

HOW FAR CAN THE EUROPEAN PARLIAMENT CORRECT THE EUROPEAN UNION'S DEMOCRATIC DEFICIT?

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Abstract. *Whatever the definition for democracy and democratic deficit is, the European Union is expected to develop some of the democratic features that member states present in order to compensate for the loss of legitimacy at the national level. The European Parliament, as the single elected institution of the European Union, is not only expected to comply with the basic requirements of democracy, but also to be a tool for enhancing democracy in the whole European political system.*

Starting the discussion by presenting the most important views expressed in the literature regarding the European Union's democratic deficit, the paper aims to present the main strengths and weaknesses of the European Parliament in correcting the democratic deficit. It will be demonstrated that although the EP can correct the democratic deficit at the European level through its elections, the functions it performs and through its party system, it also has many limits in fulfilling this task. It can be stated that the same mechanisms which allow the EP to be a promoter of democracy inside the EU, also limit its capacity in this area and make the EP seem rather as part of the problem than a solution to it.

Keywords: *European Union, democratic deficit, European Parliament*

I. Democratic deficit and the European Union

Debates about the existence at the European level of some kind of democratic deficit began to emerge in the 1990s in the aftermath of the Maastricht Treaty that created the European Union with its three pillars. The emergence of this debate is attributed by the scholars to the disappearance from the European scene of the permissive consensus¹ that has characterized the European integration for four decades. The reality is that

the founding fathers of the European integration process did not pay much attention to its democratic credentials and as long as the actions at the supranational level were perceived as working in everyone's interest no one contested the European Union's actions. As mentioned by Sharpf, this lack of contestation of the European Union's policies and actions began to change once new areas of activity, with much more impact on citizens' lives, were transferred at the EU level².

Every discussion about democracy and democratic deficit should start with answering to the question what is legitimacy, as democracy is considered one of the most powerful instruments of legitimation. In the simplest words legitimacy means that "persons subject to the binding rules made by

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¹ Dimitris N. Chrysoschoou, "EU democracy and the democratic deficit", in *European Union Politics*, ed. by Michelle Cini (New York: Oxford University Press, 2003), 367.

² F. W. Sharpf, "Economic Integration, Democracy and the Welfare State", *Journal of European Public Policy* 4, no. 1 (1997): 23.

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political authorities, or at least the overwhelming majority of them, must accept that the political institutions making those rules have a right to do so³. For a political system to be considered as being legitimate it has to comply with three conditions: democracy, performance, and identity.

The first component of legitimation, democracy, also labeled as the system's input, as simple as it may seem, is a concept open to a variety of interpretations. Christopher Lord considers that its attributes can be reduced to two: the public must be able to control those who make decisions on its behalf and citizens should exercise such control as equals, and the key principles by which this is realized are the following: authorization, representation and accountability⁴. According to the second element of legitimacy, the political system is also expected to perform reasonably well and to fulfill the needs of its citizens. Defined like this, performance can be seen as the system's output. Despite this distinction between democracy as input and performance as output, it should be stated that there are also scholars who see both the input and the output as being part of the definition of democracy⁵. Finally, the identity element of

legitimacy requires a convergence of identity between the rulers and the ones being ruled, with the latter group considering that the former one is part of it.

If democracy is so difficult to define even when generally talking about it, it is obvious that it becomes even more difficult when applying the concept in the context of the European Union. The EU is often seen as an unfinished political system⁶, as a democracy still under construction, or as a "regional state" which differentiates itself from nation states due to its variable boundaries in terms of territory and policy areas and due to its composite identity.

In spite of the widespread debate, there is no consensus among scholars what the democratic deficit is all about, whether it really exists at the European level, whether democracy is needed at the EU level and what are the best solutions for developing an authentic democracy in Europe. As Andreas Follesdal and Simon Six correctly assess, "definitions are as varied as the nationality, intellectual position and preferred solutions of the scholars or commentators who write on the subject"⁷. As such, Christopher Lord, for example, defines democratic deficit as meaning that "decisions in the EU are in some way insufficiently representative of, or accountable to, the nations and the people of Europe"⁸. This definition seems to take into account only the input side of legitimacy as previously described.

³ Lynn Dobson and Weale Albert, "Governance and Legitimacy", in *The European Union: How Does It Work?*, ed. by Elizabeth Bomberg and Alexander Stubb (New York: Oxford University Press, 2003), 160.

