Istituto Affari Internazionali

IAI WORKING PAPERS 13 | 13 - April 2013

ISSN 2280-4331

The Democratic Legitimacy of the EU's Economic Governance and National Parliaments

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Abstract

The Euro crisis has a major impact on the EU as such and on its member states. A key dimension of it concerns the democratic legitimation by national parliaments of the measures taken to face the crisis. Perpetuating the general trend of de-parliamentarization triggered by European integration, national parliaments find it ever more difficult to control their executives in times of these drastic economic measures. As a contribution to the lively political and academic debate on the role of national parliaments in the EU, this paper will focus on the recent participation of national parliaments in the policy-making of the economic governance evolving at the EU level. Two major aspects of the Euro crisis' decisionmaking in recent years include: the role of the European Council and policy coordination in the European Semester. Both challenge the ability of national parliaments to stay in control of national budgets and economic policy. This paper, which draws on comparative data concerning all 27 EU member states, considers whether national parliaments are further sidelined in the EU decision-making process or try to "fight back" against their loss of traditional competences.

Keywords: European Union / Economic governance / Democratic legitimacy / National parliaments / European Council / European Semester

The Democratic Legitimacy of the EU's Economic Governance and National Parliaments

by Claudia Hefftler and Wolfgang Wessels*

Introduction

The Euro crisis has had a major impact on the EU as such and on its member states. In the crisis management, some institutions, especially the European Council and the European Central Bank (ECB), gained importance, while others like the European Parliament (EP) were rather sidelined. A major issue concerns the role of national parliaments. The question if and in which way national parliaments were the victims of decisions taken in Brussels and in how far this has undermined the traditional budgetary sovereignty of the nation state is disputed intensively in the political and academic spheres. To turn the issue around: could national parliaments reinforce or even save the EU's legitimacy exerting a stronger role themselves?

The debate on the role of national parliaments is not new. No later than the early 1980s did the rising salience of the EU polity have an increasing impact on the competences, autonomy and thus on the power and legitimacy of national parliaments. In view of the institutional evolution of the EU system, the general assessment was to classify national parliaments as "losers" or at least "latecomers" in the EU multilevel constellation.¹

As a contribution to the lively political and academic debate on the subject, this paper will focus on the recent involvement of national parliaments in EU economic governance. The questions that this paper will address are the following: did national parliaments lose part of their traditional competences in budgetary power due to the historic decisions of the European Council and the policy coordination in the European Semester? Do we find convergence towards one common role of national parliaments in the EU system?

To find out whether national parliaments try to adapt to these new forms of governance the paper will analyse first empirical findings on the actual activities (not just formal rules) of national parliaments. Beyond mere analysis and assessment, this paper also offers some practical recommendations on possible strategies which would increase national parliaments' ability to scrutinize the European Council.

Following a brief overview of the possible roles ascribed to national parliaments in the literature, we will assess the frequency of committee and plenary debates taking place in national parliaments before or after European Council meetings as well as on early

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Paper prepared within the framework of the IAI project "The Political Future of the Union", April 2013.

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¹ Andreas Maurer and Wolfgang Wessels (eds.), *National Parliaments on their Ways to Europe. Losers or Latecomers?*, Baden-Baden, Nomos, 2001.

budget planning for the European Semester. The paper concludes that Members of Parliament (MPs) in a number of member states react to their loss of influence through closer scrutiny of their governments' activities and outlines possible future developments.

1. National parliaments as "victims" or "saviours" of EU integration?

We consider six possible roles for national parliaments in the EU system, which vary in degree and kind of involvement of national legislatures in EU decision-making.

The historical point of departure was that the shaping and making of the EU-system were - like foreign and defence policies - prerogatives of the executive branch of government. This view leaves national governments a high degree of discretion. As long as members of the European Council and the Council exercise the power allocated to them in conformity with national constitutions and with the implied confidence of the majority in their parliaments, there is no need for further debate about the latter's direct involvement. Decisive for the legitimacy of the EU system is here not the input of parliaments, but the output of EU institutions.² The activities, agreements and acts of the heads of state or government are based on an enabling permissive consensus from their citizens. In this view, no specific scrutiny procedure by national parliaments vis-à-vis their national members is needed.

