



CENTRE FOR EUROPEAN REFORM

working paper

European governance and the future of the Commission

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"The Commission itself cannot achieve much but it can generate ideas.
Its main weapon is its conviction."
(Jacques Delors, January 1988)

Introduction

No body has been so central to the development of the European Union as the Commission.¹ It has been the architect and driving force behind the EU's greatest achievements, from the single market to the single currency. The Commission is a unique institutional innovation which distinguishes the EU from all other international and supranational organisations. That it has the sole right of initiative to propose legislation allows the Commission to control the EU's law-making agenda. Often described as the EU's executive arm, the Commission is also an administrative, regulatory and judicial body that represents and negotiates on behalf of the Union abroad. Theoretically independent of national and party political allegiances, the Commission represents "the European interest" and acts as guardian of the EU's treaties.

However, the Commission is not the force that it was under the presidency of Jacques Delors. Technically, it is a more powerful institution than ever before. But its political authority has been hugely weakened. For many people, the Commission is now synonymous with meddlesome bureaucracy, empire-building, corruption and mismanagement. It is distant yet interfering. Of the EU's four principal institutions – the Commission, the Council of Ministers, the Court of Justice and the Parliament – it is the Commission which has become the lightning rod for public discontent with European integration. To many, the Commission embodies all that is wrong with the European Union. When Jacques Santer and his fellow commissioners resigned *en masse* in March 1999, amidst charges of petty fraud, nepotism and mismanagement, public confidence in the Commission hit an all-time low.

Romano Prodi, the Commission president, has rightly made reform of the administration one of the priorities of his presidency. His deputy, Neil Kinnock, presented a broad package of reforms in March 2000. This marked merely the start of a reform process that will take several years. But there is good reason to believe that this Commission will prove more resolute in pursuing reform than the college led by Jacques Santer. For the resignation of the Santer Commission transformed the political landscape in Europe. It gave the European Parliament the upper hand in its tussle with the Commission, and MEPs are keeping the Commission under closer scrutiny than before. The fall of the Santer Commission also reduced the scope of the member-states to interfere in the workings of the Commission, particularly with regard to senior appointments. A national government would now find it hard to get away with protecting one of "its" commissioners or directors-general against well-founded allegations of mismanagement or impropriety.

In some ways, Mr Prodi is also in a stronger position as Commission president than his predecessor. He was the first and unanimous choice of the member-states. The Amsterdam treaty increased the powers of the president over his fellow commissioners by allowing him to decide who did which job, and to reshuffle them if necessary. Furthermore, Mr Prodi won assurances from each of his colleagues that he or she will resign if asked to do so. This enhanced presidential authority should make it easier to co-ordinate the many tasks of the Commission and to ensure that it pulls in one direction.

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But there is also some concern that Mr Prodi does not provide strong leadership at the head of Commission, and that he has neither a clear idea of the Commission's new objectives, nor a sense of purpose. Critics believe that, as a result, the institution's standing in the EU will continue to decline.

Whether Mr Prodi can really restore the Commission's power and prestige remains an open question. But the fortunes of the Commission have to be considered in a wider context. In February 2000 Mr Prodi declared that one of his strategic objectives for the next five years would be to promote new forms of governance for the EU. He recognised that managing the EU is a job for national, regional and local authorities as much as for the EU institutions. "We need strong institutions, a collective vision and a driving force", he said, but also "democratic control and the full involvement of our citizens."

So what should be the Commission's role in a new system of European governance? This paper has three purposes. It outlines a less prominent, though nonetheless essential, role for the Commission, particularly in the newer areas of integration such as foreign policy, justice and home affairs, and economic governance. It argues that Mssrs Prodi and Kinnock need to go further than their current reform proposals to restructure the Commission, in order to make it a more effective institution. And it concludes that the Commission will enjoy even less popular legitimacy than it enjoys today – and that, ultimately, the EU will be weaker as a result – unless the Commission becomes more democratically accountable to the people it serves.

What role should the Commission play?

The EU faces many challenges over the next ten years, and the Commission has an indispensable role to play in many if not all of them. It needs to devise a coherent policy on asylum and immigration, and measures to help in the fight against organised crime. It should become the lead agency in the reconstruction and stabilisation of the Balkans, given that this task will eventually fall principally to Europeans. It will negotiate on behalf of the Union (and much of the rest of Europe) in what will prove to be a highly contentious round of world trade talks. And it must help national governments to translate EMU into higher levels of sustainable growth and employment by promoting the liberalisation of product, capital and labour markets and the rapid adoption of information technology.

The Commission has to manage the process of EU enlargement, negotiating with 12 applicant countries and preparing the European Union's institutions and policies for a club of 27 or possibly 30-plus members. It will have to oversee further reform of the Common Agricultural Policy and a gradual shift of regional development funding from the EU's southern member-states to new entrants from eastern Europe. Enlargement will make the EU more complex and it will be the job of the Commission to hold it together. There will undoubtedly be derogations, transition periods and perhaps opt-outs for new members, further complicating the application of EU rules and programmes.

A union of 27-plus members will be more diverse, with a greater variety of economic and geo-political interests. Flexible integration (or "variable geometry") may become the norm and the Commission will need to arbitrate between those countries taking part and those choosing to stand aside. Even in core areas of the single market it may become more difficult to establish consensus in an enlarged EU. More member-states – either relatively or in absolute terms, depending on how votes are re-weighted in the current inter-governmental conference – are likely to find themselves in the minority when decisions are taken by a qualified majority vote. Thus the Commission's role as mediator between them will become even more central. It has to ensure that the outcome of the vote is acceptable to the minority.²

² John Temple Lang & Eamonn Gallagher, *The Role of the Commission and Qualified Majority Voting*, Institute for European Affairs, Dublin 1995

Furthermore, in a larger, more diverse Union, the Commission's role as the EU's institutional "collective memory", ensuring continuity amidst the ebb and flow of national parliamentary politics and the rotating presidency of the Council of Ministers, will be central. Thus the Commission should retain a similar range of functions to that of today. It should continue to initiate legislation, regulate or de-regulate markets, enforce the rules, oversee spending programmes, represent the EU abroad on economic issues and negotiate on its behalf, and promote the exchange of ideas and best practice among the member-states.