⁴ Christopher Lord, "Democracy and democratization in the European Union", in *Governing the European Union*, ed. by Simon Bromley (London: SAGE Publications, 2001), 167.

⁵ For example F. W. Sharp considers that democracy is a two-dimensional concept, which on the input side requires political choices to be derived from the authentic preferences of the citizens and on the output side implies that the choices of government are able to achieve a high degree of effectiveness in meeting the preferences of citizens. Seen as such, democratic deficit should be analyzed not only in terms of the inputs of the political system but also in terms of its outputs.

⁶ See for example Gianfranco Pasquino, "The Democratic Legitimation of European Institutions", *The International Spectator*, no. 4 (2002): 36.

⁷ Andreas Follesdal and Simon Hix, "Why There is a Democratic Deficit in the EU: A response to Majone and Moravcsik", *Journal of Common Market Studies* 44, no. 3 (2006): 534.

⁸ Christopher Lord, *op. cit.*, 165.

But there are also wider descriptions of the European Union's democratic deficit which combine the input element and the identity element of legitimacy as described above. From this perspective, the EU is suffering from an institutional but also from a socio-psychological democratic deficit. Dimitris N. Chrysochoou⁹ considers that from an institutional perspective the democratic deficit is related to the flawed inter-institutional relationships that characterize the European Union. The transfer of legislative competences from national assemblies to the European institutions has not led to an increase of accountability, transparency and simplification from the European institutions. The socio-psychological perspective starts from the assumption that without a European demos there can be no democracy at the European level. The emergence of a European civic identity is thus considered to be crucial for democratization at the EU level.

Other scholars, on the contrary, have focused more on the democratic deficit in terms of the output of the political system developed at the EU level. Acknowledging that most analyses focus on the weaknesses of the input structures at the level of the European Union, Sharpf blames the European leaders for concentrating on creating an economic area through negative integration and failing to deliver, through positive integration, policies that could comply with the citizens' preferences¹⁰. Sharpf's theory seems to be contradicted by scholars which have attempted to demonstrate that there is no democratic deficit at the EU level in terms of the output of the system. This is so because the voting system employed at the EU level, with large

majorities required in the Council and in the European Parliament, leads to a reflection of the median voter's preferences in the decisions taken at the supranational level¹¹.

But is there really a democratic deficit at the EU level at all? Andrew Moravcsik, writing from a liberal intergovernmentalist point of view, considers that democratic deficit is not a problem for the European Union as long as the division of labor between the EU and the member states determines the former to specialize in exactly those areas that tend to involve less direct political participation. Not only are there a number of constraints which impede the European Union to become a super state, but at the same time the European system seems not to be lacking accountability or transparency more than the nation state¹².

Finally, there are even scholars that pose the question whether the EU should become democratic. Giandomenico Magione emphasizes the idea that there are non-democratic sources of legitimacy and that policy areas differ in their need for legitimation. In his view, the EU is a regulatory state whose main function is to address market failures and thus to produce policy outcomes that are Pareto-efficient rather than redistributive. From this perspective, the legitimacy of regulatory bodies derives from their independent expertise, while the influence of politics on regulatory policies and institutions would be pervasive and a way of undermining the legitimacy of the political

⁹ Dimitris N. Chrysochoou, *op. cit.*, 368-374.

¹⁰ F. W. Sharpf, *op. cit.*

¹¹ Christophe Crombez, "The Democratic Deficit in the European Union. Much Ado about Nothing?", *European Union Politics* 4, no. 1 (2003): 101-120.

¹² Andrew Moravcsik, "In Defence of the 'Democratic Deficit': Reassessing Legitimacy in the European Union", *Journal of Common Market Studies* 40, no. 4 (2002): 603-624.

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system¹³. The most important problem with Majone's theory is that most policies developed at the EU level have also redistributive effects, which makes the presence of democratic sources of legitimation imperative.

The reality is that "some form of democracy at the EU level is necessary to make good the loss of democratic control at the national level, even if this does not mean that democracy/democratic control of decision-making is only viable at the new 'European' level"¹⁴. This being the case and recognizing the importance of the legislative bodies in any democracy, the next pages will be an attempt to present the role and the limits of the European Parliament in constructing an authentic democracy at the European level.