In a second understanding, national parliaments' legislative and budgetary powers are surrogated by the European Parliament. The empowerment of this EU institution compensates the lack of parliamentary control of EU issues at the national level. The EP, being the only directly elected EU institution, is seen to hold the required legitimacy to take binding decisions for European citizens by substituting national parliaments.³ Similar to the traditional understanding mentioned above, this perspective does not foresee a specific role for national parliaments in the EU system. However, given the strong impact of EU induced fiscal measures on national budgets, this compensation could not or does not function any longer unless a new treaty revision fundamentally upgrades the EP's competences.

A third view stresses that national parliaments should increase control over their government's position in the national decision-making process leading to Brussels. Since the entry into force of the Maastricht Treaty, national parliaments have reacted to the apparent reduction of their traditional powers: they have created and partly used institutional opportunities to scrutinize and influence the positions of national governments.⁴ In this view, national parliaments are supposed to influence the

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² Fritz W. Scharpf, "Legitimationskonzepte jenseits des Nationalstaates", in Gunnar Folke Schuppert, Ingolf Pernice, Ulrich Haltern (Hrsg.), *Europawissenschaft*, Baden-Baden, Nomos, 2005, p. 705-742.

³ For a discussion of legitimation through national parliaments or the EP see: Bertold Rittberger, "Constructing Parliamentary Democracy in the European Union: How Did It Happen?", in Beate Kohler-Koch and Berthold Rittberger (eds.), *Debating the Democratic Legitimacy of the European Union*, Lanham, Rowman & Littlefield, 2007, p. 111-138.

⁴ Thomas Winzen, "National Parliamentary Control of European Union Affairs: A Cross-national and Longitudinal Comparison", in *West European Politics*, Vol. 35, No. 3 (May 2012), p. 657-672; Tapio Raunio, "Holding Governments Accountable in European Affairs: Explaining Cross-national Variation", in *The Journal of Legislative Studies*, Vol. 11, No. 3-4, (October/December 2005), p. 319-342; Andreas Maurer, *Parlamentarische Demokratie in der Europäischen Union. Der Beitrag des europäischen*

positions of their governments ex-ante and review their record *ex-post*. Such involvement guarantees a legitimacy bonus as national parliaments are here seen as the best representatives of their citizens - being closer to their constituencies than Members of the European Parliament (MEPs) in Brussels or Strasbourg or the head of state in a distant national capital. We will see that a large group of national parliaments have intensified their control and supervision efforts in the crisis.

A fourth view envisages that national parliaments should "contribute actively to the good functioning of the Union" both for policy making and system making at the EU level. The Lisbon Treaty empowers national parliaments to play a direct pre-legislative role in the EU's institutional architecture - like in the procedure of subsidiarity control. Provisions of the Lisbon Treaty (Art.12 TEU and subsidiarity protocol) have created new opportunities for an "early warning mechanism" for EU legislation, which have nevertheless been used only to a limited degree. 6

A fifth unconventional position aims at establishing a second parliamentary chamber composed of national MPs in the EU's institutional architecture. Such a new set-up should be empowered to co-legislate in areas where national competences are involved. It would reduce the lack of legitimacy, but at the same time create a new bottleneck both at the national and at the EU level. If it achieves any significant power at all, this additional EU institution would further complicate EU decision-making and slow down the process.

A sixth view, that of multilevel parliamentarism, makes a plea for a more intensive cooperation between national parliaments and the EP to compensate for the ever more important role of national governments both in the EU and in the national arena. In a coordinated division of labour, parliaments of both levels would jointly exercise a comprehensive participation in the *ex-ante* and in the *ex-post* scrutiny and control. We will see that some small steps have been taken and should be reinforced but they do not seem to lead to a strong multilevel parliamentarism which would check and balance the strong role of the European Council.

