# PROBLEMS AND PROSPECTS FOR PARTY POLITICS AT THE EUROPEAN LEVEL: THE CASE OF SOCIALIST TRANSNATIONAL PARTY DEVELOPMENT

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#### I. Introduction

Many commentators writing in the 1980s on the prospects for a European party system concluded that it remained a distant proposition, this despite three European Parliament elections.1 Although various factors were cited, a common theme was the absence of a European-level political center or government with sufficient linkage to publics and party activists. Reif and Niedermayer reflected a generally accepted view when they concluded that a key reason for the underdevelopment of parties at the European level was the fact that "... there is no incentive for them to invest the necessary energy. The European Parliament neither determines legislation nor controls what little there is of a government, i.e., the Commission."2

The increasingly politicized atmosphere of European Union (EU) policy making and institutional development -- from anti-Maastricht mobilization to the present debate leading up to the 1996 intergovernmental conference on institutional reform -- attests to the end of the "permissive consensus"3 of the past three decades. While it would be inaccurate to describe the EU's enhanced status as a 'great leap forward,' considering its present scope, can one continue to insist there exists no European government or political system for parties to "invest the necessary energy"?

This paper suggests that prospects for European party politics are propitious. We agree with Pridham that the present degree of European-level party development should be viewed as a dependent variable of European integration.4 However, the EU's growing problem of legitimacy, together with pressure to reform its institutions before further expansion, represents a critical juncture in which the possibility exists for party-political input to develop in a more systematic manner. An explicitly partisan perspective in EU policy making would at the same time influence further European integration. European-level party development has reached a crucial stage whereby it may begin to shift from dependent to independent variable status in European institution-building.

Analyzing the emergence of European party politics requires a focus on the nature of the institutional environment. Our thesis asserts that a European political system has emerged, even if it is still "a partial polity, without an independent legitimacy or direct political authority."5 This Europolity does not operate along the lines of a generic parliamentary system nor is it clearly a federal territorial entity. Nevertheless, EU institutions have developed a logic and a relationship to national actors that is more than epiphenomenal, in fact part of an emerging system of European governance.6 Much as the institutional map of this system is sui generis in nature, so too will be the organizational dynamics and contours of European party politics.

The paper will first address this assertion of a Europolity. Implicit in many expectations of a European state and party system is the neofunctionalist political community. Our analysis will present

a revised understanding of the unique state-like properties of the EU. Next, increased politicization and organized partisan influence will be traced. Here the growing left-right spectrum reflected in European institutions will be discussed. The experiences of the Party of European Socialists will then be analyzed. Its development represents a case study in party adaptation to the unique features of this polity. The conclusion will then briefly address the wider implications of European party development.

### II. Assumptions about a 'Euro-state'

We begin by viewing the entire relationship between supra- and national actors and institutions as itself a multidimensional political system, though clearly in a critical developmental stage. We will not dwell on debates between intergovernmentalists and supranationalists beyond remarking that the realist dichotomy between domestic and international politics imposes too sharp a distinction.7 Regarding the EU, realist perspectives often deflect attention away from growing supranational institutional autonomy, however complex and interrelated it is with national and subnational levels.8 Although we recognize the centrality of national actors, specifically executive bodies, a singular focus on their interests does not present a complete picture of EU policy making. Instead, supranational institutions "like the Commission, the Court of Justice and the Parliament have interests of their own, including survival, growth and security. They take actions on their behalf, not simply on behalf of the 'underlying' national interests."9

At the outset, certain assumptions concerning relations between a supranational entity and national states require reexamination. The neofunctionalist concept of political community is a case in point. One consequence of the neofunctionalist thesis has been the expectation of a supranational center replacing national institutions as the focus of political action. A Euro-state would follow the trajectory of the nation-state in its assertion of political primacy through control and socialization. Thus Haas defined political integration as 'the process whereby political actors in several distinct national settings are persuaded to shift their loyalties, expectations and political activities toward a new center, whose institutions possess or demand jurisdiction over the pre-existing national states."10 The primacy of the new center was key. A supranational political community would be "superimposed over the pre-existing ones."11 Although we will not review the (self) criticism of neofunctionalism, there lingers an expectation, whether implicit or explicit, by federalist supporters and opponents alike, that ultimate success of the integration process would be measured by a state-like framework possessing political authority along the lines of the nation-state.