The Amsterdam treaty has extended EU competence to asylum and immigration, consumer protection and anti-discrimination, giving the Commission new powers in policy areas that were previously the preserve of national governments. The probable extension of qualified majority voting at this year's inter-governmental conference will further boost the Commission's influence in the legislative process. And the Commission should gain further power in specific areas, for example to negotiate on trade in services or to enforce a single market in public procurement. It is worth remembering that the Commission can only be forced to amend one of its legislative proposals by a unanimous decision of the member-states (although the co-decision procedure does allow the Parliament the right to table amendments).

Ironically, even though its responsibilities continue to grow, the Commission's political authority has declined. It reached the pinnacle of its power during the late 1980s and early 1990s when, under the visionary presidency of Jacques Delors, it devised and implemented the single market, pushed through two important budgetary packages and set about designing economic and monetary union, its crowning achievement. Yet the Commission is no longer the EU's pre-eminent institution, nor even the prime agent of European integration. It is unlikely to regain such influence as it enjoyed under Jacques Delors, for several reasons.

First, the Commission has been left without an over-arching *grand projet* of integration. Some commentators have criticised Mr Prodi for failing to come up with a "big idea" for his presidency. But there are no obvious contenders. The Commission conceived and nurtured EMU. Now, after its successful launch, it is managed by national finance ministers and the European Central Bank. The single market is more or less in place. Of course, there are still some large gaps, notably in energy, financial services, pharmaceuticals and public procurement. Vigorous enforcement of the rules, including the reduction of illegal state aid, will be required, and all the more so after enlargement. And the single market will never be "complete": new innovations, such as biotechnology or e-commerce, will outpace the EU's regulatory capacity. But the single market as a political project has been realised.

The Commission's largest single task, and the closest it will come to a "big idea", is preparing the way for the Union's enlargement. The accession of ten central and eastern European countries, Cyprus, Malta and – in the longer run – the Balkans and Turkey, is a strategic and moral imperative for the Union. It would be a major advance towards the ever closer union of the peoples of Europe. But although enlargement will require some streamlining of decision-making procedures, and the reform of common policies, it will not trigger a great leap forward in integration. There will be no major centralisation of power in the hands of the EU's supranational institutions.

Second, the traditional instruments of centrally-agreed legislation or EU regulatory regimes are not necessarily the best means of achieving EU objectives. Even where the Commission has the power to propose legislation, it is learning to use, at least initially, "softer" methods – bench-marking, peer pressure and mutual surveillance – to get the member-states to achieve the desired standards according to their own preferred methods. This is the model of co-operation used in the so-called Luxembourg employment process, to promote employability, social inclusion and entrepreneurship in EU labour markets. The Commission's most important tool in social and employment matters is not regulation but recommendation, as Anna Diamantopoulou, the Greek social affairs

commissioner, remarked at a seminar in London in November 1999. This will be even more so in an enlarged EU, which will be economically and socially more diverse.

In many areas, where the EU has no power to act, the only role for the Commission will be benchmarking and the promotion of best practice. For example, following the Lisbon European Council in March 2000, the Commission is to draw up an "e-Europe Action Plan" detailing the measures that will help turn Europe into both an entrepreneurial knowledge-based economy and an inclusive information society. This will include some direct responsibilities for the Commission, including e-commerce regulation, further telecoms liberalisation and the introduction of rules to promote a pan-European risk capital market. But most of the proposals – in education, training and the use of information technology to deliver public services – fall within the remit of the member-states. The Commission has an important role to play in making this "soft" integration work – by monitoring performance and naming and shaming laggards – but it has no legal means by which it can, ultimately, oblige member-states to comply with such agreements. Where this process is successful, there is a further problem of "branding": there is no guarantee that the member-states will give the Commission, or the EU in general, any credit for improvements.

Third, even if there is further "hard" integration, the Commission may not be the beneficiary. Where the EU does extend its role in regulating the single market, powers may accrue to independent agencies rather than to the Commission. The Commission itself has proposed the setting up of a European Food Agency. As currently conceived, this will have only advisory powers on EU-wide food standards. But in the long run it is unlikely to have much impact unless it becomes an independent agency with regulatory powers.

As the EU puts in place a single market in financial services, it will need to create a European securities and exchange commission, or perhaps, in the longer term, a federated system of national financial services regulators enforcing EU rules. Of course there are already several EU agencies performing regulatory functions, such as the European Medicines Evaluation Agency. But none is responsible for an issue as politically sensitive as food safety or even financial services regulation. In the future, the Commission will be one among many high-profile regulatory bodies in the EU.

Fourth, the EU's major new initiatives – in economic management, defence, foreign policy and the fight against crime – involve the member-states pushing forward with closer co-operation, but in ways that surrender little power to the Commission, Parliament or Court of Justice. As *The Economist* has noted, "it is hard to see the Commission ever wresting the agenda-setting back again, however assertive its new president may be. In the new inter-governmental way of doing things the European Council will lead, the European Commission will be its servant and draftsman, and the European Parliament its sounding board".³

From this perspective there is little prospect of the Commission becoming the "federal" government of Europe, running foreign, economic and judicial policies. Indeed, it has neither the resources nor the range of expertise that national governments can deploy. Nevertheless, the Commission has an essential role to play in each of these areas and – give their importance to any new system of European governance – it is worth considering each one in turn.

The Commission and foreign policy

One of the EU's most important objectives over the next ten years is to develop a coherent common foreign and security policy (CFSP), backed up with some military muscle. But this is an aspect of European co-operation in which national governments are, and will remain in control. The decision in 1997 to create a new post of High Representative for foreign policy (doubling up as secretary-general of the Council of Ministers), and the creation, this year, of a Political and Security Committee,

³ *The Economist*, 23 October 1999

consisting of senior national diplomats, to manage common policies, has entrenched inter-governmental arrangements in CFSP. So what role should the Commission play?

The Commission already has important responsibilities in external relations, which occupy some 20 per cent of its staff. Most aspects of regular Community business – for example, policies on the environment, transport, asylum and immigration and e-commerce – have an increasingly important international angle. And the Commission has considerable power in development aid, humanitarian assistance and trade. It runs some 130 representative offices in foreign countries or attached to international organisations.

More importantly, the Commission manages the process of EU enlargement, the single most important foreign policy instrument affecting the countries of central and eastern Europe, Cyprus, Malta, Turkey and, eventually, the Balkans. By assessing the applicants' eligibility to join, and negotiating on their conditions of entry, the Commission exerts considerable political and economic influence over much of non-EU Europe.

