Ralf Dahrendorf Taskforce on the Future of the European Union

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Democratic Deficit in the EU: the Real Problem of the EU?

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It seems obvious that there is some sort of democratic deficit (DD) in the EU: People in Europe do not understand its institutional design. Their trust in the EU institutions and the support for EU membership is declining (2009-2013). The only directly elected institution is the European Parliament (EP), but EP elections are defined by low turn-out and voting behaviour based on the actions of national governments, hence missing the direct link with the agenda of the EU. Last but not least, we have witnessed a rise of EU-phobic parties gaining significant support in many countries. While it is difficult, if not plain impossible, to find one leading reason for all this, democratic deficit is mentioned so often that it seemingly aspires to be the diagnosis of the current malaise in the EU. But is it really?

One notion, many meanings

I have the privilege to work with liberals and libertarian organisations. While the pursuit of maximal personal freedom is uniting these people, there are many controversial issues and the attitude towards the EU is one of the most striking to me. I know some of the most ferocious advocates and opponents of the EU within our liberal family. The former plead to find courage to undertake the decisive step towards real federalisation, the later, on the contrary, argue for more courage to reverse the current process and significantly scale back the whole EU to some sort of looser economic cooperation. Interestingly, both sides make use of the democratic deficit argument.

I begin with this example on purpose without providing a proper definition in the first place. Before I even try to deliver one, I would like to highlight that the democratic deficit seems to be some political-science notion that is clearly describing the reality in a neutral way– i.e. being empirical. But the fact that one argument leads to two very contrasting conclusion makes me think a little bit deeper about this.

We use the term DD to state that there is some problem; to speak of a problem envisages a discrepancy between the current state and some imagined/ideal state. In the case of the EU we compare the current state with some state of the past phases of integration or even more with some ideal state to be reached in the future. And that is the point where we are entering the normative waters: We have to define what the ideal state of the EU is in the first place and only then we can clearly define what the "problem" means and entails.

Hence, I suggest challenging everybody who is speaking of democratic deficit by asking a simple question: what is the ideal state of the EU or Europe that you would call fully democratic?

I suspect that some may say that democracy on the international level is not possible. People such as Vaclav Klaus, the former Czech Prime Minister and President and relentless critic of the EU, are notoriously arguing that only an intergovernmental approach has the proper democratic legitimacy as citizens of national states are the ultimate sovereigns. The legitimacy of the national states is not based only on national elections, but also on shared history, culture and language, which makes not only for strong identity, but also some congruent interests. Democracy requires one demos. In the EU, there is arguably no European demos and the European identity is rather week. Any attempt to create such an identity or demos is social engineering in their argumentation.[1]

On the other side, the advocates of EU federalisation would argue that democracy on the European level is possible as it is possible to have democracy with multiple nations (such as Switzerland or India). In their view, federal institutions will play the constructive role for creating the European Demos.

[1] Klaus, Vaclav. 2014. The Never-Ending Struggle for Free Society. Prague: Institut Vaclava Klause.

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When thinking whether democracy is possible on a supra-national level, we should keep in mind that, at first, democracy was only possible in small cities and only for a limited cohort of citizens. Over the centuries, democracy was able to redefine its foundations in terms of size, scale and scope.[2] Democracy is remarkably flexible. Therefore, the current challenge is whether we can find a proper democratic design for multi-level governance. The European Union is pioneering this process since there is no other precedence in the history of the entire planet.

For that reason, any statement about a democratic deficit of the EU draws the conclusion from comparison with national democracies. On this level democracy now has the longest and most successful record. So let us have a look where the EU's democracy is differing from member states.

