, and the provision of useful statistics, develop a single market for governance, so that citizens have more comparative information about the tradeoffs being made within their national administration, and be better equipped to pass judgement?
3: POLITICAL COMPETITION

At European level, as elsewhere, political legitimacy is about connecting citizens with the policies that are made in their name. Political systems match public policy to citizens’ priorities by making trade-offs between competing interests and bundling them into strategic programmes which the voters can debate and select. But because there is not, and can never be, an equivalent electoral process for Europe, there is no way of having the normal cut and thrust of political debate. Instead it takes place on two axes: a competition between those who demand more integration and those who defend the status quo, and a battle between different conceptions of the national interest... not between different programmes for Europe.

The genuine need to maintain national identity has been allowed to squeeze out vital debates on social and economic priorities and values, debates which cut across national boundaries. Electing the European Parliament and increasing its power of co-decision over EU legislation has not achieved this goal. European elections have always been, and will remain for the foreseeable future, about national policies and national government, rather than presenting competing programmes and methodologies for Europe to implement. The Nice Treaty reform which has the Commission President elected by qualified majority will not achieve this goal either: more competition might be produced, but the winning candidate would not have the authority to govern for those member states on the minority side. Going further and suggesting that the Commission President (as Fischer and others propose) should be directly elected is also based on a false premise. Such a contest would suffer the same problems as EP elections - a low turnout and a lack of interest, and the domination of electoral debates by ‘national politics as usual.’

What the EU needs is a new political arena, where a European-wide debate can be conducted, where choices can be made about the policy agenda of the Commission and the Council, and where the outcome will be supported by a section of the elite and public in every member state. One solution would be to hold the debate about the election of the Commission President in national parliaments. Each parliament could have a number of ‘presidential mandates’ equal to their state’s number of MEPs. These mandates would then be allocated to the candidates in proportion to their support in a parliamentary vote. A candidate would win the election if they won a majority of the mandates, or a run-off would be held between the two candidates with the most mandates. This contest would force a
wide-ranging debate on EU policies, covered by the media in every member state - who at present focus predominantly on national parliamentary politics rather than the EU. If candidates can only stand if they secure a certain level of support (e.g. 5 percent of MPs) in almost all national parliaments, the winning candidate would be guaranteed to be supported by, and accountable to, a section of the political establishment and their voters throughout the EU. The most likely outcome, whether in the present or an enlarged EU, would be a close run-off contest between prominent centre-left and centre-right leaders, advocating moderate polices. For the first time the Commission President would have the legitimacy to propose policies to be adopted by a Council majority, and if these policies fail the ‘scoundrel can be thrown out’.

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These ideas will be elaborated in ‘Legitimising Europe: a proposal to elect the Commission President by national parliaments’ by Simon Hix (The Foreign Policy Centre, forthcoming)
4: PARTICIPATION

For a political system to have legitimacy people do not just need to be content with the outcomes and have a sense of control over the executive, they also need to be part of the debate that forged the policies in the first place. In the past, solutions have usually involved creating new institutions: give local government a voice in the Committee of the Regions, give interest groups voice in the Economic and Social Committee. Unfortunately rather than creating popular participation, these institutions have often allowed the European agenda to be captured by sectional interests, thereby creating an even greater gulf between the EU and its citizens. Agriculture is perhaps the most notable example.

The key challenge for the EU is to allow citizens to participate directly in meaningful Europe-wide discussions about policy which get beyond the debates about more or less integration and develop real cross-national debates about policy issues of common concern.

One route is to explore how electronic methods of information, communication and voting can provide real benefits in linking electorates to their policymakers. Currently, discussions about e-democracy move in three directions. First, there are discussions about the private sphere: about how Internet polling, other data warehousing techniques and even e-voting can develop new channels through which the public can express its preferences. Second, there is the debate about e-government more generally, which focuses around how new technologies can help government communicate better with its public, through transparency, availability of documents and interfaces for interaction. Third, there are discussions within the governmental sphere itself, on the ways that technology helps branches of government work together to deliver goals.

Each of these debates is very important, and each opens up exciting new opportunities for democracy. However, all are nationally bounded. We need to explore how e-democracy could allow real debates to flourish across frontiers through interactive cross-national polling, through exchange of best practice both within government and outside it, through enhancing the ability of government and parties to develop constituencies outside the borders of their national areas.