II. The ability of the European Parliament to correct the democratic deficit

Having in mind the fact that the European Parliament is the only directly elected multinational parliament in the world, as well as the only elected institution in the European political system, it is no surprise that it has a central role in analyzing the democratic deficit of the European Union. There are many mechanisms through which the European Parliament can correct the democratic deficit at the supranational level and this is one of the reasons why some scholars like to present this institution as suffering the least form democratic deficit¹⁵. But because of the

functions that any parliament is expected to perform in a democracy, namely representation, decision and supervision of the executive, the European Parliament is at the same time more and more associated with the EU's democracy problem for the way it performs the above-mentioned functions.

Elections are seen as one of the central mechanisms of any representative democracy as they allow voters to choose between rival agendas for public policy and to choose between rival office-holders. The European Parliament is directly elected since 1979, after long discussions and delays from the part of the member states. The reluctance of member states to consent to direct election for the EP is a consequence of the following dilemma: why to directly elect a parliament which lacks considerable powers?¹⁶ Direct elections made the EP more assertive in its relations with the Council and the Commission and pave the way for the extension of its legislative and supervisory powers.

The other mechanism through which the European Parliament is expected to reduce the democratic deficit is its powers in what concerns the adoption of legislation at the European level, its powers to control the European executive and to have a saying in the adoption of the European budget.

The legislative powers of the EP have increased constantly starting with the Single European Act and are considered to be crucial for several reasons: rule making is the main business of the EU, the EP does not have to follow the orders of a government and as such has more freedom to legislate as it feels, is one of the main points of the EU's political system in which the EP's opinion can really matter in front of the Commission and the

¹³ Giandomenico Majone, "The Politics of Regulation and European Regulatory Institutions", in *Governing Europe*, ed. by Jack Hayward and Anand Menon (New York: Oxford University Press, 2003), 311.

¹⁴ Alex Warleigh, *Democracy and the European Union. Theory, Practice and Reform* (London: SAGE Publications, 2003), 7.

¹⁵ Gianfranco Pasquino, *op. cit.*, 41.

¹⁶ Michael Shackleton, "The European Parliament", in *The Institutions of the European Union*, ed. by John Peterson and Michael Shackleton (New York: Oxford University Press, 2002), 97.

Council and, finally, most of the areas included in the first pillar are regulated by the EP in collaboration with the Commission and the Council of Ministers.

Member states realized that as more domains of activity were transferred from the national to the supranational arena and as the qualified majority system extended constantly, some new form of legitimation was needed at the EU level. Thus, this increase in the democratic deficit was sought to be compensated by granting new powers to the EP. While until the entrance into force of the Single European Act, the EP had weak legislative powers under the consultation procedure, this situation changed as two new procedures, cooperation and assent, were introduced. The Maastricht Treaty continued the pace of empowering the EP by introducing the co-decision procedure, which was further modified by the Amsterdam Treaty. Co-decision has been extended constantly to new areas and it is now considered to be the main legislative procedure inside the EU. If under the cooperation procedure the EP is thought to have gained conditional agenda-setting powers due to the possibility for it to amend the proposals coming from the Commission, the co-decision procedure finally put the EP and the Council on the same footing, as now the agenda setting power lies in the conciliation committee formed by both members of the EP and of the Council¹⁷.

Another way for the EP to determine the content of the EU legislation is to influence proposals made by the Commission or even make its own proposals. As for influencing proposals, the EP sometimes participates in discussions with the Commission in the pre-proposal stage and has the power to indirectly influence the annual legislative programme of

the Commission by approving it. The EP also has the capacity to make its own proposals by submitting a report to the Commission or by making a request in the name of the majority of its members to the Commission in areas where a legislative act is needed for implementing the treaties.

Although it is a recognized idea in the literature that controlling executives has become a difficult task for the parliaments as problems are becoming more and more specialized¹⁸, the EP has some powers to supervise the activities of the main European executive bodies. In what regards the European Commission, the EP has the following mechanisms of control at its disposal: approval of the president of the Commission, approval of the Commission as a body, two-thirds of the EP members can decide by adopting a motion of censure to dismiss the Commission, an annual general report is submitted by the Commission to the EP, the Commission reports in front of the EP for the budget implementation, supervision of the Commission through the EP's standing Committees, the EP can establish temporary committees of inquiry to investigate maladministration in the implementation of Community law and questions can be asked of the Commission. As for the Council of Ministers, the EP has only indirectly mechanisms to control its activity through the presence of the ministers and the presidency at the plenary meetings of the EP or at the committees' meetings.