Enlighten despotism

In his analysis of the democratic deficit in the EU, Andrew Moravcsik rightly points out that all modern liberal democracies are primarily constitutional and not popular.[3] Although the winning majority in elections may empower political parties to change their policies, many important issues are taken out from politics (and hence out of the popular voting). The issues are defined in the constitution (such as human rights, protection of minorities, central banking etc.) as the very core of democracy that cannot be changed by elections. The quality of democracy rests on the rule of law, separation of powers and the system of check and balances. Elections usually constitute the final layer of democratic design once the precedent conditions are met (all sorts of illiberal democracies show that the process does not work in the opposite direction).[4]

Moravcsik argues that, having the principles of constitutional democracy in mind, the EU is actually very democratic. The EU is the ultimate checks-and-balances machinery. According to Simon Hix, the EU is an ultra-consensus system, with many veto players, with the necessity to combine differently defined majorities in the European commission, the Council of the EU and European Parliament (EP).[5] On top of that, any decision might be scrutinized partly by national parliaments and more importantly might be reviewed by domestic courts and European Court of Justice. In this respect the EU resembles one particular type of democracy which is called *consensual*, in the classification by Arend Lijphart. On the opposite end of the ideal spectrum is the *majoritarian (Westminster)* model.[6]

The consensual model of the EU originates from the early stages of the integration when it was important that none of the states felt like a looser. Hence, politics was not the leading principle, majoritarian voting was limited, and all potential losses had to be compensated for. It was important that the European Community had a neutral institutional design preferring bureaucracy and diplomacy over politics. Bearing in mind that European Communities were created primarily as a peace project, this approach made sense. The consensual approach lead by diplomatic manners and administered by neutral bureaucracy prevented major rifts among the states. This approach, however, has also some substantial drawbacks.

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[2] Schmitter, Philippe C. 2008, Diagnosing and Designing Democracy, working paper, available at: http://www.eui.eu/Documents/DepartmentsCentres/SPS/Profiles/Schmitter/DiagnosingAndDesigningDemocrac y.pdf&rct=j&q=&esrc=s&sa=U&ei=y5VWVMDfC4HeaLKlgOgP&ved=0CBkQFjAA&usg=AFQjCNEmbRRsx7 PnCrqUM5si9aR5MzL3IA

[3] See video „Andrew Moravcsik discusses democracy and the EU at a CEU konference", avalable at: http://www.youtube.com/watch?v=FgRE4Kukys4

[4] Zakaria, Fareed. 1997. The Rise of Illiberal Democracy. Foreign Affairs Nov/Dec 1997, pg.22.

[5] Hix, Simon. 2008. What is Wrong with the EU and How to Fix It. Camebridge: Polity Press.

[6] Lijphart, Arend. 1999. Patterns of democracy. New Haven: Yale University Press.

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The absence of real politics on the EU level resulted in a very technocratic and elite driven process. This approach is, in my opinion, aptly described in functional or neo-functional theories of the integration. The integration gets its own momentum, one step leads inevitably to other steps through spill-overs.

Creeping integration was perhaps the plan of the founding fathers, who did not dare to speak openly about the real goals of integration. It was actually J. Monnet who believed that Europe could be united by bureaucracy. Creeping integration may work in certain conditions (especially in times of growth), but it is hardly the right way to legitimize such a process, especial in times of crisis.

Hix called the result of this process as *enlightened despotism*.[7] There is no contest for control of the political agenda, no electoral agenda for debating directions of policy agenda, and no clear opposition (leadership in waiting). Procedurally, we may have a constitutional democracy in the EU, but we lack the democratic substance.

Relevant but not salient enough

At the time being, I believe we reached the limits of the integration led by bureaucracy and diplomacy. The cooperation in the early stages of the integration project was predominantly a win-win situation for all stakeholders. The benefits were abundant and potential conflicts could be balanced by concessions in other areas (which was possible by the constant widening of the EU agenda). The low-hanging fruits of early integration are ripe and to proceed further it seems inevitable to cope with win-lose situations (do not get me wrong, I still believe that integration based on sound principle is a non-zero sum game). During the early stages of integration the crucial question was which policies should be shifted to the EU level, now the question is how to reform these EU policies. And it is needless to say that reaching an agreement on any reform is very hard nowadays, especially in a highly consensual model with many veto players.

So what is the definition of democracy to be used for describing the deficit in the EU? Let me use Hix's definition as "an open and transparent contest over the direction of the policy agendas with identifiable winner and losers."[8] The question is, does the EU bear more competition? Or shall we reform it from consensual model to a more majoritarian?