Another route is to explore the possible benefits of direct democracy. In the long term we could explore the idea of holding Europe-wide referenda which give people the chance to express a choice, and have a say over the future directions of
European policy making. There are various ways in which this might work in practice. First, it could give citizens the chance to overturn an existing piece of EU legislation. Second, it could allow them to put a new legislative issue on the agenda in policy areas of EU competence. Third, and perhaps most excitingly, it could link into the Lisbon method of government by objectives to allow people to vote on new objectives to be incorporated into the Lisbon process (e.g. to increase the EU’s recycling capacity by a stated amount before 2010). Could these even lead to a ‘market’ where success in reaching objectives can be ‘traded’ between member states, in a similar way to the emissions trading which has come out of the Kyoto treaty? Any of these options could be seeded by a petition with a certain number of signatures from a certain number of countries (say, a million with 50,000 from at least twelve countries).

These forms of direct democracy would generate quite different arguments to those seen in Denmark, Ireland and France because they would not be nationally bounded, nor solely interested in asking people whether they want more or less Europe. Instead they would focus on a policy issue which is relevant to the European level and give people an opportunity to debate what the Union’s policies should be in that area. We should also investigate the idea of a European People’s Panel which policy-makers in either the institutions or in national or local governments can draw upon to test public attitudes to what the EU’s priorities should be, and to examine how service delivery can be improved from the point of view of the user.
5: REPRESENTATION

One of the key functions of any democracy is to have its citizens and their interests represented in decision-making forums. But instead of aggregating interests into political platforms, the EU system has created different institutions to represent nations, citizens, and the European interest – the European Council and Council of Ministers, the European Parliament and the Commission. This means that the European interest is not seen as the sum of the interests of member states and citizens – but as something separate and naturally in conflict with them. Institutional conflict is built into the system. The Council and Commission regularly cross swords over their shared executive role. The European Parliament clashes with the Council over its legislative role, and flexes its muscles over the Commission. National parliaments feel alienated from the EU, and resent the European Parliament’s role in the decision-making process. So instead of working towards coherent objectives, the EU often seems at odds with itself.

The solution must be to reinvent representation to deliver competition between policies – and the leadership to drive through a coherent programme. Instead of seeing EU politics as a bolt-on extra that can be confined to the European Parliament, we need to ensure that the political debate runs through all the EU institutions and member states. The biggest challenge is reforming the European Council so that it can give political direction to the whole EU system – and create the clear objectives that we need if we are going to succeed. The Council is the EU institution with the most power and legitimacy because it contains Europe’s best-known and most powerful political leaders. They lead political parties as well as national governments, and they must start treating the European Council as a political forum for strategic debate as well as somewhere to defend their national interests. By acting as a more political body, the European Council can develop tools for strategic decision-making and leadership, and provide the political and policy framework for the Commission’s legislative, financial and administrative proposals. In a ‘network Europe’ political parties can play a creative role by giving coherence to the many actors involved in the decision-making process without creating a hierarchical majoritarian system.
THE WAY AHEAD

The five areas set out in this document do not aim to provide a comprehensive agenda for the future of Europe. Instead they are designed to generate an alternative debate on democracy in the European Union which is freed from the tramlines of national models for political legitimacy.

This document launches a twelve month project exploring next generation democracy in an enlarging Europe, organised around the themes set out above. The initial output of each theme will be a policy brief, which will aim to direct the thoughts of the next generation of policy makers towards solving key problems thrown up by debates about democracy, legitimacy and accountability in Europe. Policy briefs will engage key stakeholders throughout Europe, who may be from the political, academic, public, private or voluntary sectors, at local and national level.

Each publication will lead to the formation of an online working group, that will work through these issues and produce written contributions. Feedback will be encouraged, and the ‘Network Europe’ policy community that we create in this way will be linked via a new website, www.network-europe.net – to be launched in January 2002 - and will be publicly available.

The policy briefs will be collected together, along with the best of the contributions from the online ‘workshops’, in a publication, entitled ‘Next Generation Democracy: Legitimacy in Network Europe’. This will be launched at a conference, entitled Next Generation Europe which will take place towards the end of 2002, and will be the first in a series of yearly conferences bringing together the successor generation from across Europe.

The innovative research method will take account of new collaborative methods, based on the methods of the ‘open source’ community of researchers. Publications will be released as ‘shareware’, aiming to build up interactive relationships between producers and the recipients.

