The missing European Public Sphere

The European Parliament from a Public Choice perspective

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# Table of Contents

1 Introduction .......................................................................................................................... 3

2 Relevant literature .................................................................................................................. 6
   2.1 Democratic deficit ................................................................................................................. 7
      2.1.1 Five claims of democratic deficit .................................................................................. 7
      2.1.2 Twofold reason of democratic deficit ............................................................................ 10
      2.1.3 The use of terminology in the thesis ................................................................................ 12

2 Representation ....................................................................................................................... 14
   2.2.1 National linkages of MEPs ............................................................................................... 14
   2.2.2 Cohesion within representativeness ................................................................................... 17
   2.2.3 (Rational) ignorance and absence of European citizens .................................................. 20

2 Characteristic of the European Parliament ............................................................................ 27
   2.3.1 The unique nature of the European Parliament and its consequences ................................ 27
   2.3.2 Inter-party group conflict, intra-party group cohesion ...................................................... 33
   2.3.3 Cartel feature of the Europarties ....................................................................................... 34
   2.3.4 Bicameralism ................................................................................................................... 37

3 Evaluation of the literature ..................................................................................................... 38
   3.1 Facing the facts .................................................................................................................... 38
      3.1.1 Pros .................................................................................................................................. 38
      3.1.2 Cons ................................................................................................................................ 42
      3.1.3 Developed hypotheses .................................................................................................... 43

4 The model .................................................................................................................................. 46
   4.1 Players in the model .............................................................................................................. 46
   4.2 The operation of the model .................................................................................................. 46
   4.3 The idea behind the model ................................................................................................... 48

5 Interviews .................................................................................................................................. 52
   5.1 Subject of exchange between the Member States .................................................................. 53
   5.2 Technical feasibility .............................................................................................................. 54
   5.3 Political feasibility ............................................................................................................... 56
   5.4 Universal remarks about the model ..................................................................................... 57
   5.5 Summary of the interviews ................................................................................................ 58

6 Summary .................................................................................................................................... 61

7 Conclusion ................................................................................................................................ 63

8 Bibliography ............................................................................................................................ 64

9 Notes .......................................................................................................................................... 73
1 Introduction

This is not the first time I choose the topic of the European Union's democratic deficit and that of the introduction of an institutional model which tries to tackle this issue. I had already written a thesis on the topic at Pázmány Péter Catholic University, which I previously attended. When I had the opportunity to write two more publications – one in the Solvay Student Review and another one in Tehetség pont at PPKE.

Based on the aforementioned papers I can state that the democratic deficit issue within the EU and more so, the institutional model, which will be presented in this thesis as well, is my "research topic".

As such, I would like to be concerned with it in the future as well. Therefore, the master's thesis, which will be presented in the next 50 pages, is also a herald of a future PhD research and thus it may lead to more questions than answers.

In my previous master's thesis at PPKE I dealt more with the definition and characteristics of democratic deficit within the EU, while in my short publications I concentrated on the institutional model, which tries to solve the problem of democratic deficit. In this thesis I highlight two decisive elements of this problem. First, these are the multiple representations of the European people within the European Union and - more problematically - are mainly realised by the executive branches of the Member States. I mention the missing demos on the second place as a decisive component of democratic deficit. This phenomenon means the lack of true European parties, European initiatives or at least a European public life.

A logical chain may be necessary to clarify the aim of this current master's thesis and introduce my hypothesis. The first assumption in my examination is that democratic deficit exists in the European Union. In my previous thesis, I have already made a thorough
literature review about this part of my evaluation, and since the aim of the recent thesis differs from the examination of democratic deficit, I will not go into details. However, I will introduce the democratic deficit issue at the EU level in short and an argumentation regarding the existence of the problem.

Second element of the logical chain is the assumption that a common European political sphere – where EU issues dealt with by European parties and citizens are also continuously followed by the above - would be able to ameliorate the problem of democratic deficit at EU level. However, this desired common political sphere has been missing recently. Here arises the main research question of this thesis: why is this sphere missing and why cannot it emerge.

In the framework of this thesis, I try to answer this question by focusing my research on the institution of the European Parliament. Owing to this perspective I can analyse the incentives of the MEPs, which – at the end – can be seen to have an effect contrary to an emerging European political sphere.

At the same time, the other actors of the representative political system, in this case the European electorates, will also be seen as tending to act against the desired common public sphere. The reason for this lies mainly in the public choice literature and Downs theory about rational ignorance and abstention, which says because the high costs of gathering information compared to the possibility of one's vote actually deciding the results of an election is so small that abstention from voting and to stay uninformed is a rational act of voters.

In the current thesis, I will make a thorough literature review which aims to collect the relevant publications, which examine the European Parliament's nature and the representative behaviour of the MEPs, mainly within an institutionalist framework. Based on these sources I will introduce a developed hypothesis arguing that MEPs play two
different roles whereof one is in Brussels, striving to increase the power and influence of the Parliament, while the other, at the Member State level aims to “sell representative services” for voters in order to get votes for the re-election.

The problem arises when one examines the interests of the European voters, which may not be the further strengthening of the EP. I argue this by the constantly lowering turnout data at the EP elections, but other forms of abstention from EU politics can also be seen as proof for this argument.

At the end of the thesis, I will also introduce a model, which aims to change the process of EU-level decision-making and owing to this change it would also shift the incentives of the actors towards the development of a European political sphere. This model can be seen as an extreme reform idea - and thus it may be only understandable within a theoretical framework - because its core element would be the complete elimination of the European Parliament for a while. The model argues this would be reasonable until a European public sphere would come into existence and after that - based on this common sphere - the EP could indeed function effectively. In the EP's absence national parliaments should take on the responsibility of EU decision-making in unison, since they are closer to the citizens and also a Europeanization of national politics could happen through them.

I will introduce the opinions of actors from different fields of the European Union and EU studies, in which people were asked to evaluate this hypothetical model. The studies are based on panel interviews, which were conducted with representatives, experts and politicians. Here, I would like to take the opportunity to thank them the possibility to make these interviews with them and I also want to thank my supervisor for helping me to make these happen.

Yordanova's thinking gave me an encouraging incentive to this master's thesis. In her article (Yordanova, (2011) 614. p.) she lays
down the directions of future researches about the European Parliament and argues that “the next generation of studies on the parliamentary organization should go beyond the congressional literature to explain why and how the parliament has reorganized its internal work in response to substantive changes in its external environment”. My research direction fits into her “wishful suggestion” which requires the examination of 1) impacts of the related changing party group behaviour and incentives, 2) the increased demand for bicameral coalitions, furthermore 3) the intertwining of inter- and intra-chamber dimensions of conflict and finally 4) the shift from formal to informal decision-making.

Simon Hix also argues in favour of further examination of the only directly elected European decision-making body, the European Parliament, stating it is “an excellent laboratory for testing general theories of legislative, parliamentary and party behaviour and organization” (Hix et al., (2002) 3. p.). This master's thesis will do exactly that.

2 Relevant literature

In the following section, I will to go through the academic literature, which examines the European Parliament's function within the European Union. “Being the only directly elected institution of the European Union it owes its empowerment to the hopes of solving the organization's democratic deficit problem” (Yordanova, (2011) 597. p.) However, this institution is unique in the sense that this is central to a model of political representation, which has failed to build effective links between the people and the Union (Scully et al., (2012) 670. p.). A significant part of professional literature deals with the question how the EP serves as a representative body. In fact, I state the opposite as Yordanova, namely that the European Parliament does something effectively but it is not the solution for the democratic deficit problem and in no wise with a European perspective, since, as
it will be introduced, the nationality of MEPs plays a crucial role in their parliamentary behaviour.

2.1 Democratic deficit

2.1.1 Five claims of democratic deficit

As Simon Hix, one of the leading political analysts of the European Union writes in his book “there is no single definition of the democratic deficit in the EU.” They depend on nationality, political views and preferred solutions of scholars, but it is possible to define common features, so-called “standard claims” about the democratic deficit (Hix, (2008), 68. p.). In my master’s thesis, I will use the same terminology which can be seen in most of Hix’s books, that is, the five main claims of the “’standard version’ of democratic deficit.” (Hix - Hoyland, (2011), 132. p.)

The first one is the increased executive power and decreased national parliamentary control which developed in the course of European integration. This claim tries to examine, which institution is the most important in a representative democracy. At the national level it is the national parliament, where the executive is held to account by parliamentary scrutiny of government ministers. By contrast, in the European Union the executive actors are rather dominant, the main problem being, that these executive actors in the Council and in the European Commission carry out their tasks “largely beyond the control of national parliaments” (Hix, (2008) 68. p.) Therefore, representatives of the Member States’ citizens in the European Union can act without the appropriate control of the directly elected – and so, most democratic – body: the national parliament. This process is often described as the European integration embodying a “decrease in the power of national parliaments, and an increase in the power of executives” (68. p.). However by the implementation of the “yellow card” procedure the role and power of the national parliaments have been enhanced. This process enables that the Member States’
parliaments have the right to scrutinize the Commission’s legislative proposals to give a reasoned opinion on subsidiarity. If one third of the parliaments oppose the draft, the Commission must review it (Hardacre, (2011), 156. p.). This process partly compensates the national parliaments for the loss of influence.

The second claim, which is a fortiori relevant to my hypothesis, is the weakness of the European Parliament. As a solution for democratic deficit problems the idea of increasing the power of the European Parliament emerged in the mid 80s. Indeed, the EP has strengthened in the past years and widened its legislative powers, but the Commission and the European Council – so two institutions with executive actors – are still the agenda-setters. Although the EP's power has increased, in fact it stayed relatively weak in the triad of the EU institutions and could not “sufficiently compensate for the loss of national parliamentary control,” (68. p.) because the sittings of the European Parliament may be attended by the Member States' opposition parties, in contrast to the executive branches, namely in the Commission and Council, where this is not the case. Thus the democratic accountability of these institutions is weakening, however the above-mentioned “yellow card” procedure is also a positive development in this sense.

The third claim is also given considerable emphasis in my thesis. It entails the lack of ‘European’ elections, namely that citizens cannot vote on EU policies, besides, EP elections also deal with domestic issues instead of European contest. To sum up, the absence of a ‘European’ element in the national and European elections means that citizens’ preferences on issues on the EU policy agenda have only an indirect influence on EU policy outcomes at best. It can be seen precisely in the case of the 2014 European Parliament elections. Although the European Commission presidential campaign touches on European issues, such as economic or social issues (see Fox, (2014)),
national interests remain the driving force behind the election campaigns in the Member States (see Sponenberg, (2014)). Furthermore, in this campaign the debate goes not on European policy questions, but on the needs of the whole European Union. In this sense national interests plays the most significant role again, because citizens are likely to support the entire EU if their personal political views are closer to the EU policies, but the contrary may also occur: if they feel like national political views are more favourable, they will oppose the union (Hix, (2008), 64. p.).