I carefully say yes to the first question and no to the second. The majoritarian model is neither realistic, nor desirable, as the heterogeneity of the European states and nations bears only limited competition.

But I agree with Hix that, while any major institutional re-design via changes in the primary law are costing too much time and effort while leading to very modest changes, we should focus on incremental changes. He pleads for limited democratic politics that should introduce more competition and transparency. Hix also argues that some sort of democratic politics is already emerging:

- In the EP, voting behaviour analysis reveals an emergence of cohesive and competitive parties in the period from 2004-2014 (much more cohesive than the US parties).
- In the Council of the EU some policy oriented contestation is growing.
- In the European Commission party political coalitions are being built.

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[7] See conclusion of his presentation „Simon Hix: The Emergence of Democratic Politics in the EU (Intro + Lecture); https://www.youtube.com/watch?v=gZAzODFtzO0
[8] ibid

The introduction of a more competitive appointment of the President of the European Commission might be a good example. The appointment European Commission Juncker, based on the results of the EP elections, is definitely a precedent redefining the role of the EP elections vis-a-vis the formation of the European Commission.

It is further necessary to make some procedures more transparent, especially in the Council of the EU. A lack of transparency enables national leaders to play a false game by talking differently in Brussels behind closed doors and then in their domestic political arena. Too often we witness the situation where nobody is feeling responsible for the decisions. Brussels, some imaginary agency, is then being blamed for decisions that have been negotiated by real people, usually representing governments of national states. Introducing more transparency and competitiveness will force elites to compete, lead to policy innovation and encourage media coverage. Potentially, it can even engage citizens and ultimately increase the legitimacy of the EU.

But we have to be realistic and see the limits of the public engagement. Let me quote Moravcsik again to explain why: In his opinion, we should not wonder about low interest and popular participation in EU issues because the policies on the EU level are not salient to citizens. This does not mean that EU policies are not relevant (he explicitly says they are highly relevant). But these policies just do not make people go out and vote. Salient policies are those that make people organize themselves and vote coherently. These issues are linked mostly to taxation and spending (i.e. healthcare, pensions, housing, education policies), and crime related issues. Most of these issues remain mostly member states prerogatives.

Interestingly, Moravcsik argues against the attempts to further involve citizens in order to raise the democratic legitimacy. Increasing participation must not necessarily lead to higher support and legitimacy. People trust in non-participatory institutions such as army, justice, and police, while the trust in political institutions is rather low (national governments and parliaments enjoy lower level of trust than the European).

Summary

If we compare the EU with constitutional liberal democracies, the EU is not as non-democratic as it seems. The EU is an ultra-consensual model of democracy where diplomacy and bureaucracy are preferred to competitive politics. I agree with the analysis of Simon Hix arguing for a more competitive and transparent model, introducing "limited democratic politics". There are actually already some minor changes in the voting behaviours of the basic EU institutions and the EP parties. The appointment of Juncker based on the results of the EP elections might be considered as another step towards increasing the legitimacy of the EU. More transparency in some decision processes should be next step.

More competition and openness could also partly remedy the drawback of the old approach that was based mostly on diplomacy and bureaucracy. European integration should not be pushed forward by some anonymous functional approach using the arguments of necessity and inevitability. Integration must not be a one-way street driven by elites only. Any step further must be open to critical discussion and political competition. Only that can prevent populist parties from gaining more support.

The EU remains distant to its citizens and it is questionable if any institutional change may change the level of popular engagement given that people are more attracted to domestic policies which are more salient to them.

While I think that a DD is real problem, its relevance should not be overestimated. We should be aware that it is a normative concept which is closely related to the preference of the ideal state in the EU. As people and politicians differ in this, the DD argument can be used to argue for very different proposals and institutional designs.

I try to see the DD challenge in the wider context where national politics in many member states is also facing a certain crisis of legitimacy. Politicians in national states are struggling with sovereign debts and many structural reforms. If it is often quoted that the EU is suffering from the "remoteness from citizens that have no real say", the same problem can be observed in many states where people feel little power to change the direction of domestic policies.

Nevertheless the DD must be taken seriously as it is perceived (and hence real, in Thomson-theorem sense) problem that is used now in the EU political discourse.

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