As globalisation blurs the boundaries between international and domestic policy, the Commission's influence in external relations is, in fact, growing. The "economisation" of foreign policy has given the Commission new interests. It is the body that regulates, on behalf of the EU, the use of economic sanctions (for example during the Gulf War, or the conflicts in former Yugoslavia). It still manages the EU's large programme of technical assistance to the former Soviet bloc. One crucial challenge for the Commission will be to help co-ordinate the various forms of aid for the reconstruction of Kosovo, and to implement a plan to stabilise the wider Balkan region.

In fact, as the EU's powers extend into new areas, the Commission is acquiring new tools and tasks in foreign policy. For example, if the Commission is to devise a coherent policy for the EU on immigration and asylum, such a policy will have to address the root causes of forced migration. Thus an effective common foreign and security policy – focusing on economic development, fair trade, the strengthening of human rights, the promotion of democracy and conflict prevention – will matter as much as tighter immigration controls.

The EU treaties give the Commission an ambiguous role, stating that it "shall be fully associated with the work carried out in the CFSP field". Although not formally part of the troika – comprising the High Representative and the foreign ministers of the current presidency and the one following it – the commissioner for external relations often participates in their missions. Meanwhile, the Commission can refer questions and submit proposals on CFSP to the Council, thus contributing to the development of "common strategies", the policy guidelines for relations with third countries. Its principal concern is to decide how the EU's economic instruments, especially aid and trade, can be wielded in support of the Union's CFSP.

Yet as Europe's nominal CFSP tentatively acquires some of the attributes of a national foreign policy – in the sense of a diplomatic voice backed up by military force – the Commission's role in CFSP is being more narrowly defined. It does not have the authority or the legitimacy to represent the combined interests and powers of the member-states, let alone to supplant them with a "European interest" of its own concoction. The old federalist idea that the Commission should establish a European foreign service, and that that would start to devise a European foreign policy, now seems fanciful. Indeed, the staff based in the Commission delegations around the world can barely match the diplomatic clout and expertise of the diplomatic services of the smaller EU member-states.

It is national governments that control CFSP through a new set of EU bodies. The members of the Political and Security Committee (PSC) are permanently stationed in Brussels. The PSC can thus be convened within in a few hours to take decisions on behalf of national governments. Javier Solana, the EU's first High Representative or ("Mr CFSP") is the representative of the member-states. His job

is to co-ordinate their foreign policies and to be a spokesman for EU foreign policy. He is not a European foreign minister, for he works to a mandate set by the foreign ministers. He represents the EU to third parties when diplomacy, rather than economic relations are to the fore. The members of the small policy planning and early warning unit, which reports to Mr Solana, are in close, daily contact with their national ministries, albeit on an informal basis (since, in theory, they are not national government representatives).

Mr Solana also has responsibility for the embryonic defence organisation emerging within the EU. The new EU Military Committee of senior generals, a new military staff and those working for the Western European Union (the EU's defence club, of which Mr Solana is secretary general, soon to be merged with the EU) report to Mr Solana. He will thus be crucial to the development of the embryonic "European security and defence policy" (ESDP), and to its integration into the EU's broader foreign policy interests.

Mr Solana has already proved his mettle, for example during the Helsinki summit, in December 1999, when he flew to Ankara and succeeded in persuading Turkey to accept a deal which allowed the EU to declare it a candidate for membership. And the member-states are beginning to invest him with more authority. At the Lisbon summit in March 2000, Mr Solana and Chris Patten, commissioner for external relations, jointly presented a paper that detailed the shortcomings in Europe's efforts to stabilise and rebuild Kosovo. The member-states pointedly chose to give Mr Solana the lead role in co-ordinating EU policy in the Balkans.

The role of the High Representative should be formally strengthened. The special envoys – whose job is to boost the EU's diplomatic clout in trouble-spots such as the Middle East, Bosnia and the Great Lakes region of Africa – should report to him. He should, in the short-term, chair the Political and Security Committee. In the longer run, he should chair the Council of foreign ministers and take over the foreign policy tasks currently handled by the rotating presidency. For many of the small countries applying to join the EU will have difficulty representing the EU abroad with clout. Could Europe rely on a Maltese presidency to handle another crisis in the Balkans? And what would happen if a neutral country holding the presidency opposed the use of military force by the EU, even though such action had the support of all other member-states? As a permanent president, in contrast, the High Representative would bring authority and continuity to the Union's CFSP.

So what should be the Commission's future role in CFSP and defence? The Commission should remain a civil power in foreign policy, steering clear of any military role and leaving the "high politics" of diplomacy to the High Representative. For example, there is no longer a need for the Commission president to travel the globe on diplomatic missions. One of the major criticisms of Romano Prodi has been his eagerness to do just that. His premature embrace of Colonel Gadhafi, the Libyan leader, angered the member-states. Meanwhile, in defence the Commission's role should remain limited. According to Chris Patten, the Commission has "no competence and no ambition in the military area, but there will always be a substantial non-military component before, during and after crises".⁴ In fact, the Commission has an important part to play in support of security and defence policy, in two ways.

First, it could do much to strengthen the civilian aspects of EU crisis management. It already helps to co-ordinate humanitarian aid, deployments of police and emergency rescue teams, mine clearance and arms control. Just as the EU has established a military headline goal – a rapid reaction force of 60,000 men – the Commission could earmark heavy-lift aircraft and helicopters that the member-states could make available to deal with a humanitarian crisis. If the Commission had a permanently-manned crisis centre and a rapid reaction fund, it would be better able to help the member-states to mobilise these non-military resources in times of crisis. It could also do more to prevent conflict, over

⁴ Chris Patten, speech in Berlin, 16 December 1999

the longer term, by using more of its resources to promote democratisation, respect for human rights and the rule of law.

Second, the Commission should also play a role in the rationalisation of Europe's defence industry. Together with the Council of Ministers, it has played a useful role in forging an EU code of conduct for weapons exports. It should now set about removing the barriers to a single market in armaments. Currently the member-states use article 296 (formerly 233) of the Treaty of Rome to prevent the Commission from applying EU rules on public procurement, cartels, mergers and state aid to the defence industry. The current inter-governmental conference should amend that article so that single-market rules could apply to the less sensitive sorts of military equipment and to components of defence systems.