2. Parliamentary control of the European Council

The European Council has taken an ever more dominant position in the Union's institutional architecture. 9 The heads of state or government, characterized as the

Parlaments und der nationalen Parlamente, Baden-Baden, Nomos, 2002; Andreas Maurer and Wolfgang Wessels (eds.), National Parliaments on their Ways to Europe, cit.

⁵ Treaty of Lisbon, December 2007, Art. 12 TEU.

⁶ Claudia Hefftler, "Nationale Parlamente", in *Jahrbuch der Europäischen Integration 2012*, p. 365-370; Davor Jančić, "The Barroso Initiative: Window Dressing or Democracy Boost?", in *Utrecht Law Review*, Vol 8, No. 1 (January 2012), p. 86, http://www.utrechtlawreview.org/index.php/ulr/article/view/181.

⁷ Joschka Fischer, "From Confederacy to Federation - Thoughts on the finality of European integration", Speech at the Humboldt University, Berlin, 12 May 2000,

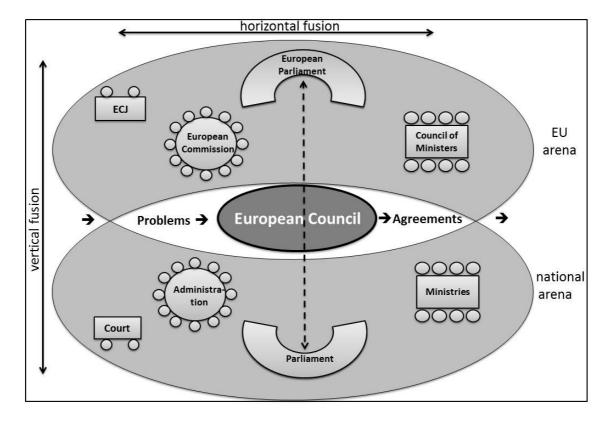
http://ec.europa.eu/archives/futurum/documents/speech/sp120500 en.pdf.

⁸ Ben Crum and John Erik Fossum, "The Multilevel Parliamentary Field: A Framework for Theorizing Representative Democracy in the EU", in *European Political Science Review*, Vol. 1, No. 2 (July 2009), p. 249-271.

⁹ Wolfgang Wessels, *The European Council*, Oxford and New York, Palgrave Macmillan, 2014 forthcoming; Philippe de Schoutheete, "The European Council", in John Peterson and Micheal Shackleton

"Union's highest executive leaders" or highest political representatives of the member states as "Master of the Treaties", 11 have turned the European Council into the key player in the EU's multilevel system.

Figure 1. Parliaments in the multilevel system



Source: Wolfgang Wessels, The European Council, 2014 forthcoming.

Since the economic crisis that began in 2008, the heads of state or government have taken decisions which deeply affect the budgetary sovereignty of the member states and their parliaments. 12

The treaty defines that "[t]he European Council shall provide the Union with the necessary impetus for its development and shall define the general political directions and priorities thereof."13 Yet, European Council meetings are less and less merely in

⁽eds.), The Institutions of the European Union, 3. ed., Oxford, Oxford University Press, 2012, p. 43-67; Philippe de Schoutheete, "The European Council and the Community Method", in Notre Europe Policy Paper, No. 56 (July 2012), http://www.eng.notre-europe.eu/011-3332-The-European-Council-and-the-Community-Method.html. 10 Herman van Rompuy, *The European Council in 2011*, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office of the European Council in 2011, Luxembourg, Publications Office Offic

Union, 2012, p. 5, http://www.european-council.europa.eu/the-president/the-ec-in-2011.

German Federal Constitutional Court, Judgment on case 2 BvE 2/08, 30 June 2009, para. 233, 239,

http://www.bverfg.de/entscheidungen/es20090630_2bve000208en.html.