Fourthly, the distance between citizens and institutions in the EU. It means that people cannot understand the EU, which stems from the different forms of the European Union’s democratic institutions. These are structured and function differently than domestic institutions used to. Until basic features will not change “citizens will never be able to assess and regard [the EU] as an accountable system of government, nor to identify with it” (Hix, (2008), 78. p.). This claim can be reformulated as the lack of material legitimacy, meaning that European citizens cannot identify themselves with the European Union, and do not feel the EU as their own. This results in the constant plunge of election turnout and the strengthening of nationalism.

Finally as a result of the above-mentioned four claims the fifth one may follow: the “gap between the policies that citizens want and the policies they actually get” (69. p.). The problem stems from the phenomenon that the EU adopts policies which are not supported by the majority of its citizens. It can be called the lack of output legitimacy, where the latter “refers to the extent to which the effects of political decisions are perceived to be in the interest of the people” (Börzel, (2009) 4. p.). In Scharpf’s definition it is constructed as “government for the people”, and it means a government which is oriented to the public interest rather than to the general will (Scharpf, (1999) 10-11. pp.). In other words output legitimacy concentrates on
the quality and effectiveness of decisions which were produced to solve problems. Contrary to input legitimacy, which points more on the secure representation of all relevant interests and the lawful process of decision-making, in the focus of output legitimacy stands the content of regulations and measures of the government. These two forms of legitimacy may reinforce one another, since generous consultation can result in more informed decision-making process, which at the end will lead to more effective policies (Piattoni, (2010) 190. p.). It is important to note that there are scholars who argue that the EU only needs is output legitimacy (231. p.).

2.1.2 **Twofold reason of democratic deficit**

Another good question is, why does democratic deficit exist and from where did it arise? The answer to that question is twofold. On the one hand, it has a structural reason: the prime drive of the people’s representation is constituted by the European Council and the Council of Ministers. (Grant, (2012), 23-25. p.) Both of which consist of the executive branch of the Member States. Nevertheless, the legislation proposals stem from the European Commission, the members of which are chosen by national governments, and so, are indirectly representatives of the executive branch as well. Finally, the European Parliament would have the chance to legitimate decisions, should it have any in connection with the given case. The European Parliament is the only institution in the structure which has power granted directly by the citizens (Hardacre, (2011), 85. p.) and it could mean a higher legitimacy of European decisions. Even so it is not the European solution of the democratic deficit. As I will prove, Members of the EP (MEP) indirectly also represent national interests, but at least the interests of citizens and not only those of governments.

This problem lead to the other source of the democratic deficit issue, which is the so-called *demos problem*. The cornerstone of the problem is on which level the *demos* - the basis of democracy - is
constituted. In a well-functioning federation – or should – but in the EU it should be realized at European level. Instead, it remains present domestically. The above-mentioned European institutions became more powerful and centralized, while "public sphere, collective identities and intermediary political institutions such as parties and associations that together constitute the demos, have retained their primarily national foundations” (Cheneval, F - Lavenex, S - Schimmelfennig, F, (2014), 2. p.). Put it simply; European democracy cannot exist without European demos. If it can then it is a democracy, within “separate statespeople enter into a political arrangement and jointly exercise political authority” (Cheneval, F - Lavenex, S - Schimmelfennig, F, (2014), 1. p.).

One would also examine democracy in itself and its two sides (Hix, (2008), 76-84. p.) which are a procedural and a substantive one. Procedural democracy covers the rules of a democratic government. The motto of procedural democracy could be: “government by the people, for the people” (Hix, (2008), 76. p.). Mainly elections and the equal access to voting stands in its focus, because “government by the people” can be realized by elected representatives of the people. Undoubtedly, the European Union “meets all the procedural requirements to be considered a democratic polity.”

But on the other hand the substantive side of democracy looks somehow problematic. The substantive meaning of democracy is the content of the political process. It would be the essence behind procedural democracy which should be testified in “a battle between political elites for control of political authority” (Hix, (2008) 77. p.). The problem here is mostly because of the lack of European contest and it manifests itself in the case of the election of the Commission President. He – similarly to national prime ministers – decides about portfolios in the Commission, which body has the monopolistic right to start the legislation process with an initiative. At the same time it is
perverse that European elections does not result direct government formation (Lefkofridi – Katsanidou, (2014)).

One could also touch on the EP elections as “second-order national elections” (Van der Eijk – Franklin, (1996); Weber (2007); Hix – Hoyland (2011)). This is sad, but true. Voters, the media and national parties also treat these elections as just another set of domestic elections (Hix, (2008)). Voters punish and reward domestic parties based on their current native activity, and so, use European elections for domestic purposes. Therefore, European Parliament elections actually have very little to do with ‘Europe’.

2.1.3 The use of terminology in the thesis
I tried to introduce above the democratic deficit problem which stands as a huge obstacle in the way of an effective European integration. Almost all of the claims, which support the democratic deficit, can be denied easily (see Moravcsik, (2008)), except for one, which is still relevant. That is the misuse of the name, European Parliament elections, because it is not European due to the significant if not decisive national, domestic content of these ballots. In addition to this, the whole content of European issues or policies does not exist, because exactly Europe, that is, its citizens are absent from the whole.

From the above definitions I try to highlight the most relevant features. Firstly, democratic deficit means the multiple representations of the European people and it stems from the structure of the European Union. This structural problem is that the representativeness of national executive branches is much more emphasized in the European Union’s decision making. It is important to note here the principal-agent relationship between Member States and EU institutions which is, again, a peculiar character of the whole European Union. Namely, the principals, who entrust agents to carry out measures, make decisions and use control mechanism about the
Member States are the nation states at the same time. In the role of principals Member States make institutions at the EU level who then become agents, but these agents are made up from national representatives and technocrats (Blom-Hansen, (2005)).

Secondly, the missing demos in the EU, which should be the substantive side of a democracy. There are no proper European parties, European initiatives or European public life for that matter. However one can mention the measures and tendencies which can be called as the “more Europe” concept. It entails the effort to build up the thus far missing demos through giving more information to the citizens, getting them more involved in the decision-making process (see the citizens initiative) or the "Spitzenkandidat System", each being an element of society building. However, the effectiveness of these actions are rather questionable. As a result, even if the EU could be considered a democratic system in a procedural sense it is far from being deemed a democratic system in a substantive sense. (Hix, (2008), 84. p.) But it is not impossible.

A quotation is reasonable to summarize the problem of democratic deficit. As Majone defines it, democratic deficit is “the absence or incomplete development of the institutions and practices of representative democracy,” besides, the necessary consequence of the elitist nature of the integration process – more precisely, of the failure to convert a majority, or even a significant minority – of Europeans to the cause of political integration (Majone, (2010), 150. p.).

However, similarly to Habermas (Habermas, (2010); Habermas (2012)) I believe that a common European public sphere can tackle the democratic deficit challenge of the European Union. Within this common political space mass public and political elites would operate, where the latter would do that through political parties that help citizens to express their political will (Koopmans – Erbe, (2003) 2. p).
2.2 Representation

Let us turn to one of the main actors of the democratic deficit issue, which was believed to be able to solve the problem. This is the Brussels-based European Parliament. Instead of an institution solving the issue, which it failed as mentioned, it will be introduced as one, which has only worsened the situation.

2.2.1 National linkages of MEPs

EP economic literature has claimed since the early 2000s that an effective representation is carried out by the legislative body. However, a great amount of papers and books “have reached a near-consensus that decision-making in the European Parliament is largely orchestrated, first, by national party delegations and, second, by European party groups, and that the main dimension of political confrontation is the traditional left-right ideological divide” (Yordanova, (2011) 599. p.). In this regard the most relevant sources stem from Simon Hix and his colleague Abdul Noury (Hix and Noury, (2009); Hix et al., (2007); Noury, (2002)) moreover Gail McElroy and Kenneth Benoit also made important remarks (McElroy and Benoit, (2007)) and Jacques Thomassen (Thomassen et al., (2004)) and Erik Voeten (Voeten, (2009); Hix et al., (2002)).

The dependency of EU legislators was also examined by another author (Scarrow, (1997)) who found that MEPs with long-term European career plans are more independent from domestic politics and their national party influence. However, it is questionable “why national party leaders would allow disobedient members to return to the EP” (Yordanova, (2011) 602. p.). Yordanova moreover argues that national parties have an increased interest in the policy output of the European Parliament that results in higher incentives for these parties to control their representatives. It has a strong relevance - and confirms the application of public choice -, which she further notes about the behaviour of MEPs. She argues that EP legislators “seek to
improve their individual popularity” with national party leaders since
their re-election or further political career depend on these leaders.
This means MEPs doing their job “for home”, for their national
interest. They “compete for legislative positions and tasks that allow
them to directly promote their national party’ policy goals” (608. p.).
The importance of these positions increases hand in hand with the
growing importance of the EP because its decisions become more
consequential for national party principals (Yordanova, (2011) 608.
p.).

Yordanova also stresses that national parties use the EP as a forum
for domestic debates. She argues “party groups can better promote
the policy goals of national parties against those of their national
opponent parties owing to their numerical strength” (609. p.).

The conclusion comes vis-á-vis Ringe's research (Ringe, (2010)) that it
seems like MEPs preferences on specific EU policies are not entirely
formulated by endogenous factors but receive exogenous input from
their national party leaders regarding their policy positions
(Yordanova, (2011) 609. p.).

However, research of voting behaviour within the EP shows that the
representatives' positions on the left-right dimension and their EP
group affiliation are stronger predictors of how they behave as MEPs
in the roll-call votes than their Member State affiliation (Hix et al.,
(2007) 87-104. pp.). Therefore, “EP group membership is a good
predictor of MEPs' policy positions on EU policy issues” (Scully et al.,
(2012) 676. p.). Although it is difficult to identify the relative effects of
individual ideology, EP political group and nationality on
representatives' policy preferences, still, Scully finds that 40% of
policy positions of the MEPs can be explained by nationality.

Contrary to other scholars' findings which highlight the Europarty
affiliation as a good predictor of attitudes towards policy issues Scully
argues based on his research that “MEPs personal ideological
preferences [...] and which Member State they come from are more powerful predictors” (Scully et al., (2012) 675. p.).

Several papers examine the linkages between national or national party interest and the behaviour of MEPs. One of them was written by Costello and Thomson (Costello – Thomson (2010) 224.; 230. p.) who demonstrated, the opinion adopted by the European Parliament tends to be closer to the preferred outcome of the rapporteur’s Member State vis-á-vis to his or her own party group.

However, other researchers (Hix et al., (2002) 14. p.) argue that voting in the directly elected legislative body with time has become more partisan and less nationalist or in other words intergovernmental. Additionally, MEPs from governing parties have a significant effect on party group cohesion, but in the opposite direction, as it would be commonly thought. More representatives from governing parties - owing to their pressure on their MEPs - leads to higher, rather than lower party group cohesion (Hix et al., (2002) 22. p.).