We are looking to publish a number of policy briefs within this series. If you have an idea that might fit within this structure (an essay of 3-6,000 words), or feel that you would like to contribute to one of our seminars, then please contact networkeurope@fpc.org.uk.
PROJECT PARTNERS

About The Foreign Policy Centre

The Foreign Policy Centre is an independent think tank committed to developing innovative thinking and effective solutions for our increasingly interdependent world. We aim to broaden perceptions of what foreign policy is, revitalise public debate about foreign policy goals, and find new ways to get people involved. The Foreign Policy Centre publishes books and reports, organises high profile conferences, public lectures and seminars, and runs major in house research projects on cross-cutting international issues.

The Foreign Policy Centre runs a flourishing Europe programme, which is kindly sponsored by Accenture, Corporation of London and Weber Shandwick Adamson. Currently, projects are being run on democracy in Europe, European economic reform and the future of European agriculture. For further details of these programmes, or if you would like to get involved, please contact Tom Arbuthnott, Europe Programme Researcher on 0044 20 7401 5353 or by email at tom@fpc.org.uk.

About British Council Brussels

The British Council is an independent, non-political organisation incorporated by Royal Charter. Our European network of 112 offices in 43 European states is part of a global network of 227 offices in 109 countries. The British Council is uniquely placed to connect Europeans with creative ideas from the UK and build lasting relationships between Europe and the UK.

The British Council in Brussels, established in May 2000 following the merger of our bilateral and EC Relations offices, plays a key role in our European strategy.

For more information, please contact British Council Brussels, Rue du Trone 108 / Troonstraat 108, B1050 Brussels or check www.britishcouncil.org-belgium.
THE FOREIGN POLICY CENTRE EUROPE PROGRAMME

THE FUTURE SHAPE OF EUROPE
Edited by Mark Leonard
Kindly sponsored by Adamson BSMG

This collection was produced by The Foreign Policy Centre to respond to Joschka Fischer’s speech at Humboldt University. The Future Shape of Europe includes pieces by Tony Blair, Giuliano Amato and Hubert Vedrine, as well as a specially commissioned piece from Swedish foreign minister Anna Lindh and new essays by Anthony Giddens, Jan Zielonka, Mark Leonard, Ben Hall and Alison Cottrell.

The problem for the Europe we have… is that there is no settled plan and thus no possible plot…. A booklet out this week from The Foreign Policy Centre makes the point more eloquently than any polemicist. Peter Preston, The Guardian

NETWORK EUROPE
by Mark Leonard
Kindly sponsored by Clifford Chance

Network Europe shows why the European Union needs reform - because the EU faces new challenges in the 21st century, and needs to tackle the legitimacy crisis which is costing it public confidence and support.

Let us start thinking of a 'Network Europe' with all levels of governance shaping, proposing, implementing and monitoring policy together. Romano Prodi.

Extraordinarily stimulating. Jacques Delors

A welcome contribution to the important debate about Europe’s future. Rt Hon Tony Blair MP

A radical agenda for reform from the government’s favourite foreign policy think tank. Stephen Castle, Independent on Sunday
RETHINKING EUROPE
By Mark Leonard, Tom Arbuthnott, Jiri Sedivy & Petr Drulak
In association with the British Council and the Institute for
International Relations, Prague

Produced jointly with the Czech Institute of International Relations, this pamphlet examines the future of the EU and calls for a rethinking of the European political space.

The pamphlet formed the backdrop to a top level conference attended by senior political figures including the Czech Deputy Prime Minister, which was held at Prague Castle on 6-8 Sept 2001.

I would like to thank the Foreign Policy Centre and the Institute of International Relations in Prague, both of which have first class track records in innovative thinking on Europe…. [both essays] highlight the fact that many of the EU’s structures and policies are urgently due for reform. Rt Hon Tony Blair MP.

… This Conference [Rethinking Europe] will pose some fundamental questions about Europe and its future composition and functioning. Vaclav Havel, President, Czech Republic

THE FUTURE OF EUROPEAN RURAL COMMUNITIES
Lord Haskins

This working paper lays out the basic principles for meaningful reform of the EU Common Agricultural Policy and marks the launch of a research project which addresses the issue of what a reformed CAP should look like and how to get there. This project aims to develop a new approach to national and EU policy-making for food, agriculture and rural communities.

Lord Haskins has…taken charge of an inquiry by the Foreign Policy Centre…to develop a blueprint for reform of the EU’s Common Agricultural Policy. Marc Champion, Wall Street Journal

It was [Lord Haskins’] launch of a nine-month research project on the future of rural society by the Foreign Policy Centre that particularly caught the government’s eye. Margaret Beckett, the environment, food and rural affairs secretary, was impressed by his comments at the launch last month. Cathy Newman, Financial Times