12 Wolfgang Wessels, *The European Council*, cit.; Tobias Kunstein and Wolfgang Wessels, "What we

hope, what we fear, what we expect: possible scenarios for the future of the eurozone", in European View, Vol. 11, No. 1 (June 2012), p. 5-14.

Treaty of Lisbon, December 2007, Art. 15 TEU.

charge of long-term issues and general guidelines. On the contrary, they are increasingly involved directly in the decision-making process, at least in the field of economic governance.

Hectic night sessions working under the rules of "professional secrecy"¹⁴ imply that a small group takes decisions with long lasting impact on the economic and political destiny of European nations without public discourse, transparency, or parliamentary involvement. Leading members of the European Parliament blame the European Council for making decisions that people view as "a series of diktats from Brussels".¹⁵ This situation has also been assessed as "post democratic executive federalism".¹⁶ National parliaments have reacted to the challenges arising from the evolution of the role of the European Council.

An in-depth study of expert surveys in all 27 EU member states documents a high variation of legal rules and real practices. The parliamentary scrutiny in the preparation and follow up of European Council meetings is exercised in many different ways across the EU.¹⁷ Apart from the *ultima ratio* of the removal of the head of government, national parliaments possess several "soft" measures to hold their governments accountable as through interrogations, hearings, debates, and resolutions or mandates.

In a majority of member states (17 out of 27), there are formal rules mentioning explicitly the parliamentary control over the members of the European Council. In most other cases, the standard procedures of scrutiny of EU affairs apply: the rules for the control of the European Council provide rights of information (always), consultation (sometimes) and binding opinions (rarely).

Many national parliaments and heads of government have established together a rich array of institutional and procedural opportunities. Germany may serve as a case in point for detailed formal rules on information sharing, which describe precisely when and in what form the government is bound to transmit certain information. Only in two cases, Malta and Romania, institutional channels for dialogue and scrutiny either do not exist or are very limited. However, there are very few cases of binding obligations for heads of government to report before or after the European Council session to the plenary or committees of their parliaments. A number of parliaments have the legal right to mandate their government on EU negotiations. However, the mandate is barely used in relation to summits at EU level.

Beyond the legal provisions, it is crucial to analyse how far national parliaments make use of these rights. The empirical evidence shows great variety in the application and

¹⁴ Art. 11 of the Rules of procedure for the European Council. See Wolfgang Wessels, *The European Council*, cit.

¹⁵ Martin Schulz, *Inaugural speech by Martin Schulz following his election as president of the European Parliament*, Strasbourg, 17 January 2012, http://www.europarl.europa.eu/the-president/en/press/press_release_speeches/speeches/sp-2012/sp-2012-january/speeches-2012-january-

<sup>1.

16</sup> Jürgen Habermas, Zur Verfassung Europas. Ein Essay, Berlin, Suhrkamp, 2011, ch. 2.

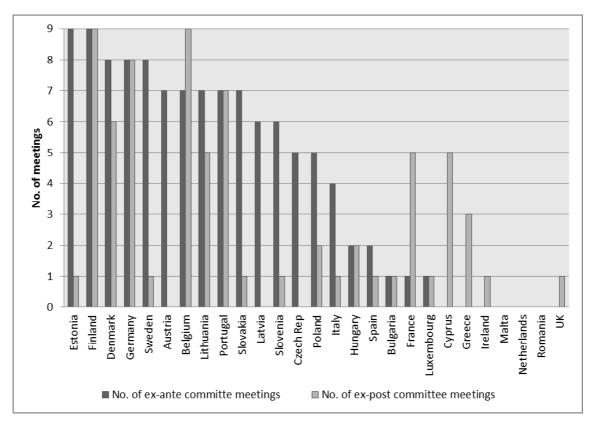
¹⁷ The following section is based on the findings of the study by Wolfgang Wessels et al., *Democratic Control in the Member States of the European Council and the Euro zone summits*, Brussels, European Parliament-Directorate General for Internal Policies-Policy Department C: Citizens' Rights and Constitutional Affairs, January 2013,

http://www.europarl.europa.eu/committees/en/studiesdownload.html?languageDocument=EN&file=90910.

use of the instruments available for the control of the European Council when it comes to the frequency of debates on the floor and in committees. *Ex-ante* and *ex-post* control possess different qualities: *ex-ante* debates in parliament have the aim of influencing the government position before the actual decision is taken. Parliamentary debates after a summit may raise public awareness and hold the head of government accountable for the (lack of) defence of the national position at EU level.