Mr Patten and Mr Solana appear to be willing to work together closely. They must continue to strive to co-ordinate the political, security and economic aspects of the EU's nascent common foreign policy. Otherwise that common policy will not get off the ground. Fortunately, they are naturally co-operative individuals, but the EU would suffer if their successors were not. Some in the Prodi camp already believe that, in the medium term, the post of Mr CFSP will wither and that the Commission will step into the void. Mr CFSP has no significant budget and few personnel. More importantly, they say, he has scant autonomy from the member-states. When they disagree, he is powerless. Foreign ministers may become jealous of his power and success and try to cut him down to size. The Commission, on the other hand, has hundreds of people, both in Brussels and in its delegations around the world, who can work independently on policy development.

However, even if the inter-governmental nature of current arrangement fails to deliver an effective CFSP, governments are unlikely to choose to hand over foreign policy to the Commission. On the contrary, they would most likely view the foreign policy role of EU institutions with even more distrust. In any case, the Commission's foreign policy capabilities are limited. From 1994-99, when China was supposedly one of the Commission's political priorities, there were only three Commission officials working on relations with that country. It proved impossible to increase the number of staff working on the China desk.

So it is very much in the Commission's interests to see Mr CFSP succeed, even if that means playing a lesser, supportive role in foreign policy. It must be prepared, therefore, to share its resources with the High Representative. He should have direct access to the Commission's overseas delegations. This does not mean giving Mr CFSP control over hundreds of staff, but rather access to their expertise. He should also have more direct contact with the member-states' embassies in third countries. In important third countries, such as Russia, he could set up ad-hoc committees that would bring together national diplomats and staff from the Commission delegations. Meanwhile, the Commission's diplomatic expertise should be strengthened by the creation of a special diplomatic stream of officials within its external relations directorate.

Economic governance

The launch of the single currency was a triumph of the Commission's imagination and political will. For ten years EMU was the Commission's most important project, consuming a considerable chunk of its political and bureaucratic energy. As architect and founder of the euro club, the Commission had a big say in which countries were eligible to become members.

There are a few outstanding euro-related tasks for the Commission. It must oversee the introduction of notes and coins. And it will adjudicate on new membership applications. But the launch of EMU has left the Commission bereft of a serious job in European macro-economic policy. The division of labour between an independent European Central Bank (ECB), responsible for monetary policy, and the member-states, which continue to look after fiscal and exchange-rate policy, apparently gives the Commission only a marginal role. It could have hoped for the job of representing the EU in

international financial negotiations. But the member-states have been keen to retain control. If there is to be a single EU representative on international financial affairs in five years time, it should probably be on the model of Mr CFSP, reporting directly to the Council of Ministers.⁵

Nevertheless, the European Union must now make the single currency work, and the Commission can play an essential role in two respects. First, by working with national treasuries, it must become the brains of the Euro-11 committee – where, if the euro is to deliver higher levels of sustainable growth and employment, the member-states may soon have to co-ordinate their fiscal policies more closely. A central task for the Commission should be to produce more extensive and reliable pan-European economic statistics to inform the policy decisions of national finance ministries and the ECB. It must examine the long-term sustainability of public finances across the EU and make public recommendations for national ministers to debate. Ultimately, the Commission should propose some approximation of the various budgeting techniques and accounting procedures used by each government, so that the effect of national budgetary changes becomes transparent to other member-states.

For example, a central task for the Commission should be to evaluate the effect of each national medium-term public finance programme and to combine them into a draft Euroland programme – thus producing a fiscal stance for the euro-zone as a whole. Current arrangements for macro-economic co-ordination, as the French have often argued, are lop-sided. The EU has a complex if untried mechanism – the excessive deficit procedure, elaborated in the Stability and Growth Pact – for maintaining budgetary discipline. But there are only ad-hoc arrangements for the co-ordination of fiscal policies amongst the member-states, within the 3 per cent deficit limit. This will make it harder for governments to respond to economic slowdowns or overheating. It may also make it harder for the ECB to set a suitable interest rate for the whole euro-zone. So the governments should be able to set an aggregate fiscal policy stance for the whole of the euro-zone over the medium-term. This would not mean setting a single Euroland fiscal policy, but rather a combined total, where some countries could run a loose fiscal policy and others a tight one, just as the circumstances require. This kind of improved policy co-ordination, leading to a more stable and clearer fiscal position, could also help the ECB to deliver lower interest rates.

Second, the Commission has a crucial, if supporting role to play in the process of structural reform. The Lisbon summit marked a sea-change in EU economic thinking. All member-states signed up to an ambitious, if vague, set of proposals to make the European economy more dynamic by embracing entrepreneurialism, liberalising financial markets and exploiting new technologies. To some member-states, this plan for economic and social modernisation is the EU's *grand projet*. But modernising labour, product and capital markets is largely a job for national governments. Indeed, the Commission was not a major influence on the preparations for the summit. It failed to provide intellectual leadership. Some observers believe that Romano Prodi was hesitant about pushing his anglo-saxon liberal views, and was unsure of how to intervene in these policy issues which extend well beyond the Commission's single market powers.

To meet many of the objectives set out in Lisbon, the EU will need to use "soft" instruments such as the exchange of best practice, multilateral surveillance and peer pressure. The Commission can feed in ideas, identify best practice and provide independent analysis and assessment. It will need to devote considerable resources to devising indicators and league tables in order to benchmark performance on a wide range of issues. These include the promotion of entrepreneurialism, IT training, measures to combat social inclusion and the impact of national tax and public spending policies on job creation.

⁵ See Steven Everts, *The impact of the euro on transatlantic relations*, CER 2000

The Commission must therefore learn to adapt to a new role where it no longer has the right of initiative to propose laws, nor a monopoly of wisdom about what is right for Europe. It will have to compete on the quality of its ideas. For this reason, it needs to make sure that it is better informed about national policies and initiatives, and that it has extensive contacts with national administrations.

The Commission will also need to issue more rigorous and independent evaluations of the progress being made by national governments. It should be bolder about naming and shaming poor performers. Much of the discussion in this peer review process takes place discretely inside the Council of Ministers (especially Ecofin) and its sub-committees. National ministers and their officials have succeeded in creating a climate of mutual trust. But this relationship is at times too cosy and lacks transparency. National representatives do not take too kindly to Commission interference. But more robust intervention from the Commission could help to inject momentum, and to show to people that "soft" instruments can work. A more vocal role for the Commission – acting as an OECD with a bigger stick – could help produce quicker results, and show to citizens that Europe has a role in delivering jobs and prosperity.