Drawing upon institutional and behavioral evidence of the direction of European integration, our analysis locates political authority at multiple levels, the authoritativeness of a level corresponding to policy domains as well as to historical and cultural factors. This does not mean a supranational center has become "superimposed" over national governments in terms of authority and loyalty, rather that the nation-state can no longer be regarded as the exclusive unit of political authority.

To fully describe all aspects of the posited Europolity would be beyond the scope of this paper, as our primary thesis concerns the prospects for European party-political dynamics. However, it is necessary to understand its institutional logic, for one of our assumptions concerning party activity is that once "parties have established themselves as the primary actors in the political game ... they are well suited to alter their environment and the state in particular."12 As stated above, the EU policy making environment, to the degree that it operates with autonomy, is interwoven with national and subnational actors and institutions. Indeed, "new political institutions often cross old-established borderlines of territory or functional domains."13 To fully grasp the nature of these institutional relations, and thus the structural incentives for parties, our analysis presumes "that norms of appropriateness, rules, routines, and the elaboration of meaning are central features of politics, that an understanding of stability and change in politics requires a theory of political institutions."14

In Keohane and Hoffmann's analysis,15 the "European Community looks anomalous from the standpoint of traditional state-centric theory because it is essentially organized as a network that involves the pooling and sharing of sovereignty rather than the transfer of sovereignty to a higher level."16 The distinction made between pooling and transferring sovereignty begs the question. The forces that prompted "pooling" in the first place demonstrate that 'sovereignty' is itself in need of fundamental rethinking.17 The EU has already evolved beyond the stage of institutional enhancement

with which the Single European Act endowed it. Even assuming a scaled back monetary union to Maastricht's original goal is a significant step away from monetary sovereignty, and the European Parliament's codecision Dower extends an already substantial influence resulting from the cooperation procedure.18 We differ with Keohane and Hoffmann in that although we recognize that "national governments continue to play a dominant role in the decisionmaking process,"19 they are themselves more deeply enmeshed in the EU system, and as such the bargaining that occurs is itself affected by dynamics inside states, among states, and from above states. Muller and Wright provide a succinct summary perspective:

To an extent which is not fully appreciated, the EU is slowly redefining existing political

arrangements, altering traditional policy networks, triggering institutional change, reshaping the opportunity structures of member states and their major interests. These interests are now increasingly entangled in relationships at four territorial levels: the international, the European, the national and the local, and for some of those interests it is by no means clear that the national is the most important.20

## III. Europolity as "network structure'

Keohane and Hoffmann refer to the term network. In their view, 'the EC exemplifies ... a 'network form of organization,' in which individual units are defined not by themselves but in reaction to other units ... The notion of a network is more a metaphor than a theory. It helps to emphasize the horizontal ties among actors and the complexity of their relationships, but it does not elaborate clear hypotheses about behavior.'21 We enlist the network concept below, but it is crucial to make clear that while Keohane and Hoffmann stress that the "inappropriateness of statist, strictly intergovernmental, or even confederal models of how European politics operates stems from the inconsistency of these images with the network metaphor ..."22 we view the relational aspect of European politics as itself representative of a political system.

The network concept is one that is receiving considerable attention in the contemporary literature23 and we believe there does exist a role for it beyond metaphor, that in fact one can view the state itself as a network structure. Wessels comes closest to our perspective with his 'fusion thesis' in which national governments of interdependent Western European welfare and service states increasingly merge state mechanisms within and by means of the European Community. A fused state results by way of specific forms of joint participation, which, in an historical perspective, can be seen as a new phase in the development of Western European States.24

Furthermore, the word "fusion" is used to characterize a process whereby state management mechanisms are used collectively according to procedures which allow for a high degree of participation by various levels. This does not imply the definitive absorption of existing state units; rather, the ideas of 'federal' and 'fused' refer to the continuance of a tense relationship.25 The process of "fusing" additional layers of authority onto the nation-state has resulted in a multidimensional political system, and the concept of network allows one to readjust one's perspective and view its actors and institutions in the same relational manner that one does within a national state, albeit with unique channels of communication and institutions. The institutional dynamism of the EU (Maastricht is a case in point), as opposed to a static reality, also fits in well with the view "that the state network is fluctuating with historical circumstance.'26

