

Speech by Christopher Tugendhat, EEC Commissioner responsible for the Budget and Financial Institutions, to the Institut Royal des Relations Internationales, in the Palais des Académies, on Monday, 27th November 1978

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THE DIRECTLY ELECTED PARLIAMENT: A PROGRAMME FOR ACTION

Direct Elections to the European Parliament, now scheduled to be held for the first time in June next year, should make it possible significantly to extend the influence of the peoples of the Member States in the Community's decisions making. If such an extension does indeed take place, the Community will, I believe, be able to enter a new much more dynamic phase of development based upon the foundation of much more complete public trust than at present in all its institutions and policies.

But it is very important not to imagine that there is some inexorable historical or sociological law which guarantees that once they are directly elected, European MPs will have a substantial influence upon Community policy. The formal powers of the European Parliament are, in comparison with those of most of the Community's national Parliaments, very limited. Unless the new Parliament conducts itself with considerable skill and wisdom, it is perfectly possible that it will make very little impact.

In my view, a failure by the directly elected Parliament to realise the high hopes that many have invested in it could have a very damaging effect upon public attitudes towards the Community. I would like today therefore to talk about the manner in which both the Parliament, and also the body of which I am a Member, the European Commission, must behave if the Parliament's effectiveness is to be maximised.

Avoiding national analogies

The 410 members of the new Parliament will include people from many different national backgrounds and constitutional traditions, very few of whom will have experience of the Community's institutions. In these circumstances it will be very difficult for Euro-MPs to identify and to apply the approach most likely to yield the best results.

It is probably inevitable that many of them will be tempted to set their sights upon acquiring powers in relation to the Community's other institutions analogous to the powers enjoyed by national parliaments in relation to national governments. Such a course, however, would be entirely inappropriate, and almost certainly extremely damaging to Parliament's prospects of increasing its influence.

It would be inappropriate because all the institutions of the Community, including the Parliament, are quite different, both in form and function, from those of the Community's national governments. And it would be damaging to the Parliament's prospects because it would be bound to lead to a major constitutional collision with the Council of Ministers in which the Parliament would be bound to sustain by far the severest injuries.

The American Congress

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To warn of the dangers of relying too heavily on the analogies offered by their own national Parliaments is not of course to say that MEPs should not try to learn from the constitutional experience of others. One of the features which will distinguish the directly elected Parliament from most of its national counterparts within the Community is its lack of the power to form governments. This is a characteristic which it will share, however, with the American Congress, and in my view the Parliament would be well advised closely to examine how Congress has acquired its very formidable position within the American political system. For although it is true that Congress enjoys legislative powers that the directly elected Parliament will lack, another major source of its influence has been the use of its committee system systematically and relentlessly to demand from the executive detailed explanations and justifications - very often in public session - of every aspect of federal policy.

There can be no doubt whatever that the knowledge that they will have to explain and defend their actions before Congressional Committees has a very substantial and salutary effect upon the actions of American Governments. I am convinced that if the European Parliament follows Congress' example and concentrates primarily upon ensuring that the Council of Ministers and the European Commission are obliged to provide the fullest possible justification for their behaviour before both its specialist committees and also its meetings in plenary session, it will be able to wield much greater influence than its limited legal powers might suggest is likely.

As you will know, the Council of Ministers (represented by the Presidency) and the Commission already appear before Parliament. But because nominated MEPs also have burdensome duties in their own national Parliaments, they simply do not have the time - not least the time for preparatory research - to make the most of the opportunities which such appearances ought to offer for eliciting information by means of searching and persistent questioning. One of the main advantages of direct elections is that most directly elected MEPs will not be members of national Parliaments and will not, therefore, be similarly constrained.

Another feature of the present Parliament which somewhat blunts its effectiveness is its habit of holding most of its committee meetings in private. I believe that the directly elected Parliament should expose its Committee sessions much more often than its predecessor to the public gaze: in the nature of things, the wider the audience the more anxious will be those who have to appear before the Committees adequately to account for their actions.

It has sometimes been argued that unless Parliament's Committees meet in private the Commission and the Council will become much less willing than at present to speak to MEPs frankly. I accept that there may be a very few areas of policy where this is true, and therefore I am not arguing that all Committee meetings should be open. But generally speaking, Ministers and Commissioners are surely likely to find it less, not more, easy to justify a refusal to disclose information if that refusal is likely to be widely known.