Justice and Home Affairs

Justice and home affairs – co-operation on border controls, immigration, asylum and the fight against international organised crime – is often grouped with the other "inter-governmental-plus" policies, like CFSP and economic governance. Many people assume that sensitivity over EU involvement in immigration and law and order – areas central to national sovereignty – will ensure that member-states remain in the driving seat and that the powers of the Commission, and of the other Community institutions, will be limited. Indeed, under current arrangements nearly all JHA decisions are taken by unanimity, despite the transfer of asylum, immigration and border controls to the first pillar (normal Community business) under the Amsterdam treaty. This greatly reduces the ability of the Commission to push through its proposals.

But should the member-states continue to keep the Commission at arm's length? EU policy-making in both migration and issues of law and order is much closer to the classic Community model (of EU laws drafted by the Commission and approved by the member-states) because, unlike CFSP and economic governance, much of the co-operation in these areas requires EU legislation. You cannot have a common asylum policy at the European level, or provide for co-operation between law enforcement authorities, without developing legally enforceable rules.

Much of JHA co-operation will thus require EU legislation. The Commission will need to draft directives on many aspects of asylum, immigration and the rights of long-term resident non-Europeans. In judicial co-operation the EU has decided to devise a system of mutual recognition of court orders and judgements, rather than propose full-scale harmonisation. But, as with the single market, this system will need some EU-wide minimum standards – for example, on legal procedures, rules concerning the use of evidence or the rights of defendants – in order for one country to recognise the legal validity of another's request. And governments should agree to bring into line their laws against mobile crimes, such as money laundering or drug smuggling. This gives the Commission an important legislative role.

The EU will certainly need to use "softer" methods – peer review, bench-marking and league tables – in order to put in place a common migration policy and a European legal space. For example, each member-state will submit its border controls to review by its partners. National immigration authorities are likely to find this an unprecedented intrusion, but multilateral surveillance and the threat of being named and shamed is the best way of improving standards at the EU's common external frontier. Similarly, promoting best practice will be an important method of improving the administrative efficiency of national courts in dealing with requests from law enforcement authorities based in another member-state. But the Commission has a vital role to play in identifying and

spreading best practice and in monitoring the progress of national governments. It is devising a scoreboard that will give an indication of how much progress member-states are making in implementing over 100 different justice and home affairs measures.

At the Tampere summit in October 1999, EU leaders signed up to an ambitious work programme in justice and home affairs. But it is doubtful that they will be able to fulfil their ambitions without giving greater authority to the Commission, principally by moving to majority voting in certain areas. Although the Amsterdam treaty allows the member-states to decide, if they all agree, to move to qualified majority voting (QMV) after 2004, many would like to end unanimity sooner. The Tampere summit was a good example of the EU's new mode of political agenda-setting. Prime ministers lay out the strategic objectives and endorse the means, leaving the Commission to initiate and guide through the necessary legislation. It would be strange, given the political will behind progress in justice and home affairs, for this model of EU management to be undermined from the start. Member-states should thus agree to an extension of QMV in asylum, immigration and border control issues at the 2000 IGC.

In ten years time a much greater proportion of the Community budget should be spent on justice and home affairs than at present. This should not be seen as a means of extending EU powers over law and order policy, but as a way of ratcheting up standards across the Union. Considerable resources will be needed to tighten up border controls and immigration standards on the EU's eastern frontier, and to strengthen the rule of law in the new member-states. A principal concern will be corruption amongst law enforcement officials in central and eastern Europe. This can only be tackled if career and pay prospects are improved, a task which the EU may have to subsidise, and the Commission may have to oversee.

In the short-term, however, the biggest constraint on the Commission will not be inadequate treaty powers but the lack of skilled personnel to formulate policy. When the new treaty came into effect in May 1999, there were only some 70 people working in the Commission's JHA task-force, plus a few dozen scattered through other directorates-general. The commissioner for justice and home affairs now has a proper department of his own, but it will take a number of years for it to recruit or retrain people with adequate knowledge or legal skills. Even then, the Commission will have to work much more closely with national ministries in order to get to grips with the immense and complex task of promoting co-operation between 15 or more judicial systems, and dozens of law enforcement authorities.

Reforming the bureaucracy

One of the most important reasons why the Commission has less political authority than before is because many people see it as an inefficient bureaucracy which is incapable of managing its many tasks. It was the allegations of mismanagement, petty corruption and the lack of managerial and political responsibility that pushed Jacques Santer and his entire college of commissioners to resign in March 1999.

One year later, the vice-president of the Commission, Neil Kinnock announced a set of proposals for what he called a "root, branch, trunk and trees" reform of the institution. The Commission reform plan is designed to tackle three major problems: the inefficient use of limited administrative resources; ineffective financial control procedures; and the complete lack of a human resources policy. Such reforms, Mr Kinnock believes, will transform the culture of the Commission and make "this unique administration the best in the world" – a bold pledge. But will these reforms succeed in creating an institution that can fulfil the functions set out above?

Better use of existing resources

Many of the Commission's shortcomings stem from the fact that it has taken on more tasks than it can properly deliver. Its 23,000 staff⁶ have been overloaded with programmes and projects, often, but not always, at the insistence of the member-states and the European Parliament. In fact the Commission has rarely turned down the opportunity to take on new tasks. The Committee of Independent Experts – whose report into allegations of corruption and mismanagement forced the college of Commissioners to resign in March 1999 – found "no evidence of any attempt by the Commission to assess in advance the volume of resources required when a new policy was discussed among the Community institutions".

The Commission has a poor record not so much of defining priorities but of dropping peripheral activities and of re-directing under-used resources. Mr Kinnock has proposed the introduction of "activity-based management" which, in theory, will integrate the planning of activities with the allocation of staff and money at every level of the administration. A sophisticated IT system will log who is being used for what. Improved evaluation procedures will make sure that the Commission's work is cost-effective.

Any bureaucracy has difficulty in transferring resources from one part of the institution to another. In Brussels, however, the lack of co-ordination between departments has become acute. Some directorates-general have, in the past, been run virtually as private fiefdoms, while individual commissioners have vehemently fought off attempts to redistribute staff or functions. Under the reform plans, there will be a more rigorous annual planning round to make sure that each department is able to meet its most pressing objectives.