Space does not permit a full consideration of competing state theories, but some further consideration of our terms is necessary. Our concept of 'state' is borrowed from Strath and Torstendahl, who argue that states are best conceived as

formalized network structures. The state links a great many different activities together. Some of them are created through the state in order to transmit the authority of the state, others are external to the state but related to state administrations or to each other through the state. This complex network has relied on different kinds of relations, both in different times and between different elements. These relations have consisted of anything from a strong governmental tie to almost pure informational relations.27

Two fundamental elements in the concept of the state as a network structure are presumed. First, a formal structure "bound to explicit normative elements ...."Formal elements such as constitutions

provide the legal framework and also "connect institutions with each other in the framework of the state." Second, that the formal structure 'leaves open a wide range of possibilities of actions for the institutions that form the structure and they have to solve their problems of connections through networking with each other."28

From this discussion of the 'state as network structure' one may begin to hypothesize about behavior. Here the 'new institutionalism' adds to our analysis. One of its fundamental concerns is the claim for "a more autonomous role for political institutions."29 The claim of autonomy is based partly on a consideration of whether preferences in a political system are generated solely exogenously, i.e., from 'society,' or else endogenously. Accordingly, the new institutionalism argues that preferences and meanings develop in politics, as in the rest of life, through a combination of education, indoctrination, and experience. They are neither stable nor exogenous ... If political preferences are molded through political experiences, or by political institutions, it is awkward to have a theory that presumes preferences are exogenous to the political process. And if preferences are not exogenous to the political process, it is awkward to picture the political system as strictly dependent on the society associated with it.30

This perspective on the autonomy of political institutions is important when we come to consider the nature of institutions at the European level. For if we can consider European institutions as even relatively autonomous actors within the Europolity, then we have a better idea of how behavior among all actors 'networking' within them and between other governmental levels is shaped. Indeed, the emphasis on institutions as 'patterned relations' that lies at the core of an institutional approach 'does not replace attention to other variables -- the players, their interests and strategies, and the distribution of power among them. On the contrary, it puts these factors in context, showing how they relate to one another by drawing attention to the way political situations are structured.31

The institutional environment in which European party dynamics unfold is then a multidimensional field in which the logic of network structures will to a great extent determine strategies as well as organizational design. Successful European party organizations will therefore adapt themselves to the requisites of EU institutions and national arenas, themselves increasingly internalizing dynamics generated by European policies.32

#### IV. Partisan formation in the Europolity

Having laid out the reasons for viewing the multidimensional relations between European-level institutions and actors and their national counterparts as components of a singular political system, we turn to recent trends that signal a growing politicization of this 'network structure' and the potential for an equivalent party dimension. In order to do so, we turn to a more specific analysis of EU institutional development.

The period from the entry into force of the Single European Act(SEA) in 1987 to the final ratification of the Maastricht Treaty on European Union in 1993 marks a watershed in the history of European integration. The essential reason for this view is the end of the monopoly on the direction of the integration process by a technocratic economic and political elite. EU development has been characterized by a general lack of public scrutiny (the 'permissive consensus') and little attempt to visibly include the public. To the extent elite, incremental decisionmaking and intergovernmental negotiation accounted for institutional development,33 most party leaderships lent passive support.

For some this bureaucratic politics may have been necessary for successful EU development, as it "was able to depoliticize what could have been highly divisive issues, and thereby the less overt politics of the EC has been able to force, or perhaps cajole, integration along."34 This contributed to complacency on the part of many national party leaders thereby preventing serious partisan redefinitions of EU goals. Put succinctly, the "chill on Left-Right ideological debate derived from the governance structure of the Community."35 This state of affairs persisted until the events of the past few years, "despite the growing centrality of Community activity to important decisions of social choice, in which there has been ... a near absence of overt debate on the Left-Right spectrum."36 Weiler has termed this a 'neutralization of ideology,"

... the belief that an agenda could be set for the Community, and the Community could be led toward an ever closer union among its peoples without having to face the normal political cleavages present in the member states. Thus, the Community political culture that developed in the 1960s and 1970s saw an habituation of the political class in Europe to the idea of European integration as ideologically neutral regarding, or ideologically transcendent over, normal debates on the Left-Right spectrum.37

The status quo was disrupted by the conjuncture of several events and trends. Without going into detail, we can cite at least three. The first was political opposition to the Maastricht Treaty, beginning in 1992 with the first Danish referendum defeat and subsequent French mobilization against it in theirs. This organized political opposition, which also saw slight parallels in the United Kingdom and Germany, coincided with the second factor, an economic recession and continued instability in the currency markets. In France, the opposition was able to rally large segments of the economically distressed and those who believed the neoliberal economic logic of the Single Market project undermined their future employment security. This leads to the third factor, a view by many in the member-states that the EC has promoted change of an economic nature to a degree not readily understood. Thus the increased rhetoric about national identity has in no small way been a defensive reaction against an elite and technocratic integration process.