Still, Scully finds (Scully, (2005)) that MEPs mostly remain primarily national politicians in their policy orientation. It is true according to their background and political experience, as well as in depending on their national parties because the latter can secure the re-election of the MEPs and his future political career prospects. Based on this perspective, the attitudes of MEPs from any Member State can be expected to be a function of prevailing attitudes to the EU in that state, and the relative electoral success of different parties in European elections (Scully et al., (2012) 672. p.).

An unsurprising but important finding came from the article of Thomassen and Schmitt (Thomassen – Schmitt, (1999)), which says that representatives in the EP tend to be more pro-EU than their national level colleagues (national parliamentarians). Furthermore, Hix and Kreppel (Hix – Kreppel, (2003)) found, still unsurprisingly that
Europarties tend to be more EU-supportive than national ones and its reason lies in their shared long-term preference, which is to increase the power of the EP. At the same time, it was found that enlargement states were notably less enthusiastic about empowerment of the chamber (Farrell et al., (2006)), still MEPs from the “new” Member States have stronger European identities than their colleagues from the EU-15 (Scully et al., (2012) 675. p.). The final consequence is that nowadays there are no significant differences between MEPs from the “new” and from older Member States in terms of general attitudes towards EU powers.

2.2.2 Cohesion within representativeness

„Policy congruence between represented and their representatives is fundamental to democratic representation” (Lefkofridi - Katsanidou, (2014) 109. p.). One can argue for this statement by the important finding of Lawrence Ezrow and Georgios Xezonakis (Ezrow - Xezonakis, (2011)) and Kimmon Grönlund and Maija Setälä (Grönlund - Setälä, (2012)), who states that policy congruence between citizens and elites affects satisfaction with democracy. A key feature of the 'European representation' phenomenon is that while national political parties are defacto delegated the task of embodying the “channelment” between citizens and elites in the European Union until then, Europarties legislating de jure carry out this task (Lefkofridi - Katsanidou, (2014) 109. p.).

Different forms of connection between nationality and representation were already examined by several authors. Mattila, Raunio and McEvoy came around the linkage between voters and national parties. These scholars found that parties became less representative of their voters and that they adopt more convergent positions on the EU dimension than their voters. Furthermore, they experienced higher congruence in the case of smaller parties and in ideologically more extremist left-wing parties. In conclusion, they argue that parties are
thus drifting further apart from their voters on the EU dimension (Mattila – Raunio, (2012)).

McEvoy examined the phenomenon of unequal representation in her article and found that congruence is weaker amongst citizens who do not vote in EP elections, who switch party preferences between national and EP elections and who have low political knowledge. At the same time, she found limited evidence that smaller and ideologically extreme parties are more congruent with their support base (McEvoy, (2012)).

Thomassen and Schmitt examined connection between voters and the (national) party candidates for EP membership. This paper examines the extent to which conditions for the ‘representative party government’ model of representation exist in the EU. They found that some policy positions of representatives are constrained more by their party group than their nationality, and to some degree, there is an obvious congruence between the opinions of candidates and their voters. This is particularly so with respect to left-right orientation (Thomassen – Schmitt, (1997)).

Lefkofridi and Katsanidou (Lefkofridi – Katsanidou, (2014)) in their research examine individual voters, national parties and Europarties for the first time in a single research design. The key findings are that “congruence between voters and Europarties does not correspond to congruence between voters and their preferred national parties” (Lefkofridi – Katsanidou, (2014) 110. p.). Therefore, the linkage between national parties and voters is not sufficient to understand the quality of EP representation. The authors' second finding was that “policy congruence (a) between voters and their preferred national parties and (b) between national parties and Europarties jointly determine the alignment between EU voters and their Europarties”. They describe EP representation as a multi-level phenomenon, thus, “congruence between national parties and Europarties has a
conditional and a conditioning effect on voter representation at the EU level”. However, the “policy congruence between a voter and her selected party could [...] be distorted once this party joins a Europarty” (Lefkofridi – Katsanidou, (2014) 112. p.).

Lefkofridi and Katsanidou (Lefkofridi – Katsanidou, (2014) 112. p.), based on their research, find that “policy congruence between voters and their preferred national party does not equate to policy congruence between voters and the Europarty their national party joins”. They examined first EU voters and their selected national parties, then secondly national parties and the Europarties to which they belong. Their third (conditioning) hypothesis was that “as the national party-Europarty policy distance grows, the effect of voter-national party distance on voter-Europarty congruence weakens”. They argue “that because the EP representation channel operates with national parties and Europarties, the congruence between EU citizens and EP policy-makers depends on congruence between voters and their preferred national parties and between national parties and the Europarties they join” (Lefkofridi – Katsanidou, (2014), 126 pp.). This means congruence between citizens and their supported national parties in European elections is important, indeed, but not the only determinant of the quality of their representation in the directly elected European legislative body. Although, the selection of national parties based on policy congruence matters for individual voters' EP representation but only to a given extent; until then the selected national parties join a Europarty also based on policy congruence. A clear example for this is when, subsequent to the 2014 EP elections the Hungarian MEP Benedek Jávor from the centre-left/green party, Együtt-PM chose to sit in the Greens' EP party group, while his domestic party colleague Zsuzsanna Szelényi wanted to join the liberal ALDE all along. However, she was not elected eventually.
The European Parliament is unique in the sense that it is central to a model of political representation, which has failed to build effective links between the people and the Union (Scully et al., (2012) 670. p.). Although, there is a missing direct electoral connection between voters and Europarties, still, the latter can function as an effective instrument for the representation of the citizens (Lefkofridi – Katsanidou, (2014) 127. p.).

2.2.3  (Rational) ignorance and absence of European citizens

It is well known that voters' turnout at EP elections is constantly lowering (Figure 1). However, the reasoning can be different. Since this master's thesis is written within the theoretical framework of the public choice literature, here I use the argument of Anthony Downs who argued that citizens absence from voting is a rational decision based on the high cost of voting compared to the benefits (Downs, (1957) 145-148. pp.). Put it into the simplest form: “turnout falls as the costs of voting rise” (Mueller, (2003) 329. p.).


The rational voter hypothesis was worked out first by Anthony Downs and later was elaborated by Tullock, than Riker and Ordeshook. In the pivot of the theory stands the assumption, that the citizen brings his
decision in election, that he “envisages the different ‘streams of utility’ to be derived from the policies promised by each candidate” (Mueller, (2003) 304. p.). Naturally he will choose the candidate which promised the policy brings the highest utility for him. “One votes to bring about the victory of one’s preferred candidate” (304. p.). But it is clearly unlikely that one vote decides the outcome of an election and here stems the origin of the rational voter concept. Namely one’s vote has an impact on the outcome of the given election only when all other votes between the candidates are split; or in the case if one’s preferred candidate would lose the election without this one vote. So the probability of one’s vote will decide the outcome of an election is as low as the chance “of being run over by a car going to or returning from the polls” (304. p.). In this example – which was firstly constituted by Skinner (Skinner, (1948) 249. p.) – it is much worse to being run over by a car than having one’s preferred candidate lose, so “potential cost of voting alone would exceed the potential gain, and no rational self-interested individual would ever vote” (Mueller, (2003) 304. p.).

The opportunity one to abstain at an election is higher if the smaller the number of those whereof one can expect that he will rationally not participate in the voting (307. p.). Namely in the case of the rational voter more European citizen would have to turnout at the elections because higher the number of those whereof I can except that they will abstain. It should be a fortiori true in the light of the constantly lowering level at the elections, but despite of it, participation is decreasing from the 80’s and this can be understood as another kind of “paradox of voting” (305. p). Its reason is that the possibility of one benefits from the voting vanishes in an electorate where the number of voters is large. In this case only the instrumental value of the vote is what determine whether or not an individual votes (329. p.).
Although voters are ignorant at national level too, data still show that they care more about national issues, hence they participate more on these elections (see Figure 2).

![Voter turnout at European and national elections in the Member States](http://bit.ly/1Cu81ws)

**Figure 2**: Comparison of voter turnout at European and national elections in the Member States (Source: Institute for Democracy and Electoral Assistance; http://bit.ly/1Cu81ws)

It's reason can be that the “patriotic or civic itch” which persuades individuals to vote may not be strong enough regarding the European identity. European electorate than do not derive satisfaction from the private or symbolic act of voting which is reasonable knowing that people in Europe do not feel themselves European citizens. This kind of “civic duty” is absent from the European democratic system but exists at national level (329. p.).

Even so one could argue why this paradox does exist. If we accept the statement that “turnout falls as the costs of voting rise” (329. p.) than argumentation can be made to explain the low level of turnout at the EP elections. The information which is necessary to bring decision at an election is costly (Downs, (1957) 139. p). Moreover in the case of the European Union it is much more costly, because news, data or facts about the European political life - or simply about the
functioning of the EU – do not dominate national media. If a voter wants to collect these information than he has to spend more time to search them on the internet or from other sources, which means clearly more time and hence it is more costly.

So it is easily understandable that the functioning of the EP is not well-known and debates carried out in Brussels and Strasbourg are not followed by the general public (Hix et al., (2002) 5. p.).

The cost of the information rises because of the world of the “imperfect knowledge” which has another impact on the election too. Namely, that the political parties want to influence voters through persuaders to win themselves for their own interest, or put it simply, to get their votes. In order to achieve this, the persuaders will sell only those information about political programmes which are attractive for the group of the given voters (139-140 pp.). But the parties in order to recognize the favor of the citizens have to send out representatives who can discover preferences of the voters at the one hand and who can influence them about the election of the given party (139-140 pp.). But this action is also costly – and much more costly within the EU. Hence it leads to decentralization until the point when the marginal vote-gain becomes equal to the marginal vote-loss (140. p.). It can explain why national parties in the European Union run for the EP mandates rather than European ones, because to uphold and manage parties which can discover citizens preferences and which can effectively influence voters, is much more costly at European level than work it out in the Member States.

The imperfect information in the European Union can be proved by another widely-known fact too, namely with the strong presence of the lobby activity around the EU institutions. In the past decades Brussels became “a world centre of lobbying and influence” (Hardacre, (2011) 1. p.). Why has this phenomenon any connection to Downs’ economic theory about democracies? Because he argues in
his work that lobbying is a clearly rational answer for the lack of perfect knowledge (Downs, (1957) 141. p.). As a consequence one could argue that imperfect information is a decisive fact within the European Union, hence the hypothesis of Downs about the functioning of the democracies is strongly adaptable for the European Union.