The following two tables show the number of plenary and committee debates held in the time period from March 2011 to March 2012, where an overall number of nine European Council meetings and Euro summits took place.

Figure 2. Committee meetings before and after European Council meetings and Euro Summits, March 2011 to March 2012



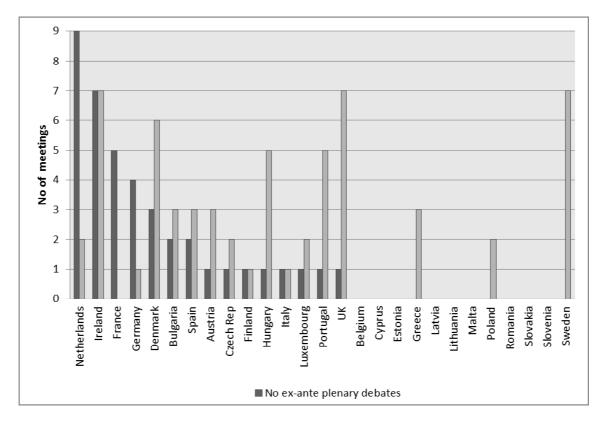
Source: Wolfgang Wessels et al., Democratic Control in the Member States of the European Council and the Euro zone summits, 2013, p. 38, 40.

The empirical evidence shows that approximately two-thirds of the national parliaments have held explicit debates on more than half of the European Council meetings and Euro summits that took place in the time period examined.

We can differentiate four groups of countries depending on the frequency of committee debates before and after EU summits. The most active parliaments at committee level are Finland, Denmark, Germany, Belgium, Lithuania, and Portugal with continuous debates *ex-ante* and *ex-post*. Several parliaments confined committee work to the preparatory stage. Especially parliaments with the right to mandate the government

position in EU negotiations, like Estonia, Sweden and Austria, belong to this group. Only few parliaments have their committees involved in the follow up to EU summits (France, Cyprus, and Greece), and a still noticeable number of seven parliaments hold only one or no meeting at all. However, among those countries whose parliamentary committees are inactive, the Netherlands, Ireland, the UK, and Bulgaria are involved through plenary debates as the following figure shows.

Figure 3. Plenary debates before and after European Council meetings and Euro Summits, March 2011 to March 2012



Source: Wolfgang Wessels et al., Democratic Control in the Member States of the European Council and the Euro zone summits, 2013, p. 38-39.

One third of the lower chambers in national parliaments debated at least half the European Council meetings and Euro summits that took place in the time period from March 2011 to March 2012. Ireland is the only parliament where the plenary was involved both before and after the summits. While in the Netherlands, France and Germany the plenary prepares the EU summits, five parliaments use this public forum to hold their government accountable in the aftermath of EU negotiations. In a significant number of parliaments (11), the European Council meetings do not make it on the agenda of plenary sessions.

These formal debates can only be one among several indicators of the true level of parliamentary activity and influence. In fact, a significant degree of parliamentary control is exerted through informal channels and at the party level. Yet even at the level of formal involvement, this paper finds that several parliaments have proved to be pro-

active and tried to adapt to decision-making in European Council meetings. *Ex-ante* and *ex-post* control of the European Council by national parliaments prove to be significant in a number of parliaments.

In view of the roles of national parliaments outlined above, the empirical evidence documents a considerable increase of parliamentary activities at the national level. In a number of parliaments, MPs seem to accept neither the traditional understanding of the executive privilege nor the EP as a substitute for their lack of involvement. Instead, they seek an active role. It is a significant sign of the lack of cooperation between levels of government, that there are only a few traces of a reinforced multilevel parliamentarism.