The powers to participate in the budgetary process were first granted to the EP in the 1970's. As such, the EP has the capacity to propose modifications to compulsory expenditure which then have to be approved by the Council, has the right to propose

¹⁷ George Tsebelis and Geoffrey Garrett, "Legislative Politics in the European Union", *European Union Politics* 1, no. 1 (2000): 23.

¹⁸ Neill Nugent, *The Government and Politics of the European Union*, 5th edition (New York and Hampshire: Palgrave MacMillan, 2003), 206.

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amendments to non-compulsory expenditures and has the power to reject the draft budget and ask for a new one to be submitted to it. The Interinstitutional Agreement on Budgetary Discipline adopted in the 1980s gave new powers to the EP in approving the budgetary perspectives which determine the ceiling of EU spending for a few years and which cannot be modified without the approval of all the institutions involved: the Commission, the EP and the Council of Ministers.

Political groups in the EP are the main agents in the aggregation of interests at the EU level and any analysis of the democratic deficit should not leave aside this important mechanism of enhancing democracy. In order for a party system to be considered democratic it has to comply with two essential requirements: internally hierarchical organization and competition rather than collusion between these organizations. For the first requirement to be fulfilled party groups would have to behave in a cohesive way, so that voting would be driven by transnational party membership rather than national affiliation. Analyzing the behavior of MEPs in roll-cast votes through the decades, Simon Hix et al. concluded that the political parties involved at the EU level are cohesive organizations. As for the competitive feature, the same analysis shows that, in spite of the widespread idea that parties in the EP collude rather than compete, the evidence points to the contrary. While it is true that the major parties in the EP, EPP and PES, prefer to collude on institutional matters they are rather divided when it comes to socio-economic problems, so the right-left classical division emerges even at the European level¹⁹.

¹⁹ Simon Hix, Amie Kreppel and Abdul Noury, "The Party System in the European Parliament: Collusive or Competitive?", *Journal of Common Market Studies* 41, no. 2 (2003): 309.

Having established the virtues of the EP in correcting the EU's democratic deficit, the paper will now proceed in analyzing the limits of the EP's to be a genuine promoter of democracy in the European Union.

III. The limits of the European Parliament in correcting the democratic deficit

The first critique addressed to the European Parliament concerns the European elections which are not at all European elections but actually second-order national elections. The theory about the European elections being second-order in comparison to the national elections seems to apply even to the 2004 elections for the EP, in spite of the many changes that have been undertaken at the European level. As Hermann Schmitt presents in his analysis²⁰, the main features of the second-order national elections model still characterize the 2004 elections: participation is lower than in national elections, government parties lose and small parties tend to do better than in first-order elections. All these characteristics are a consequence of the elections' drawbacks: campaigns are dominated by national problems rather than European issues as parties prefer to remain silent on this latter issue, absence of a uniform voting system, absence of the European-wide lists from which the voters should choose, and the European party groups are not relevant in this election.

These rather negative features of the European elections have many implications for the democratic deficit. First of all, low turnouts at the European elections does not necessarily imply that the European Parliament lacks

²⁰ Hermann Schmitt, "The European Parliament Elections of June 2004: Still second-Order?", *West European Politics* 28, no. 3 (May 2005): 650-679.

legitimacy, as it has been established that a low turnout is not a consequence of the anti-European preferences of the voters but rather a consequence of the fact that European elections do not provide voters with meaningful choices which would give them a say in the European affairs²¹. European parties are also the ones to blame for this lack of debate on European issues and for forgetting their European affiliation when it comes to the elections.

If absenteeism is a consequence of the perception that European elections only determine partially where the power really lies in the European system²², a solution to this problem often mentioned in the literature would be for the president of the European Commission to reflect the majority in the EP. This move would surely give more incentives for the voters to go to the polls but in the same time it would diminish EP's freedom of movement as it would need to constantly sustain a government. Despite of this critique, one should not forget the importance of the opposition in any democracy and this move would lead exactly to its emergence at the European level and would provide more incentives for the Commission to change its policies according to the voters' preferences.