Until now I only cited the rational voter hypothesis from Downs but his theory about rational ignorance also plays an argumentative role against the current system of the European Union. In this theory the crucial point is that if the information is costly – and within the world of imperfect knowledge it is – than none of the voters will get all of the information needed to decide that which party will he choose and to decide how he can indirectly influence the governments political activity. It rises from the fact that the possibility of one’s vote decides the election is so low that it is not worth for the voter to get all of the information which is necessary to the voting (145-146 pp). In sum, for most of the voters it is irrational to collect political information to his vote. But it should not be seen as an “unpatriotic apathy” but as a “highly rational response to the facts of political life in a large democracy” (147. p). The reason why I highlighted large is, that the European Union exactly a large democracy. As a consequence it is “highly rational” for the citizens to stay uninformed about political issues because they have so low opportunity to influence decisions that it is not worth for them to spend time and money for necessary information. But this fact leads to a paradox situation and proves again the ineffective answer of the EU for the legitimacy problem, because if citizens – assuming rational behavior – do not want information about European issues than their participation in decisions and hence legitimacy of those decisions will not rise.

Representational relation can be examined in a principal-agent perspective too, wherein voters are the principals who are choosing agents – in this case MEPs – among several candidates (Mansbridge,
In order to facilitate selection based on policy congruence, the agents sort themselves into form of organizations, which we know as parties, to promote specific policy proposals (Lefkofridi – Katsanidou, (2014) 110. p.).

Just to shortly mention here: principal-agent relationship exists between two parties when one, designated as the agent, acts for, on behalf of, or as representative of the other, who is designated as principal. At the heart of the principal-agent perspective stands the “principal's problem”, that is, how to control the agent's selfish behaviour. The four well-known control mechanisms of P-A literature are 1) choosing the agent carefully; 2) designing the agent's contract so that it contains the correct incentives; 3) monitoring the agent's action; and 4) applying sanctions to agents who drift from the original contract (Blom-Hansen, (2005) 629. p.).

According to the principal-agent perspective, the article of Josselin and Marciano can be strongly important to mention. In the European Union the principals are the Member States who delegate tasks to the EU institutions. The problem is twofold: it involves defining a criterion regarding which responsibilities would be distributed between the various institutional levels and also, designing an agency contract to ensure the agents conform to mandate (Josselin – Marciano, (2000) 218. p.). The authors argue the incompleteness of constitutional contracts and suggest that the failure of enforcement or incentive mechanisms is only one aspect of the above-mentioned problem. The main reason of the problem is the instability of the contract, which is the result of their incompleteness (218. p.).

The authors describe the core of the problem as the following: If there is a need for a particular decision then the main question is to decide whose competence it would be to bring decision; does the domain belong to the principal or the agent? This should be described by the contract, but due to its incompleteness, the agent has the capacity to
define his set of competences. Therefore, a constitutional dilemma arises which is described in three stages by Josselin and Marciano. In the first stage, an agency contract provides a principal with formal authority. In the second, the principal must leave the opportunity to complete the contract to the agent since the former is not able to do this. Thus, the latter can modify the contract in a way to his own advantage. “Instability thus means that the agent is likely to take the place of his principal, and therefore, reverse the agency relation” (219. p.). In the third stage, no other agent can be involved by the principal in order to ameliorate these behaviours.

Josselin and Marciano further bring two case studies from England and the United States to support their model and present the similarities compared to the European Union (220-227 pp.). Firstly, they show that the European constitution – similarly to the US – was not complete at the beginning of the European integration. The task to complete it would have been the responsibility of the principals however; it was done largely by the judiciary activism of the European Court of Justice (227. p.). Later on, owing to the increasing criticism because of the EU’s democratic deficit – since the directly elected European Parliament functioned only as a consultative body – the EP’s power started to increase and as such, an influential actor among the European institutions became considered as an agent. Currently, the Parliament and the ECJ seem to have engaged themselves in a logrolling situation of “reciprocal increase in their respective prerogatives” (228. p.).

Logrolling refers to the political practice when majority formation of coalitions formulated in order to support a “potpourri” of minority positions. It involves each politician to give up some things in order to gain some other things of greater value (Rowley – Schneider, (2004) 375. p.). Typically it refers to legislative vote trading, or to describe it more straightforward it is the “truck and barter” activity of politicians
when they agree such as “you vote for my pet issue and I will vote for yours” (Mueller, 2003) 105. p.).

In the EU the EP and the ECJ engaged in such a logrolling process and joined their forces to reverse the agency contract and thus play the role of principal. These activities are not surprising since co-decision is a process through which the power of both the Court and the Parliament has increased. According to Josselin and Marciano this means that “the democratization process in Europe has led to a shift of power from the representatives of the principal (the Commission) to the agent (the European Court of Justice)” (229. p.).

In sum, the constitutional dilemma of the EU arises since the agents – in this case, the European Parliament and the ECJ – can take advantage of the prerogatives conferred to them. However, the principal retains the formal authority or sovereign power but cannot exert it. Thus, the contract remains incomplete and the principal is not able to complete it anymore, since the agent owns this option and as such the opportunity to modify it to his own advantage, by keeping his initial entitlements and building on them to increase his power (229. p.).

However most of the citizens do not have the time, nor the background to grapple with complex policy issues (Fukuyama, 2014) 16. p.) and hence to monitor their agents in the European scene. To put it simply, voters can hardly apply control mechanisms suggested by the principal-agent literature. This feature is just another side of the same coin, which was introduced above in the frame of the public choice literature.

2.3 Characteristic of the European Parliament

2.3.1 The unique nature of the European Parliament and its consequences

Economic literature about the directly elected decision-making body of the European Union deals with the EP's various characteristics in
comparison with national parliaments too. Hix straightforwardly argues that the “European Union is [...] not a parliamentary system” (Hix et al., (2002) 4. p.). As he demonstrates, the executive within the EU is not formed from a coalition, which is formulated in the EP and owns the majority of the MEPs. The Commission is rather formed independently from the results of the EP election. It is important to note that the "Spitzenkandidat System" somewhat changed this feature since the EP played a more powerful role in the election of the Commission President, but it is still far away from a parliamentary system. Since every Euro-party group had a different candidate for the position and there was no agreement on a common one per coalition. Some might have voted on the socialists because they wanted to prevent Juncker to become the Commission president, but what the voters finally experienced is that 154 out of the 191 MEPs of the S&D group voted “for” the former prime minister of Luxembourg to be the leader of the EU executive. The same is true in the case of the ALDE voters, who presumably favoured Guy Verhofstadt to become the president of the Commission, still nearly all of the liberal MEPs (54 from 66) voted for the conservative candidate (VoteWatch Europe). However, this phenomenon does not unequivocally mean the failure of a parliamentary system, since similar phenomena can happen in nation states as well. Still it is bizarre that a grand coalition can be achieved so easily in such an important question as the election of the Commission's President. This shows the Europarties cartel characteristics (Mike, (2009)), namely that they collaborate for the further empowerment of the EP, which phenomenon will be introduced later.

From this perspective, it already looks false to say the European Parliament could not use the threat of vote of confidence to create cohesion among the parties of the majority coalition within the parliament (Huber, (1996); Diermeier – Feddersen, (1998); Persson et al., (2000)). Still, it is questionable to what extent the voters are
conscious of this development, i.e. that Europarties are ready to make coalitions.

Two important findings stem from the research of Hix and his colleagues (Hix et al., (2002)). First, they explore that the formulation of coalitions within the EP happens clearly on the basis of the classical left-right dimension. The second important finding was that the more powerful the directly elected legislative organization became, the stronger the cohesion of the party groups developed. It means that party cohesion and the power of the EP grow hand in hand (Figure 3).

![Empowerment of the EP and the increasing cohesion rate of the party groups](image)

*Figure 3: Trend of empowerment of the EP and the change of cohesion rates of the EP Groups (Source: VoteWatch Europe (2013); European Parliament (2014))*

However, findings of several authors in the late ‘90s (Attina, (1990); Quanjel – Wolters, (1993); Brzinski, (1995); Hix – Lord, (1997); Raunio, (1997)) demonstrate that party cohesion in the EP is lower than in domestic parliaments across Europe – but higher than in the United
States. Furthermore, transnational party federations – such as the Euro-party groups – are more cohesive than those, which do not possess these external party organizations. The third finding was that party groups' cohesion has grown as their internal organizations have developed and – as it was earlier noted – the powers of the EP have increased.

Another main characteristic of the directly elected European decision-making body is its “split-level structure” (Lord, (2004); Schmidt, (2006), (2009)) which means that policy inputs and outputs occur at different levels of government. The legitimizing mechanisms are split between levels of government (Schmidt, (2006); (2009)) and this feature results in EU policy making not being “business as usual”. Despite of this, parties within the EU polity seem to be able to channel policy inputs from one level to the other on the left-right dimension (Lefkofrini – Katsanidou, (2014) 127. p.).

Although, it is not a difference compared to national parliamentary systems, but strongly linked to the split-level structure of the EP, that elections of MEPs are organized at a national level. “Every five years citizens of national constituencies go to the polls to select among candidates for EP membership that are sorted in national parties” (Lefkofrini – Katsanidou, (2014) 110. p.). This feature plays an important role in this thesis. However, European citizens are not allowed to vote in a European area but only in their own Member State (Bright et al., (2014)). In sum, it is an important feature – and highly relevant in this thesis – that MEPs are elected under different electoral systems and in keeping with different candidate selection rules in each Member State (Hix et al., (2002) 4. p.). It is enough to take the United Kingdom as example, where – within the same country – two different methods were used at the EP elections: proportional party-list representation in the English regions, Wales and Scotland and single transferable voting system in Northern
Ireland. Belgium is also worth mentioning. The tiny country is split into three different constituencies. The first two of these elect their MEPs using party list proportional representation, but the German-speaking constituency only has one member, who is therefore not elected by a proportional method. In sum, most of the Member States of the European Union elect their MEPs with a single constituency covering the entire state, using party-list proportional representation, while at the same time, there is a great variety of electoral procedures. Some countries use the highest averages method of proportional representation, some use the largest remainder method and some open lists and others closed. In addition, the method of calculating the quota and the election threshold varies from country to country (Fábián, (2005); European Parliament (2015b)).

Another important characteristic of the EP and its election – which was partly mentioned – leading to crucial consequences, is that elections at European level do not result in government formation. Thus, voters' behaviour compared to national elections is different. Therefore, they can ignore “strategic considerations and support parties irrespective of their government potential without feeling that they are ‘wasting’ their vote” (Lefkofridi – Katsanidou, (2014) 111. p.). It has the effect that voters may use European elections to punish national governments for their poor performance, which phenomenon has a great amount of literature (Van der Eijk – Franklin, (1996); Weber (2007); Hix – Hoyland (2011); Irwin (1995); Reif – Schmitt (1980); Toygur – Schmitt (2014); Mair – Thomassen (2010)).