3. The European Semester: soft coordination of economic policies

The European Council summits and the European semester both have a similar effect of confronting national parliaments with decisions taken at the EU level, forcing them to be involved early on in the policy-making cycle. A failure to do so may lead to reduce their own function to rubber-stamping pre-cooked decisions. The European Semester is feared to undercut the budgetary powers of national parliaments through the early interference of the European Commission's Annual Growth Survey in the process of drafting the national budgets.

Beyond their own strategic interest to maintain their traditional budget control, national parliaments fulfil an important legitimation function: they can ensure a certain ownership of the recommendations coming from EU institutions and the decisions taken by their government, if they actively debate the different measures throughout the European Semester. Through public debate, parliament transmits the decisions and arguments on which they are based on to the broader public. Thus, EU recommendations should be perceived less as superimposed (sanctions), and may find broader public acceptance.¹⁸ The risk is that the participation of national parliaments falls short at the level of media, and thus public attention. Indeed, while the European Council is highly salient and brings together the political leaders of Europe, the European Semester is a much more bureaucratic procedure that is unlikely to attract much public attention.

The European Semester is a measure of policy coordination in the EU which, following earlier attempts, was finally introduced by the Council of Ministers in September 2010,¹⁹ providing for the early detection of economic imbalances among EU member states. It was fully codified through the Six-pack regulations, which entered into force in December 2011.²⁰ The main objective of the European Semester is to harmonize the

¹⁸ Jacques Delors, Sofia Fernandes and Emmanuell Mermet, "The European Semester: only a first step", in *Notre Europe Policy Brief*, No. 22 (February 2011), http://www.eng.notre-europe.eu/011-2554-The-European-Semester-only-a-first-step.html.

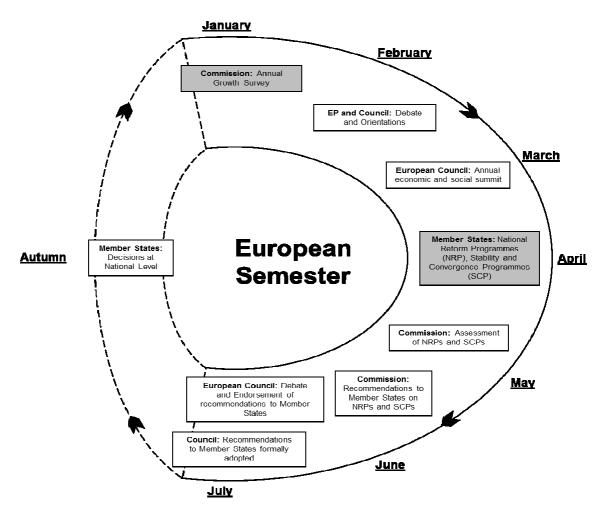
¹⁹ Council of the European Union, *3030th Council meeting, Economic and Financial Affairs* (13161/10), Brussels, 7 September 2010,

http://consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ecofin/116306.pdf.

European Commission, EU Economic governance "Six-Pack" enters into force (MEMO/11/898), Brussels, 12 December 2011, http://europa.eu/rapid/press-release_MEMO-11-898_en.htm.

timing of policy formulation, in order to give a common guidance and monitoring to national fiscal policies.

Figure 4. The European Semester



Source: Wolfgang Wessels, The European Council, 2014 forthcoming.

The graph indicates the different time phases of the European Semester. EU policy guidelines are formulated by the Commission before national budgets are debated in parliament. The short window national governments have to adapt their budget plans may render it difficult for national parliaments to intervene. They would need to adapt their procedures to the new timetable of the European Semester and debate the Commission's Annual Growth Surveys at the beginning of the year as well as the governmental plans drafted in April. At the same time, the early publication of government documents, as the Stability and Growth Plan and National Reform Plan, provide also national parliaments with information in written form at an earlier stage in the policy making cycle than was the case before.²¹ Thus, the crucial question is

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²¹ Mark Hallerberg, Benedicta Marzinotto, and Guntram B. Wolff, "How effective and legitimate is the European Semester? Increasing role of the European Parliament", in *Bruegel Working Paper*, No. 2011/09

whether national parliaments debate these documents. Empirical studies record the frequency of debates on the Commission's recommendations as well as the government multi-annual plans.