To what extent does this growing politicization of the EU, concerning both its current 'proto'constitutional framework38 a and plans for monetary union and the 1996 IGC, provide an environment for organized partisan input? It helps to bear in mind that the EU's evolution has not been solely institutional in nature, but regulatory matters as well. The SEA, while perhaps accelerating national deregulation, has also promoted a type of deregulation at the European level.39 The growing weight and profile of this policy authority has begun to stimulate partisan differentiation in regards to policy jurisdiction, development and innovation.

As the EU policy agenda develops, especially in areas that incorporate a significant feature of the Left-Right spectrum, e.g., economic union and social policy,40 an attendant phenomena is also unfolding, a growing problem (or crisis) of legitimacy. For our purposes, a brief treatment of this phenomenon as related to EU politicization will provide background for our discussion of European party dynamics.

To the extent that the EU's growing regulatory authority has become a significant feature of European integration, especially since the launch of the SEA, the nature of this new regulatory power must be understood in light of developing political pressures noted above. Complexity and lack of transparency, a phenomenon not unlike federal systems with multiple levels of policy responsibility, is magnified in the case of the EU due to the variation of national systems. As Francis observes, where the division of regulatory powers between member states and EU institutions introduces a critical dimension into regulatory politics, the strategic use of competing institutions in developing regulatory regimes becomes possible. Political actors may seek to gain regulatory advantages by searching for a jurisdiction sympathetic to their interests. By the same token, political leaderships both at the national and at the subnational level may adjust their regulatory activities to their jurisdictions.41

The proliferation of actors and spreading policy jurisdiction has resulted in "an affront to central legitimacy criteria, such as the transparency of the problem-solving process, the clarity of the distribution of responsibility and the ability of the citizen to define his identity."42 Uneven access by interest groups to the EU decisionmaking apparatus adds to its problems, so that although European policy making may be labeled "pluralist,'43 it has yet to establish a normative basis for its competitive environment. This problem returns us to an evaluation of the political nature of the Europolity. We have already characterized the EU an "unfinished project," still in a clearly developmental stage. This growing legitimation crisis highlights the missing ingredient that would allow the EU "to move from a system essentially concerned with the administration of things to one concerned with the governance of people,"44 namely democratic and accountable linkages to citizens. Put another way, the "technocracy and an elite-driven process seem no longer an adequate basis for EC governance. The gap between governed and governors within and between countries is serious and created havoc in the debate about Maastricht to which technical and legalistic devices seem an inappropriate response."45 The time is propitious, in other words, for party organizations adapted to the intricacies of this Europolity to begin legitimizing its activities.

#### V. European role for parties

Allowing that regulatory and other policy issues increasingly coming under EU jurisdiction lend themselves to being viewed in a manner conducive to party competition, that is, in broad ideological terms,46 we turn to an analysis of the institutions and organization-al developments promoting a party-political role in EU policy making.

The first point to make is that although we conceptualize the Europolity as a 'network structure,' the unique arrangements within the EU resemble those found in federal systems, as the territorial division represents its most salient structural characteristic.47 The variety of federal systems necessitates a further distinction to be made, and we suggest the EU operates closest to functional federalism. This model differs from those stressing the jurisdictional autonomy of the two levels of authority. The dependence of the European Commission on national administrations for policy implementation demonstrates the inapplicability of such models. Instead, functional federalism "presumes extensive interdependence and therefore a need for a stable pattern of direct sub-unit participation in policy-making as is typically found in interstate federal modes of representation.'48

This model of federalism resembles the complexity of EU dynamics, as the quote below suggests: Functional federalism tends to spawn elaborate patterns of consultation and bargaining both politically and administratively, for neither level of government will succeed in providing policy or resolving conflicts without the help of the other. There is therefore a strong institutional bias in favour of a meshing of political and bureaucratic interests. To the extent that functional federalism does not allocate policy fields to a single level of government, the regional distinctiveness of policy packages will be less than under jurisdictional federalism.49

This could have easily been a description of relations between the Commission and the Council of Ministers, as well as specialized agencies such as COREPER and national administrations and selected EP committees.50