Even though EP elections are organized nationally, the legislative body itself is formed along European party lines. When elections are done MEPs of each national party “re-sort” themselves into Europarties in order to make policy and decide on legislation on European level (Lefkofridi – Katsanidou, (2014) 111. p.).
Parties in the European Parliament are different from parties within a national parliamentary system. For instance, they are not called factions in the parliament but political groups. At European level, they are constituted as satellite party groups which collect the national parties with the same ideology from the different Member States. These are not fully integrated parties but “conglomerates of national-level parties competing in separate party systems and selected by different electorates based on heterogeneous campaigns” (Lefkofridi – Katsanidou, (2014) 111. p.; see also Kreppel, (2002); Thorlakson, (2005)).

Returning to the topic of European elections, it is important to note that due to their second-order character (Irwin (1995); Reif – Schmitt (1980); Toygur – Schmitt (2014); Mair – Thomassen (2010)), they are not fought over Europe itself or over issues which are dealt with by the European Parliament (Lefkofridi – Kritzinger, (2008); Mair (2007)), but on national political issues. Furthermore, national parties are motivated to underestimate the importance of European issues and “structure competition along the more familiar and safer socio-economic cleavage” (Mattila – Raunio, (2006) 428. p.). Indeed, attitudes of voters regarding the EU also play 'second-order' role on European elections since more information is available to them on left-right dimension than on EU issues. Thus, voters are more likely to “vote correctly” based on their left-right positions (Rosema – de Vries, (2011) 203; 216. p.).

Hix' vision is that democracy within the EU would be secured only through the European Parliament if the party groups compete against each other considering policies and candidates, and then organize cohesively to secure these aims (Hix et al., (2002); Attina, (1992); Andeweg (1995); van der Eijk – Franklin (1996); Hix – Lord (1997)). He believes that further increases in the role of the EP should foster cohesion and competition in the organization, and it would result in
the European Parliament becoming more like national parliaments in its nature.

2.3.2 Inter-party group conflict, intra-party group cohesion

Inter-party group conflict and intra-party group cohesion are also well evaluated parts of EP literature. However, the explanation of the growing intra-party homogeneity is still a missing link. Indeed, the control of party groups over legislators cannot explain the phenomenon since it is national parties, which select the candidate MEPs and compete in the elections. Strategic control of party groups over the agenda or the growing ideological homogeneity does neither explain the strong intra-party cohesion (Hix et al. (2007)). Even though it is not a core aspect of this thesis, it is important to note that the EU enlargements in 2004 (ten “new” Member States) and 2007 (Bulgaria, Romania) did not have a negative effect on the above detailed party group cohesion, but the extension meant the arrival of 60 new national parties (Schmitt – Thomassen, (2009)).

Hix demonstrates that among the factors undermining internal party group cohesion, the fragmentation of a party group between its national member parties plays a more important role than the ideological diversity of the national member parties (Hix et al., (2002) 25-26. pp.).

Indeed, Lefkofridi and Katsanidou argue, based on McElroy and Benoit (McElroy – Benoit, (2007); (2010); (2012)), that “Europarties try to maintain policy coherence among their members to enable intra-Europarty decision-making” (Lefkofridi – Katsanidou, (2014) 112. p.). One instrument of this step is the ideological acquis of a given Europarty, which is required to be adopted by all of the member parties. However, policy positions of these Europarties still reflect the central tendencies of their constituent members.
2.3.3 Cartel feature of the Europarties

As it has already been mentioned, a wide range of articles argue that a clear left-right dimension shapes the European Parliament's party coalition methods (Hix et al. (2006); Mair - Thomassen (2010); Thomassen et al. (2004); Voeten (2009)). At the same time, data show and further researches demonstrate that many votes represent the European Parliament's opinion as a whole, contrary to the Commission or the Council (Hix et al., (2002) 12. p.; VoteWatch Europe, (2014)). This means that MEPs have a common stake to joining their votes in order to increase the power and influence of the organization (Josselin - Marciano, (2000)) in the European Union's decision-making process. This feature has a high relevance regarding to my thesis.

Political competition can be deemed beneficial since it motivates representatives towards the “production” of goods and services, which are desired by the voters. If this competition is missing, then the mentioned incentives become weaker (Mike, (2009) 94. p.). In case the left-right dimension determines the political sphere, the parties in a democracy tend to maximize their winning opportunities, leaving no place for collaboration. In this dimension, parties should compete (100. p.). However, collaboration is only rational if the excluded parties would receive lower level of utility (101. p). Namely, if cooperation with other parties secures higher benefit as to compete with them then parties will choose the former strategy. In this scenario, parties formulate a parliamentary cartel, which may be the case in the European Parliament. Europarties, or a significant part of them, in order to increase the power of the EP, join a cartel since - according to the model of Mike (90-112 pp.) - it provides a higher benefit to them contrary to compete with each other.

However, parties are able to break the cartel agreement. The higher the dissatisfaction of the party's voters owing to the collaboration, the
higher the incentive for the given party to leave the cartel. In other words: the stronger the party affiliation of the voters to a party, the smaller the incentive for this party to break the collaboration with the other parliamentary parties (104. p). In sum, the evolution of a parliamentary cartel is more likely when 1) the revulsion of the voters against the collaboration is less intensive; 2) the party affiliation of the voters is stronger; and 3) when the new position has a more profound influence on the voters' control (104. p).

Taking the above factors into account, it can be stated, that the European Parliament is an idealistic field for party collaboration. Since electorate stay rationally uninformed about the parliamentary activity of the Europarties and strong party affiliation does not characterise the European population. Party groups can easily form cartels aiming the empowerment of their organization. This latter activity of the EP has been common sense since its foundation, which means that parties have been involved in this cooperation since a long time. It is an important feature because the longer the parties can maintain the cartel, the easier its further reservation (105. p).

The Brussels-based independent think-tank, called VoteWatch Europe, continuously follows the voting behaviour of the MEPs, moreover their activity in the European Parliament. The institute's newly published report strengthens the above detailed phenomenon (see Figure 4, 5, and 6).
Figure 4: Election of the Commission (Source: VoteWatch Europe, (2014); http://bit.ly/1AWEdLK)

Election of the Juncker Commission

Figure 5: Frequency of Grand Coalition in the European Parliament (Source: VoteWatch Europe, (2014); http://bit.ly/1AWEdLK)

Frequency of the grand coalition (EPP+S&D)

Figure 6: European political groups cohesion rates on all policy areas (14.07.2009 - 17.04.2014)

European political groups cohesion rates on all policy areas

Figure 6: European political groups cohesion rates on All policy areas between 01.07.2014 and 18.12.2014 (Source: VoteWatch Europe, (2014); http://bit.ly/1AWEdLK)
2.3.4 **Bicameralism**

Yordanova (Yordanova, (2011) 610. p.) in her article argues for the „increased demand for bicameral coalitions“. Under this phrase, we understand the co-work, co-legislation of the Council and the European Parliament. As the author stresses „procedural advantages“ derive from the bicameral feature of the EU legislation because of the well-evolved linkages between EP legislators and members of the Council of Ministers. On the one hand, it is due to partisan connection that can result in the more easy formation of bicameral coalitions.

Governing national parties are overrepresented in the allocation of co-decision reports, which proves that rapporteurs from national parties who are sitting in the Council would incur lower costs of coordinating their proposals with expert Council representatives (Hoyland, (2006) 31. p.).

Additionally, national parties have prominent roles in the EU decision-making, since they are an integral part of both chambers (Yordanova, (2011) 610. p.). Owing to this there is a strong inter-chamber linkage, which on the one hand, facilitates the important reaching of bicameral agreements, but at the same time it can also weaken the parliamentary position. It can happen due to inter- or intra-party group splits, which precipitate in the EP and compromise its ability to form necessary majorities. A left-right partisan split within the Council of Ministers would influence the Parliament and hence jeopardize the ability of the EP to reach the absolute majority, which is needed to amend or reject the Council's position in the second reading of the co-decision procedure (Hagemann - Hoyland, (2010) 817-818. pp.).

National party links between MEPs and Council of Ministers' members can also negatively affect the internal cohesion of the party groups due to the polarization of the governing and opposition party delegations.
National party connections within the bicameral feature of the EU decision-making also appears when one examines that in the case of decision which is acceptable or desirable by the Council parties from national governments tend to put pressure on their MEPs to ensure that the decision will be supported by the parliament (Hix et al., (2002) 22. p.).

3 Evaluation of the literature

3.1 Facing the facts

Based on the previous chapter here will come a short categorization of the informations stem from the literature review. The two categories are the following; in the group "pros", I collected the arguments, which highlight the MEPs national linkages and so can be a basis of institutional model, introduced in the next section. In the group of "cons", I selected the sources demonstrating that the MEPs, instead of a strong national linkage, are by time more and more cohesive within their Europarty. At the end of the chapter, I try to develop a hypothesis from these pros and cons, which could give a basis for the institutional model in the future and so, can be a basis of the already mentioned future PhD research.

3.1.1 Pros

Arguments in this section highlight, although from different perspectives, the MEPs strong connection to their Member State which linkage also determines their policy preferences in the EP and thus their behaviour as politicians. These arguments support the applicability of public choice school in the evaluation of the European Parliament's representation function.

First, based on the article of Yordanova (Yordanova, (2011)) we can state that the EP is in a great amount organized by national party delegations. Yordanova mentions it at the first place, before European party groups and the traditional left-right ideological palette. One can
also note here Scully's (Scully et al., (2012) 678. p.) finding which says that the 40% of policy position can be explained by nationality. It is also meaningful that the adopted opinion of the European Parliament tends to be close to the preferred outcome of the rapporteur's Member State (Costello – Thomson, (2010)). Another argument next to the strong national influence in MEPs work that their attitudes can be expected to be a function of prevailing attitudes to the EU in the MEPs own state, and the relative electoral success of different parties in European elections (Scully et al., (2012) 672. p.).

However, national parties are not only an integral part of the European Parliament, but that of the Council as well. In the section, called bicameralism, research of Hoyland (Hoyland, (2006)) was introduced which demonstrates that governing national parties are overrepresented in the allocation of co-decision reports. Hagemann and Hoyland (Hagemann – Hoyland, (2010)) note the national party links between MEPs and Council representatives, which have a negative influence on the internal cohesion of party groups.

Considering the above detailed arguments, it can be concluded that MEPs' nationality cannot be excluded as a decisive factor regarding their parliamentary behaviour.

