



DEMOCRACY DEFICIT OR GOVERNMENT GAP?

*What is the real problem
facing the European Union and the Eurozone
and how can it be fixed?*

REPORT

Speakers :

- **Andrew Duff**, Honorary President of the Union of European Federalists, former MEP, author of *“Pandora, Penelope, Polity: How to Change the European Union”*
- **Richard Youngs**, Senior Associate at Carnegie Europe, author of *“Europe’s democratic trilemma”*
- **Julien Zalc**, Consultant for TNS Opinion and contributor to the Robert Schuman Foundation, author of the study *“Overcoming the democratic breakdown in the European Union”*

Moderated by:

- **Paolo Vacca**, UEF Secretary General



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The EU and the Eurozone are facing two challenges. On the one hand, the powers of the EU and the EMU have been increased with no institutional change to support their democratic legitimacy. On the other hand, there is a widening gap between the expectations that citizens and Member States have in the EU (for instance in the fields of economic growth and security) and its actual capabilities to deliver. The panel will dig into the connections between these challenges and answer the question whether this is a real problem of the EU or part of the narrative of the EU's opponents. The next question will be whether these challenges are circumstantial or structural and how they can be met. Finally, panellists will try to determine whether such flaws are characteristic only of the EU or whether, on the contrary, they are framed in a much more complex challenge for modern democratic systems, with local, national and European aspects.



Julien Zalc presented the paper [“Overcoming the democratic breakdown in the EU”](#). This paper, published by the Robert Schuman Foundation, is based on the analysis of Eurobarometer surveys regarding the EU citizens’ perception of democracy at European level. This study reveals that when democracy is understood as a society model, most Europeans are satisfied with the EU. However, when the word democracy is used to describe a political system, approximately the same number of people express their

dissatisfaction. This explains the low level of trust in EU institutions, although this trend seems to reverse after the last European elections.

The survey also shows a correlation between the levels of information and trust. The more informed citizens feel, the more they trust the EU Institutions. Thus, communication would be an essential route to bridging the gap between the EU and its citizens. This information should go both ways, since another correlation is also found between trust and the number of citizens feeling that their voice count at EU level.

The initiatives carried out by different EU institutions in order to address this problem suffer from a lack of outreach to the public. Initially most EU citizens were not aware of the possibility to introduce a European Citizens’ Initiative, the Citizens’ Dialogues or the Spitzenkandidaten System. However, when they were explained what they consisted of, most of them perceived these initiatives as great tools for improving the functioning of democracy at EU level.

Among some other considerations, EU citizens think that the way information is conveyed also plays a significant role, considering that social media would take EU politics closer to them. It is important to show that the EU fulfils its commitments to its citizens. Finally, it is necessary to further incarnate the EU. The EU needs faces, Juncker and his team seem to have understood this.

Richard Youngs, co-author of the article “Europe’s democratic trilemma”, carried out a diagnosis of the democratic challenge the EU is facing and recommended the adoption of an eclectic approach addressing the challenges of democracy both at local and at European level.

The democratic crisis shows that the EU has reached a turning point where it has to make a choice: taking the step to political union or disentangling national economies. However, the national governments have decided to avoid this choice.

This means that a kind of pro-democracy strategy is needed. First, it is necessary to transfer more democratic powers to the EU level. It is hard to do it when the EU lacks democratic legitimacy, but it also lacks democratic legitimacy because it does not have the necessary powers at its disposal. Secondly, it is crucial to understand that the output-legitimacy era is definitely over. Even if the economic situation improves, the lack of input legitimacy will still strike the EU.



Third, the situation in Greece shows that a political agreement will only constitute a temporary solution. A definitive solution can only be reached by tackling the underlying structural flaw of the Union. Therefore, today's Europe needs to rebuild its democratic legitimacy on the basis of variation.

Fourth, the debate must be broadened beyond the question of the EU's democratic deficit. Any solution should intend to regenerate democracy itself, at every level. The debate about the distribution of competences is sterile. Instead, it is the mechanisms of accountability to the citizens which must be overhauled in order to render the democracy more effective. It is not simply a debate about more Europe or less Europe, but about the qualitative nature of the political process. Conversely, a complete repatriation of powers to the national level would fail to address the citizens' discontent with democratic processes.