The Commission president needs to do more to strengthen internal co-ordination. Ironically, one of his early reforms – housing commissioners and their cabinets alongside their services, and thus in different buildings – seems to have weakened the collegiality of the Commission. Commissioners and their staff are no longer looking over each other's shoulder. In fact Mr Prodi seems happy to let his commissioners get on with running their own portfolios, without too much interference from him or from other colleagues. Problems arise, however, when they begin to pull in different directions, or when they are called upon to give up staff, resources or powers to their colleagues. Mr Prodi should thus strengthen the secretariat-general, the department responsible for the Commission's relations with other EU institutions and, in theory, for policy co-ordination. He should give it, and thus himself, greater power to co-ordinate the work of the other commissioners. It should, like Whitehall's Cabinet Office, be staffed with senior officials on loan from other Commission departments. It should also be able to form ad-hoc task forces, or even permanent units, to produce more joined-up policies on cross-cutting issues like social exclusion or measures to help small and medium-sized companies.

The Commission also needs to do more to reduce the excessive number of projects and tasks with which it is charged. Mr Kinnock will reveal proposals towards this objective in September, but there are three potential ways of reducing the number of Commission tasks.

One solution should be the further out-sourcing of support functions. Security, catering and publications have already been put out to private contract. The Commission should do the same with language services. Translation and interpretation now occupy 11 per cent of total Commission staff (and a much higher proportion if you exclude secretarial and support staff). With the accession of perhaps a dozen more countries over the next decade, translation and interpretation will swallow an even larger chunk of Commission resources. There is a case for maintaining a pool of highly trained interpreters in Brussels, and thus they may need the incentive of a secure, well paid Commission post. But translation work could easily be farmed out, by e-mail, to private companies anywhere in Europe.

⁶ See the Commission's own report, *Designing Tomorrow's Commission*, 1999 for more detailed statistics about staff resources

A bigger problem for the Commission is the management of Community programmes, which takes up some 28 per cent of its staff. They are currently responsible for an estimated 100,000 projects in regional development, environmental protection, research and development, overseas technical assistance and development, humanitarian aid, education and culture. Many of these individual projects are too small to have any economic impact or to deliver value for money in terms of management costs. The Commission should start to devise fewer and larger programmes which could be managed more cost effectively.

Commission departments have often turned to private consultants in external "technical assistance offices" (TAOs) to help run such projects. While the use of TAOs may be a flexible means of dealing with certain Commission tasks, it is not always the most efficient. One problem is that TAOs sometimes spend too much time chasing after their next Commission contract, rather than fulfilling their current one. The Commission's preference that TAOs should come from more than one member-state leads to obscure partnerships based in various locations operating with the help of middlemen. The TAOs have thus proved difficult to control. The Commission cannot say precisely how many TAOs it uses, but estimates vary between 100 and 250. Many of the instances of mismanagement and fraud identified by the Committee of Independent Experts involved TAOs. In one case involving humanitarian aid, programme funding was fraudulently diverted to pay for additional administrative staff provided to the Commission by a TAO.

Thus, as a second solution, the Commission should also establish a small number of semi-independent agencies to oversee, in place of the TAOs, the implementation of individual projects. These implementing agencies would bring many of the advantages of the TAOs. With programme management as their core activity, they would be able to employ and train staff specifically for this function. They may be able to complete their tasks with less political interference than the Commission itself might face. But the use of such agencies would relieve the Commission of much of the burden of tendering and negotiating thousands of contracts with hundreds of private companies. More importantly, these few implementing agencies would be headed by senior officials or private sector figures who would be ultimately answerable to the Commission (and accountable to the European Parliament), while remaining operationally independent.

The lesson of specialised "next steps" agencies in Britain is that they generally manage projects and programmes better than the Whitehall departments from which they were spun off. The Commission must therefore set up such implementing agencies as a matter of priority. One such agency should be able to manage more effectively the numerous programmes of overseas development aid and technical assistance, such as Tacis, Phare and Meda, currently run directly by the Commission. Another could manage other "domestic" funding programmes such as those of research and development.

However, in agriculture and the structural funds – where the member-states (or local governments) are directly responsible for nearly all of the expenditure – these semi-independent agencies should have a different function. They should be responsible for overseeing the use of the EU budget and evaluating the impact of projects, while their colleagues in the Commission departments would remain in charge of devising the projects in co-operation with national and local authorities. At present, there are only 5 A-grade Commission officials responsible for evaluating the impact of the \approx 17 billion spent by the European Regional Development Fund each year. This allows the Commission to conduct spot checks in the member-states only rarely, perhaps once every two years. Semi-independent evaluation agencies would actually give the Commission greater power, albeit indirectly, to make sure that EU money is being well spent.

A third and more ambitious way of reducing the number of Commission tasks is for the EU as a whole to identify its "negative priorities", and to ditch them. As the Commission's workload is expanding, it should not be wasting time and resources on EU initiatives that add little to national

efforts, such as those in fields such as tourism, sport or animal welfare in zoos. In the past, it has been difficult to reach consensus on what the EU should stop doing. But with the euro soon to be in many EU citizens' pockets, and the Commission's resignation fresh in peoples' minds, now is the time to act. Romano Prodi has created a sub-committee of commissioners who will identify which of its tasks the Commission should abandon. This is a useful start. But as Nick Clegg MEP suggests in a forthcoming CER working paper on this theme, the European Council should convene a high level committee to identify unworkable laws, unmanageable tasks and spurious budget lines which could be repealed or abandoned. MEPs, who have often used the budget to get the Commission to pursue pet projects, must be fully involved in this process.

Financial Control

In the meantime, however, the Commission will continue to handle huge sums of taxpayers' money. Urgent reforms are needed to deal with another major problem: ineffective financial control. One feature of the problem is a tendency to judge success by the amount of money spent rather than by outcomes achieved. Officials feel they must use up their allocations for a particular year quickly, lest they see their budget lines cut by the European Parliament in following years.

The problem stems not from the lack of control, but from there being too much of the wrong sort. Financial payments are checked centrally by the Financial Control DG and are subject to approval from several layers of authority. The trouble is that as decisions are referred further and further up a line of command, the less responsibility the official handling the case feels. The line of accountability becomes yet weaker when the decision is taken in another department. Furthermore, under current procedures, the onus is on ex-ante approval rather than ex-post evaluation. This lulls officials into thinking that approval has been given whatever might follow. To make matters worse, the Financial Control DG is currently responsible for both ex-ante approval and ex-post evaluation and thus might be tempted to cover up its initial mistakes.

Under Mr Kinnock's plans, financial control will be decentralised. Directors-general will be given direct responsibility for making sure that proper control is carried out within their own departments, and that managers are responsible for the financial decisions they take. The effectiveness of these control procedures will then be monitored by a powerful, centralised Internal Audit Service under Neil Kinnock's command. The Financial Control DG will be dismantled.