The need for Parliament to speak with a coherent voice

The effectiveness of the approach I am recommending will be severely impaired, however, if directly elected MPs fail to recognise another essential precondition of the successful exercise of influence by a body armed with only limited legal sanctions - namely, the possession of a coherent collective voice.

The need to justify themselves before Parliament is not likely to weigh heavily upon Ministers or Commissioners, nor to modify their policies, if the Parliament is known to be riven by a welter of conflicting factional or national viewpoints - not least because in that event Parliament is likely to enjoy very little respect with the European public which it is supposed to represent.

Obviously, the European Parliament cannot and should not aspire to achieve unanimity on every issue - if it did it would be a very dull place indeed - but it will only achieve the moral authority upon which its success must depend if a clear majority of its Members are identified with a well-defined and consistent view of how the Community should develop and of the policies which it should pursue.

A change which would greatly facilitate, though it would not guarantee, the formation of such a majority would be the emergence in the Parliament of a better organised party system. In particular there is a need for a reduction in the number of political groups sitting separately from each other and for the attainment by the larger groups of a much greater degree of internal cohesion. It is therefore very encouraging to observe the manner in which the prospect of direct elections is focussing the attention of nearly all Europe's political parties on precisely these problems.

The policies the Parliament will wish to pursue

If the Parliament does succeed in forming an agreed view of how the Community should develop, what is that view likely to be?

Obviously this is a question to which there can be no precise or dogmatic answers. One guess I would hazard, however, is that the Parliament will press strongly for improvements in certain aspects of the Common Agricultural Policy. In striking contrast to the Agricultural Council, which consists almost entirely of Ministers whose primary duty is to safeguard the interests of farmers, the directly elected Parliament will contain representatives of all the groups in society affected by agricultural policy, including not only producers, but also consumers. It therefore seems probable that it will lend its support to the Commission's efforts effectively to tackle the CAP's main problems by means of a tough price policy.

As Budget Commissioner I find the prospect of such support particularly welcome, for it is mainly by restricting common prices to sensible levels, that the huge budgetary cost of the CAP can be contained. But some of the other policies which I believe the Parliament may well want to pursue cause me grave disquiet.

One of my fears is that the Parliament may press for the indiscriminate transfer of as many responsibilities as possible from national to Community level. Where the Community's institutions can discharge a task more effectively or more cheaply than national governments there is clearly a strong case for such a transfer. But equally clearly it would be quite wrong to give the Community responsibilities in those areas where no practical advantages for the Community's citizens would be secured by doing so.

Existing MEPs, who are all members of national parliaments as well, do not, for the most part, have any difficulty in recognising this. But directly elected MEPs, most of whom will not sit in national legislatures, may well be tempted to press for transfers of competence which are not justified merely in order to increase the European Parliament's political importance at the expense of its national counterparts. Conversely, there is a danger that national parliaments containing very few European MPs will resist all transfers to Community level, irrespective of the merits of the case.

In my view, the danger of the European Parliament and national Parliaments adopting such extreme positions makes it very important indeed to establish in each Member State effective constitutional and administrative arrangements for keeping national and supra-national MPs in close and frequent contact of the kind that will enable them to formulate an agreed and rational view of the proper division of competence between them.

A second possibility that causes me concern is that the Parliament will have a tendency to press for the adoption of unnecessarily interventionist policies entailing unjustifiably high public expenditure. We have all seen how national political parties of whatever ideological persuasion tend to push each other down the interventionist road by attempting to outbid each other in the promises they make to their electorates to remedy a whole variety of social and economic ills by means of increased regulation and by the public provision of physical amenities and financial subsidies.

At the same time, however, there are some important constraints at national level upon this process. Most voters judge national governments not merely on the basis of the public services and handouts which they provide but also by other tests. In particular they require governments to avoid excessive taxation and to manage the economy in a manner which permits high growth and employment and low inflation. In practice of course no national government is likely to do very well by these tests unless State intervention and expenditure are kept within reasonable bounds. And the recognition that this is so very often has a somewhat dampening effect on national politicians' dirigiste ambitions.

A directly elected MP, however, will be in a rather different position. The Community does levy taxation. But the manner in which it does so is not widely understood and, anyway, the burden which it imposes is too small in comparison with national taxation to cause the electorate serious concern. Similarly, the Community has an important role in overall economic management, but because that role is not widely appreciated, the Community's institutions, including the Parliament, are not likely, in the foreseeable future, to receive much in the way of either praise or blame for any improvement in the Member States economic performance.