According to the 15th biannual report of the Conference of Community and European Affairs Committees of Parliaments of the European Union (known under its French acronym: COSAC) thirteen chambers debated or planned to debate the Annual Growth Surveys stemming from the Commission in 2011. Several other parliaments included the issue into more general debates on EU economic policy at plenary or committee level.²²

For both sets of governmental plans issued in April - the Stability and Convergence Plans and the National Reform Programmes - about two-thirds of the national parliaments held committee debates in the year 2011. Yet, in only seven member states the governmental plans were debated on the floor (Italy, France, Luxembourg, Portugal, Spain, Slovakia, and the UK).²³ It is surprising to see that parliaments like those of Austria, Denmark, and the Netherlands, who are traditionally known as being strongly involved in EU affairs have not debated governmental plans either at committee level or in the plenary. In general, the new documents provided for the European Semester are much more frequently taken into account in committees than at the plenary level.²⁴ On the one hand, this proves the awareness and interest of national parliaments in the European Semester. On the other hand, these debates take place rather behind closed doors and are not communicated to a broader public. Their legitimation function is therefore fulfilled only to a limited degree.

Concerning the different roles national parliaments might take up, we can see that the direct relation to EU institutions is more limited than the level of debates within the national arena. Parliamentarians debate more frequently the governmental plans, but mostly neglect the initial phase with recommendations by the Commission.

Conclusion and recommendations: strengthening multilevel parliamentarism

Beyond mere theoretical considerations, this paper has evaluated empirical evidence on national parliaments' activities to control European Council meetings and their involvement in the European Semester. Overall, we observe that national parliaments have increasingly become aware of the impact of EU decisions on significant parliamentary prerogatives. In the domestic arena, the majority of national parliaments have increased their legal and political influence as a reaction to this.

⁽September 2011), http://www.bruegel.org/publications/publication-detail/publication/612-how-effective-and-legitimate-is-the-european-semester-increasing-role-of-the-european-parliament.

²² COSAC, Fifteenth Bi-annual Report: Developments in European Union Procedures and Practices Relevant to Parliamentary Scrutiny, Budapest, May 2011, http://www.cosac.eu/documents/bi-annual-reports-of-cosac.

reports-of-cosac.

23 Mark Hallerberg et al., "Survey to National Parliaments", in *An Assessment of the European Semester* (PE 475.121), Brussels, European Parliament-Directorate General for Internal Policies-Policy Department A: Economic and Scientific Policy, September 2012, p. 68-76,

http://www.europarl.europa.eu/committees/en/studiesdownload.html?languageDocument=EN&file=76151. lbidem.

On both, the scrutiny of the ever more relevant European Council meetings as well as the financial policy coordination procedure of the European Semester, a number of national parliaments try actively to compensate for their loss of traditional competences. MPs seem to "fight back" and stay in control of EU decision-making of high salience.

However, a great variation among parliamentary practices remains the dominant finding, where few recurrent schemes of activities become apparent in cross-national comparison. One common feature may be that only a relatively limited number of national parliaments debate EU issues in the plenary. Much more frequently, both the control of the European Council as well as the scrutiny of the documents drafted for the European Semester are treated discretely in the more closed atmosphere of committee meetings.

Thus, regardless of the attempts by some national parliaments to become involved in the new measures of EU economic governance, only to a limited degree do national parliaments provide input legitimacy in an EU wide approach. The different motivation and capability of national parliaments to control their head of government question whether this can be an adequate balance to the power of the European Council. Indeed, without a more homogenous approach, national parliaments cannot be seen as a "virtual third chamber" which counterweighs collectively the strength of this EU institution.