Finally, regarding anti-system parties, they cannot be addressed only by mainstream parties getting together to isolate them. Populism covers a great variety of political views, and not all of them are at odds with the idea of building a better quality democracy. The fight against populist parties must start with the regeneration of democratic legitimacy.

The roadmap towards this objective should aimed at the formulation of a new European narrative that reflects what citizens expect from the European project through a bottom-up approach. Solidarity is necessary in the EU, however, it cannot be imposed on the citizens. On the contrary, it is crucial to find a sense of voluntary solidarity. For this purpose the dichotomy between European solidarity and local democracy has to be broken. In order to show that the two concepts are not mutually exclusive, a three-level strategy must be followed, what has been called the democratic trilemma. A better quality and vibrant democracy at local level must be pursued. This is not only a question of subsidiarity. Citizens have to be involved at the local level so that they can express what they expect from the EU. This way, EU solidarity could be based on the ground of local particularities.

Andrew Duff, UEF Honorary President and Author of *Penelope, Pandora, Polity: how to change the European Union* explained why the main challenge that the European Union is facing consists in a government gap, generated by the misalignment of decision-making powers and the capabilities necessary to implement the respective policies.

At European level, the primary problem is not a weak Parliament, but the absence of a strong government. A concentrated European executive authority with all the instruments and resources it needs in its hands to produce qualitative and quantitative improvements in the provision of European public goods is required. Today, the European executive is limited to the coordination of separate national policies through a series of gentlemen's agreements and voluntary codes and contracts. The attempt to govern a Eurozone through occasional meetings of prime ministers and presidents does not work. The dispersal of the executive authority between the different institutions is not working and cannot consolidate the Euro and stimulate a steady economic recovery. At the same time, the

Treaty of Lisbon has been stretched to limits beyond toleration. The Courts are exposing the problem that the Treaty is more prohibitive than it is permissive, preventing the Commission from exercising itself fluently across the comprehensive political spectrum.



The EU is trapped in a limbo between an intergovernmental and an almost federal system and it still refuses to take a step forward into a genuinely federal system. Even well informed people trust the European Union less and less. It faces the risk of disintegration, and this risk is greater than ever. If it cannot move from convergence to integration, it will be lost. This can only be done through the centralisation of powers at the federal level.

Subsidiarity is interpreted in the wrong way. Too much emphasis is put on the decentralisation dimension, while often the opposite would be required. It should be seen as the search for the added value of acting at European level. Many British people, speakers and scholars insist on returning powers to national parliaments. But this would constitute a great failure of

national parliaments, which would have failed to support the integration exercise with conviction and skill.

Therefore the EU needs the restoration of a respectful budget and the transferral of the capacity to legislate in tax matters. It also needs the powers to achieve a proper common energy supply policy and to respond to public uncertainty about migration. But all this requires the revision of the Treaties. And the longer this prospect is avoided, the greater the support will be for the European Council's practice based on procrastination and relying on peer review. Or, to put it another way, the greater the chance will be that the EU fails.

Debate with the audience

The debate focused first on the instruments available to citizens in order to push for the democratic overhaul of the European Union. The discussion about the ECI and other European citizens' participation forums concluded that they had been ill-conceived, since they allow citizens to provide input in a too narrow and restrictive format. Therefore, they are not adapted for the kind of fundamental debate that the process requires. However, a first step would be for enlightened citizens to raise awareness about these tools in their environment. The main instrument that would complete the overhaul of the European electoral system would be the establishment of transnational lists at European Parliament elections.

The audience also expressed their concerns regarding the establishment of a strong European government without the necessary democratic counterbalances. The panel explained that the democratic problem of the EU comes from the misalignment of the capacities and level of decision. Many problems are beyond the capacity of Member States, and should be addressed at European level. As long as the Union lacks the means to address those problems, it will be unable to deploy its potential, and the democratic system will remain frustrated. At the same time, a transferral of capabilities to the European level would automatically strengthen the European Parliament.

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