A short range of introduced literature devotes attention exactly for this behaviour of Europarlamentarians. In this sense, Scarrow (Scarrow, (1997)) argues that MEPs with long-term European career plans are more independent from domestic politics, and the influence of their national party. At the same time, a conflicting argument stems from Yordanova (Yordanova, (2011) 608. p.) claiming that MEPs try to improve their individual popularity with national party leaders, since their future political career depends on them. This is another feature proving real motives of MEPs: staying in power and promoting domestic policy requirements and expectations at the European scene backed by their national party and voters.
The role of voters and the election of the EP itself is another meaningful element of the literature, which proves the applicability of public choice framework. The separated party systems and the different electorates who decide on MEPs based on heterogeneous, national campaigns are features dealt with by a big part of the literature (Lefkofridi – Katsanidou, (2014); Kreppel, (2002); Thorlakson, (2005)). The contents of EP elections' campaigns are also important to highlight, since these elections are not fought over Europe itself nor issues dealt with by the European Parliament, but on purely domestic topics (Lefkofridi – Kritzinger, (2008)). Another feature which has importance here is that information gathering to appropriate decision-making is much more costly at European level compared to national one (Downs, (1957); Hix et al., (2002)), thus, voters stay rationally uninformed about European issues and deal, at best, only with domestic ones. The fact that voters do not choose Europarties but national ones also has an importance. According to Lefkofridi and Katsanidou (Lefkofridi – Katsanidou, (2014) 112. p.) it is known that “policy congruence between voters and their preferred national party does not equate to policy congruence between voters and the Europarty their national party joins”. It means that once the selected national party joins a Europarty the policy congruence between the voter and the selected party could be distorted.

It was already detailed that politicians' nomination as MEP candidates can be secured by national party leaders and it is also clear that the election of him or her depends on national, domestic voters. These two features lead to one simple conclusion – derived from a public choice framework: MEPs will strive to represent national interests in the European Parliament, because they want to be re-elected and this is the function of 1) national party nomination; and 2) votes of domestic electorates. The voters do not gather information about EP activities and European issues since they are costly, and the electorates choose among national parties not Europarties. These two
features further explain why MEPs are interested in national representation.

As an answer to this problem Hix and others (Hix et al., (2002); Attina, (1992); Andeweg (1995); van der Eijk – Franklin (1996); Hix – Lord (1997)) suggest a European parliamentary system wherein party groups compete over policies and candidates, and then organize cohesively to protect these aims. I agree with this idea but do not deem it a feasible scenario. Since the further strengthening of the European Parliament only results in a higher level of influence by national parties and governments. Its reason lies in the phenomena that the greater the EP's power – and thus, its influence in domestic policies -, the more important for Member State governments to bias their party members in the EP (Yordanova, (2011) 608. p.).

Briefly returning to elections, we can see the EU attitudes of voters play second-order role on the elections. Its reason is that more information is available on the traditional left-right scale to bring appropriate decision (Rosema – de Vries, (2011) 26-28. pp.). However, this decision use to be different from voting in a national election. Its reason is that elections at a European level do not lead directly to government formation (Lefkofridi – Katsanidou, (2014) 111. p.).

A final part of the literature which must be highlighted among the pros arguments is the parties' organizing activity at the left-right dimension which was explained by Yordanova (Yordanova, (2011) 599. p.), but in more detail by others (Hix et al. (2006); Mair – Thomassen (2010); Thomassen et al. (2004); Voeten (2009)) and furthermore, the increasing inter-party group cohesion. Considering these issues, one must note the phenomenon that many votes of the EP represent the opinion as a whole contrary to the Commission or the Council (Hix et al., (2002) 12. p.). The literatures from these fields of studies lead us to the conclusion that MEPs have a common stake to joining their votes in order to increase the power and influence of
their organization. This phenomenon was introduced as the cartel characteristic of the Europarties (Mike, (2009)).

3.1.2  **Cons**

Subsequent to pro arguments, let us turn to literature suggesting inter-party cohesion has increased over time. A statement, which seems to contradict the thesis that national linkages influences MEPs parliamentary behaviour.

Simon Hix argues exactly this and highlights that positions on the traditional left-right dimension and the EP group affiliation of MEPs are stronger predictors of their acting as politicians like their Member State affiliation (Hix et al., (2007)). In another of his works the same author argues that voting in the European Parliament has become more partisan and less nationalist over time. This phenomenon has decreased the intergovernmental character of the decision-making (Hix et al., (2002) 14. p.). It is still an open question why this inter-party homogeneity has increased over time (Hix et al., (2007) 87-104. pp.).

The sources arguing the EP is an effective actor of voter representation are also important to mention among counter arguments. This statement is proven right in a left-right dimension. In the EU polity, the parties seem to be able to channel policy inputs from one level to another on the left-right scale (Lefkofridi – Katsanidou, (2014) 127. p.). This feature will have a great importance in the following sections.

In spite of the effective representation on the left-right dimension, there is still a missing direct electoral connection between voter and Europarties (Lefkofridi – Katsanidou, (2014) 127. p.). At the same time, the linkage between voters and national parties are not sufficient to understand the quality of EP representation neither.
3.1.3 *Developed hypotheses*

Based on the above-summarized literature I developed the hypothesis introduced in the following section.

The first characteristic of the EP, which deserves attention, is that this organization tends to act more as an actor of a “normal” parliamentary system. Inter-party cohesion becomes stronger over time, which would prove that party affiliation begins to determine the policy-making in the EP, instead of Member State affiliation. This feature contradicts the assumption that the nationality of the MEPs is a decisive factor.

However, based on the public choice literature this phenomenon looks somehow problematic. If voters are not interested in EU issues and rationally stay uninformed about them, then what would motivate MEPs to act in the way of this increasing inter-party cohesion?

The answer can be the well-known nature of bureaucracy, which says, these organizations tend to strive for increasing of their power. The European Parliament is an excellent example of this feature, since this EU institution is known about their aggressive authority expanding virtue. It was introduced that together with the increased power of the EP the cohesion of party groups also has grown. However, collaboration among different Europarties was also shown. In sum, parties in the EP try to collude in order to expand the playing field of their organization.

It is questionable whether this is the interest of the voters. Based on the literature the answer may be no, it is not. Since citizens of the EU do not really care about EP elections. In the EU27, more than half of the citizens (51%) said that they are not interested in European elections (European Parliament, (2008)). Further surveys show that voters pay more attention to domestic issues (Moravcsik, (2008) 338-340. pp.) than currently European ones. Furthermore, the second-order character of the EP elections also shows the ignorance of
citizens toward this institution. Until citizens do not identify themselves as Europeans and are not firmly attached to a European identity (European Commission, 2014) they will most likely not support a federal development whose cornerstone would be a powerful European Parliament. Nevertheless, it is important to note that these characters can be only proxies to answer the question of interests of the European citizens. The actual data may lead to different conclusion (Figure 7). Still, at the same time one can see the parallelism between the growing power of the EP and the increasing number of those who oppose this tendency.

Figure 7: Voters opinion about the further empowerment of the European Parliament (Source: European Parliament (2015a); European Parliament (2014))
The conclusion of these two features are: on one hand, the MEPs motive of action is to expand the power of the EP, on the other hand, this may not be truly in the interest of the citizens.

This leads to the next step in my hypothesis, which assumes that MEPs in turn have a share to hide their parliamentary action, because voters based on this performance may not vote on them since it is contradictory to their interest. MEPs can easily act this way since the high cost of information gathering at the European level and so the rational ignorance of European voters allows them to hide their action. Indeed, MEPs are playing in two different roles, one whereof in Brussels and Strasbourg is to cooperate in order to expand the power of the EP. On the other hand, they try to “sell their services” for their national voters whose votes are really based on domestic preferences.

The rational ignorance of the voters and the incentive of MEPs to hide their action lead to a conclusion, which is in this quasi-parliamentary system, nobody is interested in developing a European political sphere. However, this would be desirable to the effective function of the European Parliament. Because effective voter representation could be carried out only within a political sphere, where preferences of Europarties – and not national ones – are known by citizens and they can base their votes upon these ideologies.

This is why the suggestion of Hix is relevant here which envisages a European parliamentary system wherein party groups compete on policies and candidates, and then organize cohesively to protect these aims. This assumes a European political sphere containing true Europarties with “Euro-candidates” and “EU ideology” which would be information available for and required by the voters. Even though I agree with this suggestion, still do not believe that this is a feasible scenario in the current institutional framework. Unfortunately, the actual “rules of the game” do not allow the development of such a
political sphere. Thus, in the following chapter I would like to suggest an institutional model entailing incentives towards the above detailed and desired political sphere, and additionally, would give a feasible solution for the EU’s democratic deficit problem.

4 The model
In the following the pivot of my master’s thesis, namely a model which derived from the previously introduced features of the current nature of the European integration will be introduced. The argumentation of the model stems from different sources and has mainly been based on the public choice theory. Its most important characteristic is trying to accommodate to the given environment, namely to the eurorealistic approach, and striving for a solution within this challenging battlefield.

4.1 Players in the model
In the followings I will take the hint of a famous economist, Hal R. Varian, who suggests to “keep it simple, [...]” (Varian, (1994), 4. p.) and I try to introduce the model simply as it is possible.

A model is always the simplified representation of reality (Varian, (2010), 1. p.). Thus, the upcoming model merely tries to grab given elements and institutions from the recent organization structure of the European Union and to construct a reform based on them. It means that this model deals only with the European Parliament, the European Commission and the Council of Ministers, outlines a theoretical reform of their functions which could solve the democratic deficit. Next to these institutions national parliaments play a significant role in the model and citizens of a Member State also cannot be excluded.

4.2 The operation of the model
In the followings I introduce briefly – and concentrate only on the decision making – how the reform which is suggested by the model
would operate between the actors, that is, what kind of division of power would be between the European Commission, the Council and the national parliaments. As the most perverse idea, the European Parliament does not play any role in this structure because until a European public sphere does not exist the existence of the EP may be completely unnecessary and only deepens democratic deficit problems as it was introduced. Instead of it, Member States and more precisely their national parliaments would get more power to participate in the decision-making, because currently they are the most accountable democratic institutions in the European democracies.

The right to make proposals would stay by the European Commission, but it is important that this institution must be independent from any Member States and as it is now their workers should disregard the interest of their national states. (Troitino, (2013), 136. p.)

The drafted proposal outlined by the Commission would be sent out for all 28 national parliaments which would bring reasoned decision. It means that a given Member State’s parliament accepts the original form of the Commission’s proposal without any observation; or denies it but in the latter case, it has to reason the decision and append the desirable modification to it.

After the decisions of the national parliaments the amended drafts are submitted to the Council of Ministers where reconciliations between the Members States take place. In these debates ministers from a given Member State must represent the decision of his own parliament and not the interest of the government. It can secure democratic accountability which is currently missing from the EU decision making. Of course unanimity within these circumstances is not feasible, for that very reason it is not expected by the model. But this method – as a spill-over effect – would encourage Member States to co-operate and work out common agreements already at the point
when national parliaments get the Commission proposal and so, would strengthen the appearance of informal channels of reconciliation between the Member States. Nevertheless, the model does not assume that new fields of decisions would get into the Ordinary Legislative Procedure, which are currently there and those do not expect the unanimous voting of the Council, and because of this, it is not necessary in the model either (Hardacre, (2011), 151-154. p.).