From the best practices derived from the empirical study on the European Council, a list of policy recommendations can be formulated. Some of the widespread claims regarding national parliaments' role in the EU should be questioned. In particular, the view according to which the best possible solution is a maximum involvement of national parliaments through binding mandates for heads of government. The capacity of the European Council to take decisions would soon be severely reduced under such conditions. In other words, there are trade-offs between input legitimacy (through parliamentary oversight) and output legitimacy (through Council decisions). It is, therefore, essential that the members of the European Council enjoy a certain degree of autonomy from their national parliaments.

Drawing lessons from this state of affairs, one option suggested in the political and academic debate aims at upgrading the role for national parliamentarians through the creation of a "second [parliamentary] chamber". This institution would be composed of delegations composed of national MPs and focus on areas where national competences are involved. Functions and forms of such a new institution for multi-tier constructions are unclear and disputed. Its impact on the institutional balance of the EU needs to be discussed. Thus, the size and distribution of seats among the participating states remains an open question. The legitimacy of a "degressive proportionality" will be strongly disputed. Thus, a major conflict may well arise around the "fair" distribution of seats among the involved member states. If this second chamber is only composed

²⁵ Tapio Raunio and Simon Hix, "Backbenchers Learn to Fight Back: European Integration and Parliamentary Government", in *West European Politics*, Vol. 23, No. 4 (October 2000), p. 142-168.

²⁶ Ian Cooper, "A 'Virtual Third Chamber' for the European Union? National Parliaments after the Treaty of Lisbon", in *West European Politics*, Vol. 35, No. 3 (May 2012), p. 441-465.

²⁷ Joschka Fischer, "From Confederacy to Federation", cit., p. 8.

²⁸ Treaty of Lisbon, December 2007, Art. 14(2)TEU.

of national MPs from the Euro-zone countries, the division of the EU would be even further deepened.

For all, not at least for the Union's citizens, the complexity of decision-making in several different forms of differentiated integration would increase even more and the accountability of political decisions would be further reduced.

A major point of our recommendation concerns multilevel parliamentary cooperation as a viable alternative to an institutionalized body. The transnational multilevel cooperation is a major desideratum to prevent national parliaments from discussing European issues on the agenda of the European Council just in the perspective of their own interests and perceptions. To have 27 parochial debates will lead to a destructive fragmentation of the Union's political space.

Some procedures and structures for parliamentary coordination, both between national parliaments and between the European Parliament and national ones, already exist. The biannual conferences organized by the COSAC secretariat gain more and more attention by high-ranking Commission officials to discuss with national parliamentarians. In many joint committee meetings (on specific policy areas) and interparliamentary meetings, a network of specialized parliamentarians is slowly emerging throughout the EU. New interparliamentary arrangements are now being implemented, i.e. the interparliamentary conference for CFSP and CSDP foreseen by the Lisbon Treaty (art. 8c, TEU) or an interparliamentary meeting on economic policy coordination based on Article 13 of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union (TSCG). Furthermore, the network of permanent representatives of national parliaments based in Brussels forms an important link in the coordination and information exchange among national parliaments.

Whatever the desirable structure, parliamentary cooperation faces huge challenges. The utility of a weak system of coordination could always be questioned, as it does not affect national policy making.

Furthermore, parliamentary involvement in EU affairs faces the problem of an increased differentiated integration, in which not all member states have the same rights and obligations towards the EU. We observe considerable variation in multi-tier governance in several of the Union's exclusive, shared and supporting competences. The Lisbon Treaties have again established additional legal opportunities (see permanent structured cooperation in Art. 46 TEU). Reacting to the crisis years, the European Council or Euro summit have adopted new treaties outside the EU framework (the ESM and TSCG) which have again increased the relevance and the complexity of differentiated modes of EU governance.

For national parliaments and for the EP, the complexity of multi-tier governance has considerably increased the difficulties to play an adequate role vis-à-vis the strong multilevel players of the executive branch of government.

Updated: 8 April 2013

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