In these circumstances, many MEPs may well conclude not merely that there is less need for them than for national politicians to moderate their demands for direct government action; but also that such demands are virtually the only means available to them for the purpose of impressing their constituents and winning their support.

Yet I am wholly convinced that this would be to mistake the electorate's mood. In all the Member States, as in the Western World as a whole, what most people are looking for is not more government but less. Failure to recognise this would, I believe, be bound to damage the Parliament's credibility.

## Relationship with the Commission

Another vital determinant of the success or failure of the Parliament will be the nature of its relationship with the European Commission. The Founding Fathers of the Community assumed that over a period of time the European Commission would emerge as the most powerful of the Community's institutions. They therefore supposed that checking and influencing the Commission would be the Parliament's main task; and to help it to fulfil that task they gave the Parliament what is by far the most important of its formal legal powers - its right to dismiss the entire Commission by means of a motion of censure supported by a two-third majority of those voting.

In the event, however, the institutions of the Community have evolved in a manner very different from that which the Founding Fathers envisaged. Most notably, the Council of Ministers has acquired a decisive superiority over the other institutions which, for better or worse, it seems unlikely to lose in the foreseeable future.

If the Parliament wishes to influence events, therefore, it is primarily upon the Council that it will have to try to put pressure and its prospects of doing so successfully will obviously be greatly improved if it is prepared to enter a constructive working alliance with the Commission. The Commission also has a vested interest in such an alliance. But establishing and maintaining a successful relationship will only be possible if each institution acts appropriately towards the other.

On its side the Parliament must not try effectively to deprive the Commission of its right of initiative. Parliament could if it wanted, try to use its powers to dismiss the Commission to force it to adopt all Parliament's amendments to its proposals. Yet this would not really be in Parliament's interest. For if the Commission was known to have been reduced by 'force majeure' to a mere instrument of Parliament's will, Ministers in the Council will have no reason to believe that the proposals which Commissioners were advocating were ones which they themselves believed in. This would greatly weaken the Commission's credibility. And that in turn would diminish the Commission's potential usefulness to the Parliament.

That is not to say, however, that the Commission should not seek to incorporate the directly elected Parliament's views in its own proposals, whenever it can do so without compromising the essential principles of its own approach in a given area of policy.

One of the permanent dilemmas which the Commission faces when preparing measures for submission to the Council is whether to propose the far reaching schemes for developing the Community which it would ideally like to see - and which the Parliament very often wishes to see - or whether instead to advance much more modest proposals of a kind more likely to be palatable to national governments. Often the Commission chooses the latter course because it not unreasonably fears that if it asks the Council for too much it may end up receiving assent to nothing at all. A directly elected Parliament, however, is likely to press the Commission to take a much bolder line, and in my view the Commission would be ill-advised - if it wishes to receive support from the Parliament - always to refuse to do so.

Yet if the Commission proposes bolder measures how is it going to avoid provoking stiffer resistance in the Council? I can see no easy solution to this difficulty. It is to be hoped of course that the directly elected Parliament will itself exert pressure upon the Council to react more constructively to the Commission's proposals. But such pressure on its own is unlikely to be sufficient for the purpose. I am therefore increasingly convinced that the Commission will have to revise its own approach to the task of persuading national governments to pursue European objectives.

At present the Commission concentrates mainly though by no means exclusively upon attempting to influence governments by means of private discussions with national Ministers and their officials behind closed doors. This is a vital task which must not be abandoned. But if the Commission is to have any hope of winning the assent for the more adventurous proposals which are likely to be the consequence of direct elections, if it is to persuade national Ministers to discard the blinkers which they too often wear when they survey the Community scene, then Commissioners will also have to be much more prepared than at present to step outside the corridors of power and robustly to enter the arena of public debate.

In the final analysis the conduct of the Community's national governments is largely determined by their perception of the attitudes and expectations of the national electorates to which they are responsible. What the Commission must try to do, therefore, is to explain to those electorates directly, by all the appropriate methods available to them, the substantial concrete benefits which Community action can bring them. They must try to persuade national electorates themselves to bring pressure on national governments to make proper use of the opportunities which the Community offers them.

This of course is a political task requiring political skills. But then, the Commission is, and should remain, a political body.

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