After the discussion about the 28 different drafts of the national parliaments the Council of Ministers should decide about a single own proposal - it is suggested with a qualified majority - and then it would be handed in to the Commission. That would be the last element of the first round or name it – similarly to the current – first reading. An important feature is, that reconciliation in the Council is only possible in this first reading, thus, Member States should be more encouraged to find a common agreement at this point and make use of the instruments of co-operation.

If the draft proposal of the Council returns to the Commission, the latter revises it and prepares a final version which cannot contain new elements according to the Council’s proposed one.

Then the final version would be forwarded to the national parliaments which can only decide with a single yes or no and no more option exists to amend. If qualified majority of the parliaments voted the final proposal then legislation comes into existence and implementation by the Member States has to happen.

4.3 The idea behind the model

The core argument behind the model is based on the suggestion of Elinor Ostrom: “collaborative decision making works best when the group is small and homogenous” (Ostrom, (1994)). A quotation from another well-known political economist also can give fundamental
basis for the institutional model. As Fukuyama states, “the diversity of groups over a large country would be sufficient to prevent the domination of any of them” (Fukuyama, (2014) 10. p.). In this case, the diversity of nation states can prevent any of them from dominating the others. Should a true European parliamentary system emerge, a new “European layer” would come into existence. With the addition of this large European layer many more “veto points” would be added, which raise the costs of collective action. Construct in another way, one can say that higher levels of unified policies (decision-making) lead to social loss.

I claimed earlier that the democratic deficit challenge of the EU could be tackled by a European public sphere. As a by-product of the introduced model, this could be built up. As Habermas states, the obstacle in the way of a desired Europeanization is the lack of public engagement. At the same time, he believes that if the citizens would be able to realize how profoundly the decisions of the EU pervade their daily lives, they would have more incentive to use their democratic rights as EU citizens and they would be more engaged into European public life (Habermas, (2012) 48-50. pp.). The presented idea could be favourable in this sense.

It is important to see that the model introduced in the previous few pages, does not propose the abolishment of a unified decision-making; it merely tries to modify its form. The sense of the idea is to bring decisions together, while gather information separately. Its rationale lies in the feature that information gathering/processing at a higher level is much more costly, because of 1) the space and time specific knowledge; and 2) the tacit knowledge (here language plays a crucial role) (Kerber – Budzinski, (2004)).

Furthermore, because of centralization we lost experimentation (Vaubel, (1999); Blankart, (2000)). This means if one can construct an institutional model of the European decision-making wherein
information gathering can happen at Member State level, separately, than it would lead to a kind of competition among nation states, increasing efficiency. In the end, it can mean better fitting EU regulations.

The constitution of the model starts at the point when the idea came into existence that the complete settlement of the European Parliament and the involvement of the national parliaments into the decision making could secure a more democratic and effective cooperation in the European Union. After the drafting of the idea other positive consequences appeared. With this reform, through the Europeanization of the national political life, the required European public sphere could be created.

In my point of view the biggest problems with the visions of different scholars or politicians who envisage solution reforms for the recent democratic deficit are twofold. On one hand these federal ideas (Börzel, T – Risse, T, (2000)) do not deal with the European circumstances. They neglect the fact that within the European Union culturally, socially completely different Member States live together which have waged war in 90% of the past centuries. The other neglected fact is – as introduced in the previous chapters –, that European citizens are those who do not care about Europe. They are interested only or mainly in everyday issues such as taxation, healthcare, unemployment or education which are dealt with by national governments and they do not want to assign these issues to the European level (Moravcsik, (2008), 336. p.). Within these circumstances any aggressive realization of a federal perspective is unfeasible and destructive, because it will only result – as it is visible in the recent election results - in the strengthening of nationalistic movements (Auer, (2012)). Instead, “if the democratic legitimacy of the EU cannot be enhanced either by the piecemeal measures tried so far, or by appealing to the federalist vision, then the only
remaining possibility seems to be to reduce the mismatch between commitments and resources and to [...] give up the hopelessly outdated Monnet strategy,” (Majone, (2010), 173. p.) which strategy means the technocratic way of integration, but it cannot work in the times when the European Union has to face the democratic opinion (Majone, (2010), 159. p.). In my point of view a step back is needed in the integration in order to achieve a higher level of it in the future.

The reasoning behind this step-back stems from the so-called boundary theory. In its explanation by Sarah Song the demos – in our case the group of citizens with European identity – is bounded by the territorial state (Song, (2012) 58-60. p.). The reasons are that the state is who can secure those substantive conditions which are basically necessary for a democracy and additionally, the state can serve as the primary site of solidarity which is conducive to democratic participation and finally the state can establish those clear links which are inevitably needed between the representatives and their voters (Song, (2012), 60. p.). If one accepts Song’s argumentation then it is clearly understandable why a European demos cannot be constructed between the given circumstances.

Currently the Member States are those who can secure the substantive conditions of democracy – the lack of a truly European election system proves that for instance –, or those who establish channels between the MEPs and voters – one can mention the inappropriate election system. The implementation of a European public sphere within these circumstances is a difficult challenge, but it is not impossible. Citizens are strongly bonding to their own state because of cultural, linguistic and geographical reasons. Even so, through the media, Europeanization could come into existence. The more news appear about European issues in the national media, the stronger the European public sphere is (Szabó, (2010) 104-105. p.). Although it is questionable whether any kind of a European demos is
desirable for the Member States, mainly for the smaller ones, or not. Namely the European Union may give the only chance for the small Member States to exist, because without this international entity they would have disappeared. However, as the members of the EU, they are rescued and can be prosperous, but in exchange they are passing the buck to the union and hold it responsible for the unpopular measures (Milward, (2000)).

5 Interviews

Interviews were carried out with relevant actors from the field of EU studies, decision-making or the executive branch of the EU. The interviewees requested that their opinions would not be published alongside their names, therefore the names of the participants will be listed separately.

The four questions raised were as follows:

• What are the objectives motivating the Member States in the European Union to give up a part of their sovereignty and cooperate with each other?
• Do you believe that the introduced model is technically feasible?
• Which Member States do you believe would support some kind of a reform and which not?
• What do you see as critical points, mechanisms in the model? What are the shortcomings of the model?

The first question's aim was to explore the subject of the contract between the Member States. The idea to pose this question stems from that I wanted to define the subject of exchange as it is the starting point of examinations in the studies of institutional economics. With this information (through the definition of motive of the Member States) Pareto-efficiency or transaction costs can be examined in the future.
Before the second question would have been put the institutional model was introduced, besides, most of the interviewees received the abstract of this thesis and my previous publications about the topic as well. I tried to present my institutional idea and the decision-making mechanism in short and precisely as I could, thus the interviewees could answer my following question. The second question aimed to measure the technical feasibility of the model while the third question tried to explore the political feasibility.

Based on the fourth question the interviewees could tell their universal comments and critics about the institutional idea.

5.1 **Subject of exchange between the Member States**

In order to get to know what the basis of exchange between the 28 Member States of the EU are, I raised the question: What are the objectives, which motivate the Member States in the European Union to give up a part of their sovereignty and cooperate with each other?

Answers to this question:

*Interviewee No. 1.* The first interviewee named the security and peace as those values which motivate the Member States towards the European integration. This actor believes that the countries, mainly the small ones, through this process want to be more involved into the European-wide decision-making. This actor also highlighted the similar principles, cultures and ideologies as the engine of integration.

*Interviewee No. 2.* He also defined the continent-wide security and peace as the motives for the Member States to cooperate. He believes that in these times, when a country near the EU borders threatens a foreign country it cannot be a matter of question that the EU's main goal still has to be the providing of European-wide peace and security.

*Interviewee No. 3.* This expert of EU studies identified different features as subject of the exchange between Member States. In his
opinion, cooperation between the EU countries became routine (in other words, the cooperation among them are institutionalized). On the other hand, thematic policies are the features motivating countries to work together. Here we can mention the hot topic of environmental policies, but also internal market issues or competition. This can be called as inverse subsidiarity, meaning those policy “areas where EU-wide solutions are now needed as it is no longer possible to deal effectively with the issue at national level” (Zuleeg, (2014)).

*Interviewee No. 4.*: The motive of the European integration is still to provide peace and security in the continent. It can never be outdated. However, it also cannot be enough to build a real unity among the Member States (see the crisis between Ukraine and Russia).

### 5.2 Technical feasibility

In the second stage, I wanted to explore the technical feasibility of the institutional model, so I asked all the interviewees whether they believed it to be technically feasible or not? Their reactions were the following:

*Interviewee No. 1.*: The first interviewee highlighted that a model such as the one introduced earlier would make the decision-making process too slow because the national parliaments do not possess the necessary institutional capacity to bring Europe-wide decisions. Moreover, the reform underestimates the weight of the European Parliament as a balancing actor within the decision-making triangle. As a result, the Commission could easier play the Member States false – argues this interviewee. Another technical constrain or better to say inconvenience would be how the model could fix the equal weight of votes (“words”) among the Member States? He describes it as “catch-22”; namely if all Member States possess one vote then it would benefit the bigger countries while the proportional system would benefit the smaller ones. The interviewee also argues that the deficit
would appear at the level of the Member States because of the reform. The model basically queries the sovereignty of the member countries and it could lead next to the slowness to the superficial, “bad-quality” decision-making. Interviewee No. 1 also stresses that such a new institutional model would only reshuffle the power divided among the current actors (i.e. Commission, Parliament and Council). He believes that the citizens do not possess the necessary knowledge and qualification to follow the affairs of the political scene and it results democratic deficit at European and Member State level as well.

*Interviewee No. 2.:* He did not specify technical challenges.

*Interviewee No. 3.:* This person argues that the technical challenges of the model are more difficult to handle as political ones, nevertheless are not unsolvable. In addition, he believes that these challenges are easier to come over than solve the current problems of the European Parliament. He highlighted the "language question" among the delegates as a main, currently existing problem. Another main technical challenge is the capacity of national parliaments, which is more relevant in the case of the small Member States. It is also questionable whether these smaller countries have enough experts of a given policy field. For instance, Malta is not interested in the regulation of nuclear power plants. A third problematic element of the reform, – according to Interviewee No. 3. - is the bounded mandate of the Member States' delegates. He believes that all of the 28 Member States would not support such a structure in every given case although he underlined countries where such a system is already applied (i.e. Denmark). As a final remark, he noted that the decision-making perhaps would lay off for a while as a result of the reform.

*Interviewee No. 4.:* This interviewee straightforwardly rejected that such an institutional reform could be implemented in the European Union. He argued that the Member States are incompetent to decide
even in questions with smaller importance. However, he described the model as a good idea but pragmatically infeasible so he did not comment it thoroughly. In fact, this interviewee does not agree that democratic deficit would exist in the EU, and so, shares the viewpoint of Moravcsik in this question. However, he stressed that the European Parliament is ineffective and unnecessary, which can be considered as common sense in the EU, but nobody would ever declare it. At the same time, the EP behaves in a hypocritical way and continuously increases its power - with the consent of the other institutions.

