

FOUR PRE-REQUISITES FOR AN INTELLIGENT DISCUSSION ON GOVERNANCE

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EDITORIAL



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This editorial has benefitted from my regular discussions with Giles Merritt on governance.

The EU is to confront a host of major geopolitical, domestic, and even existential challenges, making imperative a fresh look at its governance. This means re-examining how the EU institutions interact with each other and with the Member States. This is not about treaty change, which is a different issue; it may be necessary in the longer term, but for the time being the emphasis should be on governance. Overhauling the latter may well lead to treaty reforms further down the road.

The Letta and Draghi reports both made the point that this year's institutional change-over offers an opportunity to reflect on the EU's governance. In July, Giles Merritt and I published a [preliminary paper](#) on issues that pertain to inter-institutional cooperation, but governance goes well beyond the EU institutions, and we will be using the next TEPSA EUCO DEBRIEF to broaden our approach accordingly. Substantial issues require action over the coming years, with enlargement lending urgency still. Many of the challenges facing all democracies are particularly difficult for a union of diverse states and peoples and featuring an unwieldy array of political, social, and economic factors.

At this stage, I propose four pre-requisites for a meaningful debate on governance.

The global context: politicians and citizens need to understand that in view of the magnitude of Europe's challenges, business as usual is not an option. The geopolitical scene is changing, and in a more multipolar world the idea of 'the West versus the Rest' is dangerous, not least because of the uncertainties over developments in the US. Unfettered globalisation is over, multilateralism is under siege, and

international trade is increasingly weaponised. Europe can no longer count on cheap Russian gas and oil and is highly dependent on China for rare earth materials. Russia's attack on Ukraine, and the EU's consequent opening of accession negotiations with Kyiv and others marks a paradigm change. This is not just geopolitical, but for the EU it also has an existential dimension; how can the Union function properly with so many economically and socially diverse new members? Elsewhere, the Green Deal is raising huge and so far, unresolved questions, while meanwhile digitally, Europe lags far behind the US and China. Migration threatens to be politically toxic for the next 50 years at least. As to Europe's security and defence, it is plainly illusory that the US will continue to shoulder most of the burden in the coming decades. Europe, including the EU, will have to reinvent themselves here. All of this means finding huge sums of money against a background of rising political and societal challenges to liberal democracy. The rise of more extreme ("populist") parties, growing political polarisation across Europe and the difficulty of adjusting to social media's power make improvements to EU governance essential.

The EU at present: it is essential to fully understand the nature of today's union. It is difficult to talk about streamlining governance if the starting point is an imagined one, whether that of a dreamed-of federal state or an EU reduced to no more than a conglomerate of states. Superficial analyses, overly national prisms and the loud voices of extremists mar the perceptions of the EU. This often leads to blurred pictures, 'as if' the Commission was the EU government, the European Parliament the sole seat of legitimacy in the EU and the Council a mere conglomerate of Member States. The reality, of course, is that the EU is a unique legal entity that does not fit into a

purely federal or a purely inter-governmental model. Its institutional system reflects this and is based on a dual democratic legitimacy giving a strong role to Member States and, through the directly elected European Parliament, an additional layer of democratic representation. Democracy in European countries functions via parliamentary majorities, while the EU's democracy is through a system of checks and balances.

Strategic thinking: the union needs strategic guidance on issues including governance from national leaders in the European Council as well as from the President of the Commission. The European Council sets the EU's overall political direction and then tasks other players in the institutions and Member States to work on concrete solutions. This provides buy-in by the Member States and mobilises the various EU actors. The Letta and Draghi reports (and no doubt also the upcoming security study by former Finnish PM Niinistö) advance a host of interesting proposals. But without governments' buy-in and the political will to implement their recommendations, they will just remain... reports; interesting, intellectually stimulating, but theoretical. Some people have compared the Draghi report to Delors report on Economic and Monetary Union (EMU) in the late 1980s, but the two reports are different. The Commission's President asked Mario Draghi to report on competitiveness, and he has done so skilfully. For the time being, though, it is his report. In the case of the Delors report, the European Council, as the political leadership of the EU, decided to work towards a true EMU and charged Delors as President of the Commission to convene the EU's Central Bankers and author a report on the necessary steps. Their buy-in was there with a precise objective, and the final report directly involved the key players of the Member States. This is not to say one can replicate that model for a reflection on governance. But it does offer inspiration for

finding ways to ensure that the search for better governance becomes a common endeavour of both the institutions and Member States of the EU. It would make sense for the European Council to ask the Council to examine the recommendations of the reports and to report back to it. The European Parliament could also do its own hearings on the reports.

Tomorrow's challenges: the fourth prerequisite is a long-term approach. Governance is an unceasing daily process raising issues that need to be urgently dealt with. But a more ambitious appraisal of the EU's governance involves questions that will not be solved by existing initiatives or short-term expedients. The speculation accompanying the make-up of the new Von Der Leyen Commission is fascinating to watch. But we should already be thinking about the next Commission that takes office in 2029! Why? Because today's problems often arise from the excessive number of Commissioners. Sooner rather than later, the EU should apply the Lisbon Treaty's model of a smaller college of Commissioners. At the time, the European Council decided, after the negative Irish referendum on the Lisbon Treaty, to keep one Commissioner per country. An early agreement to reverse this decision well in advance of the setting up of the next Commission would be most welcome. A Commission with well over thirty members after new enlargements would become unmanageable.

In her mission letter to Piotr Serafin (incoming Commissioner for budget and personnel), President Von der Leyen has asked for a large-scale review of the Commission's organisational and operating model. This is an excellent idea. But it will take Serafin time to work out a plan, and by the time it is completed the present Commission will be in full swing. At that point, it is hard to see a major overhaul of structures because of the

in-fighting and havoc that would ensue. It would make more sense for Serafin's final report to be presented by the Commission President to her successor before the latter

sets up the new team. Such a "legacy reform" would be very much in the interest of the Commission and the EU.

All the opinions expressed in this publication are the sole view of the author, and do not represent the position of the Trans European Policy Studies Association (TEPSA) or of its Members.

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