In what fashion can european-level parties provide clarity of political choice in the EU, whose very complexity contributes to its crisis of legitimacy? In the quasi-functional federalism of the EU, the role for parties would be to "distinguish themselves not in terms of provincial rights or in terms of credibility in resisting the centre but by alternative sets of policy options for national government."51 It would follow that European party organizations would seek to adapt themselves to the institutional framework of the bargaining process. Party programmes could help shape the policy making process by means of coordinating through the networks of bureaucratic consultation and bargaining. Since functional federalism emphasizes a stable process of coordination and consultation, it "also provides a strong incentive for co-ordinated party positions and alliances between levels of government."52

What we have described are the dynamics of federal parties, in particular in countries such as Germany. A significant difference exists between federal parties in national systems and those of the emerging Europolity, however, and this is the centrality of the national parties (e.g., a national equivalent would have German lander parties direct representatives in the Bundestag Fraktions). Yet we believe that the institutional environment for party system dynamics and intra-Europarty relations based on the model of functional federalism is appropriate for analyzing European party organizations and their potential role.

#### VI. European party politics

European-level party organization consists of tri-partite relations between transnational party federations, EP party groups, and national parties.53 Because little attention was invested in EU policy making by national party leaderships, transnational party federations remained little more than small secretariats assisting their respective member parties during European elections.54 Yet by 1993 another transnational party federation, Green/ecologist, had been created, and Socialists and Liberals had taken steps to enhance the organizational structure of their respective federations. The Socialist's, until 1992 known as the Confederation of Socialist Parties of the EC (CSPEC), was renamed Party of European Socialists (PES). The Christian Democratic federation, the European People's Party (EPP), had until this time represented a more advanced level of European collaboration, due mostly to the fact that Christian Democrats made up the largest proportion of governing parties in the EC. Meetings of these prime ministers under EPP auspices naturally had more significance for coordinating government policies than either Socialists or Liberals.

Among Socialist parties, lack of consensus on EC integration and membership lasted until the late 1980s. By this time the most recalcitrant parties, the British Labour Party and Danish Social Democrats, had not only reversed their opposition towards the EC but had begun to participate in certain transnational initiatives.

Why various Socialist parties finally embraced the EC is explained more by the impingement of European-level policies and dynamics onto national domestic spheres than by any sudden development in Socialist theory. Haahr's thesis concerning a change in socialist parties' attitude integration towards the EC supports this view. He hypothesized that social democratic parties will resist or reject the establishment of supranational decisionmaking on regional market liberalizations or oppose the extension of such decisionmaking to cover the nation-state within which a given social democratic party operates. However, if despite social democratic resistance, such decisionmaking is installed, social democratic parties will gradually increase their support for supranational regulation, the implementation of which would take the EC beyond being an organization which simply promotes and supervises regional market liberalisations.55

In a similar vein, Ladrech combines an analysis of European social democracy's ideological predicament with the incentive of parties to control their political environment in order to pursue policy goals.56 Although national-transnational relations are treated in the context of changes to the Socialist transnational party federation in 1989, the focus of this work is on the growing attention by national parties toward the European-level. All of these transnational organizational changes can essentially be traced to the modalities of European integration, thus supporting the statement at the outset concerning the dependent nature of transnational party development.

Although the leaderships of major national parties generally supported the Maastricht Treaties, support for increased supranationalism has varied across parties. We can nevertheless focus on national party attention to European issues by analyzing the means by which they have sought to influence EU policy making. Coordination throughout EU institutions in order to bring about a more partisan dimension into the hitherto absent "overt debate on the Left-Right spectrum," is now in evidence. We will briefly document this and then turn to the experience of the Party of European Socialists.

## **EP** Party Groups

As parliamentary organizations operating within a European environment, EP party groups benefit from the enhanced position of the European Parliament in its drive for institutional power. According to Lodge, the development of the EP's powers and the role of the party groups "are mutually dependent: the politicization of the Commission's role and of the EP's growing legislative role has significant implications for inter-institutional relations as well as for the EP's relationship with national parliaments.'57 However remote the EP and its party groups had remained from national politics, since the launch of the Single Market initiative in the late 1980s the increased prominence of the EU has attracted national attention.

