It's time for European governments to embrace a real reform agenda for the EU

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David Cameron has announced his intention to renegotiate Britain's membership of the European Union ahead of an 'in/out' referendum in 2017. Hugo Brady writes that rather than attempting to negotiate the re-nationalisation of EU powers to Westminster, he and other European leaders should consider some practical, feasible reforms that the Union can begin to implement immediately. Outlining a series of reforms based on a major report by the Centre for European Reform, he argues that the expected rise of far-right political forces in next year's European elections means the time for change is now.

The Centre for European Reform – the London-based think-tank that I work for, and represent in Brussels – published a major report last week outlining 35 reform ideas that, if properly implemented, would make a better EU. Obviously, we are influenced to some degree by the debate raging all around our offices in Westminster and the intense pressure on British prime minister, David Cameron, to wring special concessions from Brussels before a UK referendum pledged for 2017.

But we are more concerned that the EU is about to reach a political crossroads in 2014 as voters make their voices heard in the European elections after long years of economic hardship. According to Eurobarometer figures, a majority no longer feel they live in a fully democratic Europe. Populist politicians in France, the Netherlands and the UK continue to record some unsettling support. Marine Le Pen's National Front topped a poll for Le Nouvel Observateur published last Wednesday, two places ahead of François Hollande's socialists. And countries like Austria, the Czech Republic and Denmark are even more Eurosceptic today than they were before 2010. Some – though not all – of this is due to the horribly awkward questions that the Eurozone crisis has asked of the Union about democratic accountability, the political destination of the Eurozone, and future relations with those countries that do not use the single currency.

EU reform is far from a British obsession: In France, senior officials complain about excessive EU red tape. The Dutch government published a paper in June 2013 listing 54 policy areas where it wants no further EU



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involvement. In Germany, ministers demand that the EU pay more attention to 'subsidiarity' – the principle that the Union should act only when strictly necessary, and that member-states should act where possible – and criticise the Commission for wanting too many powers. There has probably never been a moment more propitious for reforming the EU. Hence we felt the time was right to suggest a set of practical, feasible reforms that would win widespread support across the member-states and should be pursued.

We start with the European Commission, which despite the popular canard of the Brussels 'hyper-regulator' has actually repealed 5,590 legal acts since 2005 and exempted small businesses completely from many EU rules. The Commission has gained considerable technical powers over national economies since 2008, but it continues to lose political authority. We think an unhealthily imbalanced relationship with the European Parliament is to blame, where the Commission increasingly takes its lead from the as yet immature parliamentary assembly. (We are not convinced that the EP currently has the political wherewithal to represent the public.) We recommend that leaders in the European Council should have the power to sack the Commission – just as the EP does – and that all three together should agree a new legislative programme for the EU at the start of the new Commission's mandate in 2014. This should encourage the Commission to remain the independent referee the EU needs, not be an increasingly partisan political actor.

Unsurprisingly, we are also very unsure about the current plans to select the next Commission president from the ranks of MEPs as the nominees of the big European political parties. We fear that this well-meaning initiative would only further alienate voters from the EU by boosting the chances of relatively unknown Brussels insiders who may have never hitherto headed a major national, or even regional, administration. Instead, we propose bringing national parliaments more fully into the EU policy sphere by giving them greater powers to block, repeal or request European legislation. We think the time is right to establish a formal assembly of national parliaments in Brussels where their nominees could monitor deals made by EU leaders and hold them to account in areas where the EP has little power, such as foreign policy. This would improve the transparency of deal-making at EU summits, while helping national parliaments to think more in the European interest.

In addition, we think that MEPs should submit major amendments to legislation to impact assessment boards so that their likely consequences can be made plain before negotiations with the governments begin. The Commission already does this with its own draft legislation, with the result that some laws are indeed dropped. But it does not publicise this for fear of embarrassing the Commissioner concerned. In our view, if the public knew about such instances, it would boost the credibility of the Commission's impact assessment process, which has already been praised as a gold standard by bodies such as the OECD.

Institutions matter. But trust in the EU will not return to its former level until voters once again perceive it as the economic motor of the future. In that respect, we recommend expanding the single market into business services, IT, telecoms, construction and railways, and re-focusing the EU budget so that more money is spent on projects that boost growth, such as cross-border transport and energy links. It is quite incredible in today's Europe that cross-border e-commerce has yet to take off: it is after all one of the few areas we can look to for internal growth in the present economic climate.

The CER report has lots of other suggestions, including on how to improve the oversight of the EU by strengthening its Court of Auditors and by having the anti-corruption NGO Transparency International rank it alongside national administrations. We want non-euro countries to have observer rights in the meetings of the Eurogroup. And we have ideas on energy security, the fight to mitigate climate change and how to introduce more flexibility into EU rules on working time. We do not rule out treaty change to achieve some of the above, but think it should be avoided if possible, or at least kept to small surgical amendments.

All political communities must adapt if they are to survive. The rise and fall of political systems is the tale of history and the EU is no special exception. That leaves the Union with two choices: evolve into something better, or be replaced by something worse.

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Note: This article gives the views of the author, and not the position of EUROPP – European Politics and Policy, nor of the London School of Economics.

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