This is a crucial reform for two reasons. First, it makes it more likely that the person who takes an operational decision is also the one who authorises the expenditure required. Second, it makes directors-general clearly responsible for sound financial management. For many observers of the Commission's problems, it is puzzling that these most senior officials with operational responsibility were not called to account for the instances of fraud and mismanagement which precipitated the resignation crisis. As a result of this reform, on operational matters the buck will stop with the director-general.

A human resources policy

The Commission's third major problem is the now infamous lack of anything resembling a personnel policy. Many of the Commission's staff are bright, capable and committed. But after being recruited officials are often left to fend for themselves – or to do as they please. There is little training or evaluation of performance, and demotion is rare.

According to one reform-minded official, the institution suffers from the very uneven quality of its staff. "One-third of the staff are intelligent and hard-working, one-third do their jobs adequately and one-third under-perform. This last group comprises the *cas sociaux*, those people who use the Commission as welfare system, taking advantage of its generous benefits; those who are downright lazy or disobedient; and a very few who have their hand in the till." One former official in the

Commission's spokesmen's service recalls how one colleague from that department spent much of his working day running an ice-cream parlour in down-town Brussels.

One reason for the variable quality of staff is that in this multinational bureaucracy there are no clear administrative standards for officials to follow. The current staff codes were drawn up in 1957. The Commission is imbued with "a mentality that looks to French culture and administrative norms as the un-stated model of public administration".⁷ Perhaps this was why one of France's former Commissioners, Edith Cresson, saw nothing wrong in employing her dentist as an adviser. After all, this was, in her view, a perfectly acceptable practice in Paris.

The Committee of Independent Experts concluded that the differences in the interpretation of rules, stemming from the multinational composition of the Commission, "potentially give rise to a culture of moral flexibility and permissiveness". The Commission intends to modernise and simplify the staff regulations; and to set up a committee on standards in public life, to supervise the codes of conduct applicable to the Commission and other EU institutions.

In order to provide an efficient and honest public service, the Commission must be well managed. But the absence of a management culture – despite many individual examples of good practice – has been one of the Commission's greatest shortcomings. According to one young British insider, the cliché that Commission officials consider themselves as "artists and intellectuals" rather than managers or administrators holds a lot of truth.

Officials in management positions must be able to monitor the performance of their staff and to make best use of their skills. The Commission's reforms will introduce obligatory management training for officials reaching a certain level. The responsibilities of staff will be clarified in formal job descriptions. Staff performance will be evaluated by managers – and the managers' performance by the staff – on a regular basis.

In the past, merit appeared to have had little to do with promotion prospects. Time-serving and the right political and national connections were often more valuable than a good performance record. The Commission will introduce a new career system without the rigid categorisation of staff which hindered mobility, and a more transparent promotion procedure. A central career guidance service will now be established, to help officials move up the ranks and between departments, and to provide better training for all staff from their first day at work. These changes will make it easier to tackle incompetence, which at present can only be dealt with as a disciplinary offence.

The unwieldy procedures for disciplining officials will also be overhauled. These are currently so slow and complicated that managers are tempted to turn a blind eye. Of those cases that are brought, very few result in disciplinary action, let alone dismissal or prosecution. The new system will set up a disciplinary board to hear cases from all EU institutions. Meanwhile, an attorney's office will be established inside the Commission, and will act as the administration's internal "prosecutor" of suspected wrong-doers, presenting cases to the disciplinary board.

One of the trickiest obstacles to reform may be the resistance of some of the Commission's seven staff unions. It is unclear how many members the Unions have because they won't publish figures, but they probably have between 2,500 and 3,000 members out of the 23,000 staff. They often have to cancel the results of elections because the turn-out is so low. The unions used to be able to bring the Commission to its knees because of their strength in support services (like security and catering), but this is changing as such functions are, increasingly, out-sourced. The unions did manage to orchestrate an effective strike in 1998 which was "supported" by two-thirds of the staff. In fact many officials took advantage of the fact that the day of industrial action coincided with a bank

⁷ Geoffrey Edwards and David Spence (eds.), *The European Commission*, London 1997

holiday weekend. Not all of the unions are opposed to reform. But the intransigent trade unions – "loony Trotskyites" in the words of one official – have not yet tested Neil Kinnock. He is well placed to deal with them, but will try to avoid confrontation.

Neil Kinnock has been careful to support the idea of the Commission as a "European civil service", with its own unique values and objectives. After all, it was a suspicion that the Commission might be "nationalised" – in other words, staffed increasingly by seconded national officials – that provoked the last major strike in 1998. This fear goes right to the heart of the question about the future role of the Commission. How can an independent Commission in an EU of 28 members develop a proper *esprit de corps*, with motivated, efficient staff, while maintaining flexibility, national balance and good contacts with national administrations?

In the future, the Commission will have to work much more closely with the member-states. The Commission should be an independent body, but if it tries to remain aloof of national experiences and traditions it will become ineffectual. Given the Commission's important, if supporting, role in the new areas of integration – particularly foreign policy, defence and economic reform – where both its powers and expertise are limited, it must develop closer working relationships with, and better understanding of, national institutions.

One of the aims of the Commission reform package should be to greatly increase the interchange of Commission and national officials, and indeed between the Commission and other EU institutions. Only 29 Commission officials have this year been seconded to government departments in the member-states. A much greater proportion of Commission staff should spend time, perhaps stints of two years, working in national administrations (or the private sector), especially in countries other than their own. This means that many more national officials should be given placements inside the Commission in return. The Commission staff must embrace this interchange of ideas and personnel. If it wishes to remain influential in a more complex system of EU governance – where more and more aspects of national government are debated at EU level – it will have to develop closer links with national (and local) administrations. If the Commission takes its independence to an extreme, it will become irrelevant.

Legitimacy, responsibility and accountability

Europe needs a strong Commission to perform the many tasks outlined above. The Commission must therefore enjoy some popular legitimacy. In the past, the Commission was considered an efficient technocracy driving forward European integration. At present it is known for its meddlesome bureaucracy, inefficiency and mismanagement. In the future the Commission is in danger of either having too little impact on people's lives, or having too much.