The SEA established a cooperation procedure between the EP and the Council of Ministers.58 Together with increased Community responsibility in areas such as environmental policy, the EP began to be regarded more seriously in interinstitutional relations.59 Evidence of a more strategic view of the EP groups by national elites is manifested in several ways.60 The first has been a realignment of those party groups representing one large national party towards one of the two main groups, Socialist or Christian Democrat (EPP). For example, after the 1989 European elections, the British Conservative delegation, the largest part of the European Democratic Group, asked to join the EPP. Intraparliamentary benefits accrue from membership in one of the largest groups, including committee chairmenships, rapporteurs, etc. Even more, alignment with a larger group close to its policy outlook increases chances of influencing EU policy from within. The Italian Communists, the single largest part of the European United Left, moved to the Socialist Group in 1992. By 1993, realignments around the two largest groups included the Spanish Popular Party and most French Giscardians from the Liberal group to the EPP.

Secondly, more concerted attention was given to the manifesto formally adopted for use at European elections. This has been a more serious issue for the Socialists, whose manifesto until the 1994 elections had been rife with exemptions by different member parties. As part of their effort to bring more cohesion to their group and visibility at the European level, the member Socialist parties

agreed to support the entire document, consequently engendering more party-to-party collaboration on the specifics of their European policy positions.

Thirdly, since the 1989 European elections, a clearer partisan programmatic division on matters amenable to EP action has evolved in party group legislation. This has led to a more structured bipolar spectrum within the Parliament, following upon the partial realignments noted above.61

#### **Transnational Party Federations**

Christian Democrats, Socialists and Liberals have used their meetings before European Council summits to coordinate their positions on the issues to be addressed. In some instances, this high profile coordination of political leaders' statements has brought pressure on reluctant party leaders to unite on various issues.62 Coordinating these actions, and prior development of the positions themselves, has been increasingly handled by the secretariats of the transnational party federations in conjunction with colleagues in national parties and EP party groups. Recognition of their role has led to organizational enhancements of some, such as majority voting within their decisionmaking bodies.

Article 138a in the Maastricht Treaty concerning the role of "parties at the European level" holds additional promise for the transnational party federations.63 Although legal interpretations of exactly what this article may mean for the activities of the Europarties is still to be finally determined, some have already invoked its mere presence as a pretext for organizational enhancement, as the Liberal federation did in its recent adoption of the label "party."64

#### Additional developments

Beyond the efforts by EP party groups and party federations to raise their profile during European elections and provide coordination for their national parties, there has also been a growing partisan underpinning in other European institutions. The Committee of the Regions, created by the Treaty on Political Union, consists of representatives from subnational levels ranging from German lander to municipalities. It was not evident whether this body would constitute itself in terms of internal organization purely to reflect its putative territorial orientation, or to perhaps introduce a partisan dynamic into its deliberative format. As it turned out, a partisan dimension was introduced, reflected in the dynamics of electing its officers.65

The European Commission has also witnessed a growing partisan orientation. Two types of pressure have contributed to this development. The first is a changing interinstitutional environment -- i.e., relations between the Commission, Council of Ministers, Parliament, -- creating a potential redefinition of the role of the Commission vis-...-vis the Parliament. The selection of Jacques Santer to replace retiring Commission president Jacques Delors was an acrimonious affair, and the compromise choice of Santer particularly angered the EP. This was due to the continued closed nature of the deliberations, despite Council of Ministers promises of greater transperancy, the December 1992 Edinburgh summit declaration on openness, and public suspicion ever since Maastricht. In retaliation, the EP just narrowly voted to confirm him, with the Socialist Group, the largest in the new EP, voting against.

The EP was all the more resolute in its intent to employ U.S. Senate-style confirmation hearings for the new Commission in January 1995. The agreement by the Commission to subject itself to this vetting, and even postpone its entry into office in order to accommodate the EP's calendar, suggests a trend in which the Commission views itself as more clearly operating with the approval of the elected Parliament. This also engages the desire of some party group leaderships to see the Commission move closer to the ideal of becoming the executive for an EP majority, representing its policy preferences within the EU policy making process.

The second point, also reflecting political coordination of sorts at the European level, is a growing partisan identity among Commissioners themselves. Again focusing on the new Commission of Mr. Santer, there have been reports of such calculations in the distribution of commission portfolios.66 Prior to the meeting in Luxembourg in which Mr. Santer announced his attributions, a caucus of the Socialist members of the new Commission was held.67 The symbolism of this act is its most significant aspect, as it puts on record a desire to at least acknowledge in a public manner their common political family. It is too soon to tell how this would translate into policy development, but the potential of this added dynamic contributes to the growing politicization of EU politics.