Political contestation, as a corollary of competitive elections, would also help in what regards the opinion formation of the European voters since education and information is exactly what the European electorate needs. A greater understanding of the EP's influence could be conducive to greater levels of participation in the EU

elections. But the problem is how to make more understandable an institution which fails to meet even the most primary requirements of transparency?²³

The way European elections stand today makes some scholars conclude that there is no electoral linkage to the politics of representation and accountability: the policies at the EU level do not derive from the voters' preferences and elections fail to reflect the analysis of the performance of the EP and of the EU over the previous years. What the EP seems to be lacking is not more power but a mandate from the European electorate to use that power in a particular way. If this is the case, one should ask himself how could these elections contribute in any way to the formation of a European demos?

There are also problems in what regards the legislative, budgetary and supervisory powers of the European legislator. Starting with the legislative powers of the EP, it can be stated that the EP has no full legislative powers, in contrast to national parliaments. Although the co-decision procedure has been extended to most of the areas in the first pillar, member states are unwilling to extend it to the whole pillar despite the constant battle fought in this sense by the EP. But what is even more undemocratic is the EP's lack of legislative powers in the second and third pillar of the European Union, pillars that remain intergovernmental in nature.

Another move to keep the EP distant from the legislative arena has been the constant migration of decision-making from the Council of Ministers to the European Council, on

²¹ Mark Franklin, "European elections and the European voter", in *European Union. Power and policy-making*, 3rd edition, ed. by Jeremy Richardson (New York: Routledge, 2006), 233.

²² Christopher Lord, *op. cit.*, 176.

²³ On EP's lack of transparency see Pierpaolo Settembri's analysis: Pierpaolo Settembri, "Transparency and the EU Legislator: 'Let He Who is Without Sin Cast the First Stone'", *Journal of Common Market Studies* 43, no. 3 (2005): 637-654.

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which the EP has no powers of control. The same move can be noticed in what concerns implementation policy-making which remains under the sole power of the Commission. Moreover, the EP lacks any power in history decision-making, which means that the MEPs have nothing to say in the intergovernmental conferences that lead to changes in the funding treaties. Although some changes in this area have been undertaken, as for example the EP's participation in the discussions that lead to the drafting of the Charter of Fundamental Rights, its powers depend on the willingness of the members states. As for the power of the EP to initiate legislative proposals, one of the most important features of any parliament, this is dependent on the willingness of the Commission when the EP requests it through a report.

Looking more closely to the EP's supervisory powers these seem to be the weakest in relation to the European Council, on which the EP has no power what so ever and the same scenario can be noticed in the relation of the EP with national agencies responsible for implementing European policies. The last point to be addressed in what regards EP's powers is its weak role in deciding the compulsory spending areas of the budget, areas which encompasses among others agriculture, the most costly European policy.

As we have seen one of the limits of EP's possibility to reduce democratic deficit lies in the non-European behavior of the supranational party groups. In spite of the attempt of Simon Hix et. al to demonstrate the cohesiveness and competitive characteristics of the EU's political party, there is much evidence pointing in the opposite direction. Neill Nugent is one of the scholars that

analyze the drawbacks of the EU political system: the great number of national political parties in the EP, group formation and composition is highly fluid making a clear party ideology difficult to emerge and all groups are marked by significant internal divisions²⁴. Moreover, the long-term cost of the collaboration between the two main groups in the EP, the European Popular Party-European Democrats and the European Socialist Party, is the inability of voters to distinguish the choices or cleavages intrinsic to European integration.

IV. Conclusion

If in any democracy a parliament is expected to suffer the least from democratic deficit, then the European Parliament fails in passing this test. Whether looking at the input side, where the European elections have many drawbacks, at the output side, where the voters' preferences do not even count when the grand coalition is formed in the parliament, or at the identity element of legitimacy, where the voters do not even know what happens in the EP, the conclusion seems to be the same: the European Parliament suffers from democratic deficit as much as any institution at the EU level.

But if the European Union is considered to be a democracy under construction, the conclusion should not be that radical since many of the drawbacks addressed can still be addressed. The reality is that the constant increase in EP's power has not made it more democratic and maybe the European leaders should try to find the solution for democratization somewhere else, that is, if they are really looking for democratization at all.

²⁴ Neill Nugent, *op. cit.*, 217-220.

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