A more efficient and well-managed bureaucracy would certainly improve the Commission's standing. Nevertheless, by 2010 it is likely that in many parts of the EU – although, ironically, perhaps not in Britain – the Commission will be a more unpopular body than it is today. It is getting tougher on state aids and anti-competitive practises in the single market. Take Germany, for example, where the Commission's competition directorate is investigating the potentially illegal payment of state aid to numerous German companies. The government in Berlin could be forced to curtail the massive subsidies paid to its coal and steel industries, exposing them to fierce competitive pressures. And the Commission has begun to look at whether the state guarantees to Germany's *Landesbanken* – which have enabled them to provide cheaper, long-term finance to German companies – confer an unfair advantage over private sector banks. These cases have already put Mario Monti, the competition commissioner, at loggerheads with the German authorities which, at all levels, still pursue an interventionist industrial policy. Indeed, the Commission may come to be seen as one of the principal agents of painful economic restructuring in Germany.

The same perception could take root in the countries of central and eastern Europe. The Commission will oblige them to accept the entire *acquis* of Community laws and regulations before entering the EU. After accession, the Commission will make sure that this body of rules is rigorously enforced, regardless of the (short-term) pain to farmers, companies or workers. Meanwhile, some current member-states may turn against the Commission. For it will eventually oversee a restructuring of the Common Agricultural Policy, while the structural funds – a useful means for buying popular support in poorer areas – will be diverted away from the South to the poorer economies of the East.

The Commission will still be responsible for representing the “common European interest”. Yet an EU of 27 members will encompass a greater variety of economic conditions, social traditions and geo-political interests. It will prove more difficult for the Commission to define that commonality of interest, and for all member-states and citizens to subscribe to it. How does the Commission serve the interests of those member-states that wish to integrate more closely, while protecting the interests of those that don't? The Commission may also be less able to stand up for the interests of the small member-states, as several areas of EU policy – particularly economic governance, foreign policy and defence – will be run, increasingly, by a *directoire* of larger countries.

Lastly, even if the Commission is successful in meeting its objectives, there is no guarantee that the public will give it credit for doing so. It will have an obvious impact on peoples' lives, but it will rarely receive their praise. Unlike the European Central Bank, the Commission has no simple goal by which it can be judged. A more efficient Commission bureaucracy that is able to make the EU's complicated system of governance work better (rather than attempting to replace it with new supranational institutions) would muster support from most EU citizens. But the reality is they are unlikely to notice.

So could an increasingly unpopular Commission, which is only very indirectly accountable to Europe's voters, perform the required functions? The problem, of course, is that any attempt to address Europe's so-called democratic deficit destabilises the EU's "institutional balance" which many observers believe has been crucial to the EU's success. In reality, the institutional balance is constantly changing according to the course of events, pressure from outside forces (like global financial integration) and the strength or weakness of political personalities.

The Commission is being steadily sucked into the European Parliament's orbit. The fiasco over fraud and mismanagement in the Commission, and the college's eventual resignation, gave MEPs a taste of the Commission's blood. Now some national officials worry that Mr Prodi is making too many concessions to the Parliament. During the arcane co-decision legislative procedure, he has pledged to support the Parliament, as a general rule, in disputes between MEPs and the Council over amendments to EU legislation. He has agreed with MEPs that when the Parliament expresses a lack of confidence in a member of the Commission, he will "examine seriously" whether he should ask him or her to resign. This may not be an automatic commitment to fire a colleague, but it will certainly become more difficult for him to resist such a request.

Under the treaties, the European Parliament has the power to censure, and thus remove, the entire Commission. But it cannot censure individual commissioners. This would undermine the principle of collegiality, whereby the entire college of Commissioners agree all decisions together and take collective responsibility for them. Thus the Parliament can only resort to the "nuclear option" of forcing the entire Commission out of office. Whether to change the rules governing the responsibility of individual commissioners is one of the issues to be addressed at the inter-governmental conference. But in effect, Mr Prodi has already unilaterally re-written the treaties: he has the political authority if not the legal power to dismiss one his colleagues on his initiative or as a result of pressure from MEPs. Can the Commission still, therefore, be considered an independent institution?

Jacques Delors has suggested a system whereby each political grouping in the European Parliament presents a candidate from its own ranks and a manifesto for the post of Commission president, ahead of its five-yearly elections. Thus when an elector casts his vote for a party he is also choosing the next Commission president. This proposal would, in theory, improve the democratic legitimacy of the Commission and give more purpose to the European Parliament. In fact, it is not clear that voters would be enthused by this connection. After the Parliament's historic victory over the Commission in 1999, most of the electorate rewarded it by not bothering to vote in the European election three months later. Neither is it clear that the independence of the Commission should be sacrificed in a vain attempt to make the Parliament legitimate. It is as important for the Commission to be independent from the other institutions as it is of national and party interest. Electing a centre-right Commission president would mean that the institution would follow a centre-right agenda. Otherwise there would be little point electing the president in this way. Majoritarian politics of this sort could make the Commission yet more unpopular.

So what should be the relationship between the Commission and the Council? The Commission will probably never regain the powerful pivotal position that it held under Jacques Delors. But this view perhaps exaggerates the autonomous strength of the Delors Commissions. It was precisely because Delors worked so closely with Helmut Kohl and François Mitterrand – exploiting the powerful Franco-German relationship – and also with other leaders, such as Felipe González, Giulio Andreotti, Ruud Lubbers, that he managed to achieve so much. He depended on their ambition to deepen European integration in leaps and bounds.

The Commission is now in a relatively less powerful position. This is not because the member-states are divided – there is probably more consensus amongst national governments on the EU's priorities and how to meet them than there ever has been. Nor does it reflect the competence of the commissioners. Mr Prodi is still well regarded by national governments, and his team of commissioners is widely viewed to be the most capable ever to hold office. The Commission is a less powerful institution because the nature of integration has changed. There are no longer so many straight forward legislative solutions to Europe's problems. European governance requires closer co-operation among EU institutions and national, regional and local governments, and new forms of public sector intervention. The Commission should work closely with EU leaders in the European Council in setting out five-year programmes for the EU as whole in specific fields – as at the Tampere and Lisbon summits – and in producing its own annual work programme.

This means that the Commission has to square the circle: it must collaborate with national governments in setting its agenda and in developing policy ideas; but it must also retain sufficient independence to defend common interests and to enforce rules.

Nevertheless, over the longer term, there is a danger that deep unpopularity would deprive the Commission of any authority to carry out its tasks. It might find itself unable to assert itself against the member-states or the Parliament. Then in order to remain a robust and independent institution, it would need to have a more direct connection to Europe's voters.⁸

⁸ See Charles Grant, *Can Britain lead in Europe?* CER 1998