How do these examples of growing left-right attitudes within the structural networks of the Europolity translate into party political developments? Following our discussion of the state as network structure, and further, our depiction of relations between different territorial levels as functional federalism along with the party-type most appropriate for this institutional environment, we now turn to a case of transnational party development. The evolution of the Socialist transnational party federation highlights many of the questions raised in this paper, most explicitly, how to organize party-political input into this Europolity.

## VII. The Party of European Socialists (PES)

Party formation at the European level, as we have noted, is subject to a distinct organizational difference when compared to national parties operating in federal systems. The prominence of the national party places very real constraints upon organizational innovation and autonomy for transnational party federations. Their organizational profile has been a consequence of national parties' recognition of a need to maintain a presence in institutions such as the EP. This phenomenon, indicative of the dependent character of European party development, was somewhat devoid of serious partisan supranational policies. The politicization we have described challenges national party leaderships to turn the transnational party federations into a more effective tool to pursue policy goals. The nature of this challenge is clearly stated by Duverger, for whom the development of the EU pushes political parties of the member States to undertake a genuine revolution, as different but also as important as that which transformed clubs of notables into mass organizations at the turn of the century. Henceforth, parties of each country must simultaneously express and frame their own national projects and those European projects which they have in common with their opposite number in other member States. This implies that current Europarties, such as the European Socialist Party and the European People's Party, cease existing only at a leadership level cut off from activists and even members of parliament.68

Just how this transformation would express itself in organizational terms is exactly the issue with which the PES has grappled over the past several years. While a detailed chronology of its evolution will not be attempted here,69 we can nevertheless evaluate the measures taken by the PES to move towards a more active and self directed status with its national member parties.

In the first place, although ally party federations are closely linked at the European level with their respective EP Party Groups, the EU network structure involves many other institutions, agencies and actors. Therefore, in order to penetrate and exercise influence within and among EU institutions, European parties most essential role would be to advance common goals and act as coordinating committees for the appropriate actors in multilevel bargaining.70 This agenda is somewhat similar to Young's "entrepreneurial leadership" in relation to regime formation. Entrepreneurial leaders, "for the most part... function as (1) agenda setters shading the form in which issues are presented for consideration at the international level, (2) popularizers drawing attention to the importance of the issues at stake, (3) inventors devising innovative policy options to overcome bargaining impediments, and (4) brokers making deals and lining up support for salient options."71

This is distinctly different compared to national parties. Beyond the fact the EP does not control a government executive, nor is the Commission able to exercise influence without cooperation by national administrations, transnational parties do not engage in the process of candidate selection. Neither at EP elections nor to any European institution, e.g., appointment to the Commission, do transnational parties have a say in the selection of individuals ostensibly reflecting their own partisan affiliation. Although the process varies among national parties,72 influence or control on behavior is absent from transnational party secretariats.

On the other hand, an essential requirement in the practice of political coordination is the elaboration of a programme pertinent to the issues over which government has responsibility. In this respect the European, i.e. supranational, perspective that transnational parties and EP party groups bring can be a critical factor in developing substantive policy alternatives for national party needs. This would imply a pro active stance by transnational party secretariats, linking national party policy institutes, relevant parliamentary committees at both the national and European level, etc. The ideological dimension is an important aspect of transnational party activity, for it can help in

constructing a 'European party identity,' something identifiable not only for those involved in policy making but for citizens as well.73

With these two considerations in mind, how have Socialists responded to the heightened interest in the EU? By acting as a coordinating nexus for Socialist parties and the EP Group, the PES has evolved in the direction of greater efficiency in both internal decisionmaking and linkages with member parties. An interesting phenomenon has been the fact that national party negotiations and bargains resulting in an enhanced PES have been quite similar to the intergovernmental bargaining among national governments over the extent of the EU's power. Critical external events, such as the launch of the Single Market and the adoption of majority voting in the Council of Ministers, presented national party leaderships, most of whom were in opposition in their national settings, with a fundamental challenge to their abilities to pursue social democratic policies once returned to power. Recognition of the need to influence what was becoming a serious external constraint on national policy development led, however reluctantly, national party leaders to acknowledge the need for better coordination amongst themselves and within European institutions.

The transformation of CSPEC into the PES resulted in qualified majority voting in its Bureau and a stronger commitment to a singular programmatic identity (represented by the effort to ban national party exemptions in their campaign manifesto). This was the result of a national party bargain. Similar to many national government's reluctance to cede too much independence to EU institutions, in particular the Parliament and Commission, has been national party wariness of allowing the PES to become completely independent of their control. Opposition to individual membership is an example of this attitude. At present, PES membership is by virtue of national party affiliation. In addition, the budget of the PES is dependent upon contributions by the national parties.

The PES has nevertheless been able to facilitate the flow of information from the EP Socialist Group to national parties by serving as a point of contact between those responsible for EU policy developments within the national parties and legislative experts within the Group. This facilitator role contributes to providing a structured network environment for the increased transnational contacts among the national parties. Organizing Party Leaders' Conferences immediately prior to European Council summits in which a communiqu, is produced requires further party-to-party development of common positions, again a role assigned to the PES.

In addition to serving as an organizational nexus between the EP Group and national parties and facilitating party-to-party relations, discussion is under way to formally coordinate the activity of Socialists in other European institutions, in particular the Commission. An obvious boon to European Socialists over the past ten years was Commission president Delors' membership in the French Socialist Party. This gave at least symbolic cachet to the PES, further enhanced by Delors' participation in its 1992 and 1994 Congresses. The increased political stature of new Socialist members of the incoming Commission may also serve to highlight the attempts by the PES to promote coordinated European policies.74

As far as influencing the development of a European Socialist project, a programme aimed at EU policy making, the PES successfully presided over the first production of such a policy document. In September 1993 PES party leaders asked the Swedish party, the SAP, to prepare a policy document on the problem of unemployment, which was entrusted to Allan Larsson, a former employment and finance minister. The resulting document, a truly transnational policy contribution by the Socialists (as opposed to an EP Group report), was a product of intensive consultation at the highest levels of party and government. The ad hoc group was composed of the main economic policy advisors in the PES member parties, representatives of both the President of the European Commission and the Socialist Group, and a guest from the European Trade Union Confederation (ETUC). The report was adopted by the PES Party Leaders Conference just before the Brussels European Council summit in December 1993 and presented as "The European Employment Initiative.'

Finally, the PES is preparing for the 1996 intergovernmental conference (IGC) in which the EU institutional framework will be a central focus. In its coordinating role for parties and those within the European institutions most susceptible to change, i.e., the Parliament and Commission, the PES is organizing meetings in order to develop a common position with which to influence the proceedings on at least a conceptual basis. A notable difference between this IGC and prior ones such as Maastricht is the fact that the European Parliament will for the first time have direct input into the formal agenda. Two MEPs will participate in the Working Group drafting the agenda, one of them a Socialist. This makes it all the more significant that Socialists in various areas of influence agree on fundamental

matters, for example, the relationship between the EP and national parliaments. The networks in which the PES operates allows a multidimensional coordination that could have a crucial effect on IGC negotiations depending upon the cohesiveness of other partisan or national positions.75

## VIII. Conclusion

We have attempted to demonstrate the usefulness of reconceptualizing the interdependent relationship between the EU and its member states as an emergent political system, albeit "partial" in some critical respects. This allows for a more discerning evaluation of the prospects for party-political input into this Europolity's decisionmaking structures. Transnational party development in relation to European integration has been considered an exclusive developmental logic, and as a result one could only speak of true European parties once a supranational government came into being. This is a view that "political parties are the dependent variable while the state is the independent one. In reality, however, there is an interrelationship."76 EU institutions are important for understanding the specific organizational characteristics of European transnational parties. The quasi-functional federalism of the EU system helps to explain their emphasis upon building networks among party actors between and among territorial levels.

The EU's current predicament, its growing legitimacy crisis, provides a potential opportunity for parties to impart a more open and competitive partisan logic to its socio-economic agenda. In so doing, transnational party development would shift from its past dependent quality in European integration and begin to affect the evolving Europolity in a more self-conscious manner. Many of the coordinating activities of the PES, especially those related to the upcoming 1996 IGC, are also evident in the EPP. This suggests an emerging European party system with a bi-polar configuration. If this is so, the cross-cutting nature of the European cleavage, that is, its divisiveness on both the Left and Right, may then turn out to have been an early stage of 'European policy' conflict explained by the lack of party presence and input in European integration during "permissive consensus" period. The partisan structure that higher profile party actors would bring to EU policy making may then represent the next stage in the development of the Europolity.