5.3 Political feasibility

In this section, I wanted to explore the political feasibility of the institutional model. I asked the interviewees which of the current actors would support such a reform and which would oppose it.

*Interviewee No. 1.*: He already stressed in the answer to the second question that the Commission would support such a reform since it would increase its power among the decision-makers triangle. The same is true for the Council. In regard of European parties Interviewee No. 1. believes that groups in the centre of the political palette would not support such a reform, while extremists would be just the contrary.

*Interviewee No. 2.*: According to the second interviewee, the Commission would not support such an institutional reform, besides, it does not have influence in this regard. His main question according to the model was why it would be different from the current Council? He believes that such a reform would duplicate the Council of Ministers and hence it would become excrescential. As a result, of the reform the political diversification would decrease because the political rotation among Member States’ governments and European Parliament delegates would disappear.
Interviewee No. 3.: He recommended an inter-parliamentary model instead of the introduced one and stressed he believes while the Commission would not support the latter one it would just oppose the other. He added that through the reform a political vacuum would appear which is not in the interest of the Commission. Still, according to the support of the reform interviewees No. 3. raised the question whether the EP would play a role in such a change or not. If it did, the reform would be surely infeasible.

Interviewee No. 4.: Since this interviewee holds the whole model impractical did not comment on this question.

5.4 Universal remarks about the model

As a final question, I asked the interviewees about the shortcomings, challenges of the model, and what they suggest as solutions to these. Here I summarize all remarks, which could not be fit into the above detailed answers.

Interviewee No. 1.: This actor does not believe that the introduced institutional model would better represent the interest of the citizens. It stems from the viewpoint that he believes democratic deficit exists at a national level as well. He suggested examining the topic from the perspective of the “theory of power” too.

Interviewee No. 3.: I mentioned earlier that Interviewee No. 3. suggested an inter-parliamentary reform instead of the complete abolishment of the European Parliament. In his opinion, a tabula rasa and then a new content to the EP would be more appropriate instead of the introduced model. This new content could be a new structure of an inter-parliamentary assembly. Within this assembly, the delegates of the national parliaments would appear and the structure could be similar to that of the Council. The levels would be the following:

- Delegates of the Member States
- Head of Committees
• Vice-President of the Assembly
• President of the Assembly

5.5 Summary of the interviews

Finally, I would like to summarize the content of the above detailed interviews. Since the interviewees are all well-known individuals from the field of EU related studies or work in this field, their remarks and comments will give me further suggestions regarding my future research. Here again I would like to thank them for the opportunity of talking with them about my master's thesis.

In order to get to know what the basis of exchange among the Member States of the EU is, I raised the question: What are the objectives motivating the Member States in the European Union to give up a part of their sovereignty and cooperate with each other? Mostly all of the interviewees highlighted the continent-wide security and peace as the first and paramount aim for the European integration. One can conclude that this is still the most important idea behind the co-operation; furthermore it will never be overgone. One interviewee also mentioned the institutionalized liaison among the Member States as a factor, which forces the countries for the integration.

Political economists also deal with the issue of delegation. Vaubel (Vaubel, 1999) clarifies why governments agree unanimously on the removal of barriers - which was the case in the European integration. He notes, “the multilateral liberalization of interstate transactions tends to provide mutual benefits to all participating countries”. However, Member States lose the power to regulate these transactions, in the end, the overall effect on their power can be positive. Moreover, in the long run, dynamic competition occurring among them will generate desirable “pressure for deregulation and tax cuts”.

58
Tallberg describes delegation as an active choice between alternative structures of governance (Tallberg, (2002)). It is likely to take place if the expected benefits, which stem from the loss of sovereignty, outweigh the expected costs. The benefits of delegation lie in the reduction of political transaction costs, due to providing solutions to collective action problems that prevent efficient political exchange. These can be grouped into four categories: 1) facilitating credible policy commitments; 2) reducing information asymmetries; 3) improving decision-making efficiency; and 4) blame shifting. In the EU all four types, listed by Tallberg, can be found.

In sum, we can decide the establishment of peace and security in Europe as one aim of the institutionalized co-operation among nation states. The conclusion from the answers given to the first question is:

C1: The subject of the transaction among the Member States is the establishment of peace and stability in Europe.

In the second stage, I wanted to explore the technical feasibility of the institutional model, where national parliaments take over the EU decision-making responsibilities instead of the European Parliament. After the detailed introduction of the model, I asked all the interviewees whether they believe it to be technically feasible or not? Their reactions were quiet different. One had straightforwardly rejected that such an institutional reform could ever come into existence since the Member States are incompetent to reach consensus on even less important questions or decisions. Another of the interviewees commented in connection with the technical feasibility and the same point in their argumentation was the questionable capacity of the national parliaments. Their point is that Member States' decision-making bodies do not have the necessary technical capacities and knowledge to make EU-wide decisions. They do not have their experts since not all Member States are affected in all policy fields. This “scarce of capacity” feature could lead to too
slow decision-making or may result in its temporally grinding to a halt – noted one interviewee. Furthermore, political vacuum because of the reform was also mentioned by both of them while the first interviewee argued the weight of votes in the model also seems problematic. The third interviewee mentioned language constraints as a technical problem, which the model must overcome.

Conclusions for further research from the answers are as follows:

C2: The capacity of national parliaments has to be examined in order to decide whether the institutional model would slow down the decision-making.

The third question aimed to explore the political feasibility of the institutional model. I asked the interviewees which actors of the current ones would support such a reform and which would oppose it.

The reactions mainly concentrated on two from the three main decision-making actors, namely the Commission and the Council. Here, there was no compromise among the interviewees, because the first actor argued both the executive and the Council would support such a change, while the other two interviewees claimed the Commission would be contrary to the reform. Regarding the Council, all of them agreed it would support the model since it would be the lengthen arms of the national governments. One interviewee questioned in what terms the new institutional model would differ from the current function of the Council?

The first interviewee also commented in connection with the Europarties and argued that parties in the centre of the scale would oppose such an idea, while groups at the ends should be subject of further examination.

In absence of a common viewpoint, one can only conclude that:
C3: Further detailed examination is needed to decide which EU actors would support such an institutional change and which would oppose it.

The above-mentioned conclusions can provide a framework for my future research. They can be understood as a starting point in a research plan. In order to examine C3 a bigger interview-survey is planned which could be executed with MEPs, executive actors and technocrats in Brussels. Vis-á-vis to this C2 wants more research in the Member States. Since a survey in this regard would be too costly and hard to carry out, other sources of information are needed to answer C2. Maybe a literature review in this topic would be required. However, it is not part of this master's thesis.

6 Summary

In this master's thesis, I made a thorough literature review to examine the democratic deficit challenge of the European Union and see how the institutional environment upholds this situation. I focused mainly on the parliamentary behaviour of the MEPs but also introduced the different characteristics of the EP - compared to national parliaments - and the rational ignorance and absence of European electorates. Considering the behaviour of the representatives, I found two important features. First, the national linkages of MEPs turned out to be an influential factor in their parliamentary activity. Based on various sources, I identified that Member State and domestic party affiliation is a decisive element in that sense. On the other hand, it was found that a stronger intra-party group cohesion and inter-party group collaboration also characterises the European Parliament. I argued that the reason for this phenomenon lies in the vested interest of the party groups, namely that they are interested in the further empowerment of the chamber. I supported this argumentation by the institutional model of parliamentary cartels (Mike, (2009)).
The re-election of MEPs can currently happen through votes of Member States' citizens who are interested mainly in domestic and national issues. Thus, representatives will sell services to voters, which would seem to promote their national interest since this can secure their renewed mandate. However, when MEPs return to Brussels and Luxembourg they may start acting in a different role. They highlight the vested interest of the Europarties and start to promote the aim to increase the power of the Parliament. The party groups formulate a cartel since it provides more benefits to them than to compete against each other.

I argued that MEPs could easily do this activity since European electorates stay rationally uninformed about European issues and rationally stay away from EP elections as the constantly plummeting turnout shows. Its reason lies in the high costs of information compared to the very small decisive feature of one vote (Downs, 1957). The "paradox of voting" in that sense has a high relevance in the case of European elections and explains why citizens are ignorant about EU issues and - within the current institutional environment - will stay so.

I stressed – based on Mike's model – that this situation, the cartel of Europarties, is harmful in a parliamentary democracy since competition of parties could secure the optimal outcome of policy decisions. On the other hand, I argued that because of the detailed characteristics, neither the MEPs nor the electorates are interested in developing a European public sphere. However, it would be desired if the EU really wanted to ameliorate the democratic deficit problem. Within such a sphere, European parties would compete over European issues followed by the European citizens.

In the second part of my thesis, I introduced an institutional reform, which suggests the abolishment of the European Parliament and instead, would involve the national parliaments into the European
decision-making. It is important to note that this model would not eliminate common decision-making; it would only decentralize the information gathering necessary to bring policy decisions. Since it would be closer to citizens, it may result in more effective decisions. As a by-product, the europeanization of national political sphere would take place, which then could be the basis of a future European public sphere.

Subsequent to the introduction of this model, I presented the interviews made with experts of EU studies in order to collect feedback regarding the idea. I concluded that the model could only be a theoretical concept. Although some of the interviewees argued that technical constraints would make the implementation of the model feasible. However, political feasibility tends to be more problematic.

Still, institutionalist analysis of the European Parliament, which examines the peculiar incentives acting against a European public sphere is strongly important, until democratic deficit sets an obstacle in the way of further European integration.

7 Conclusion

Accepting the existence of democratic deficit within the European Union and believing the EU could give feasible answers to the challenges, Europe currently faces on a global scale, definitely entails the urge to tackle this issue. In my understanding a common European public sphere would be on, ameliorating democratic deficit within the EU. However, because of several reasons, this desired political sphere is currently absent from the European political scene. In this thesis, I examined this question from a public choice perspective. I tried to explore the incentives of two important actors of the European political arena: I studied the European Parliament and the European electorate. Since I found that recent incentives of these actors could not lead to the development of a European public sphere I suggested a new institutional model, which would steer actors
towards the desired way. For the practical feasibility of the idea remains questionable, a deeper empirical analysis of feasibility is required. Additionally, further theoretical examination can be valuable as well. Both research directions may provide a good foundation for a PhD research, which was the expressed goal of this thesis.

8 Bibliography


VoteWatch Europe (2013): 20 years of co-decision - A more (party) political parliament a less consensual Council, 2013, (http://bit.ly/18aYt1m) 28 April 2015


72


9 Notes

Interviews were made with Dr. Tamás Szűcs, Head of European Commission Representation in Hungary, Dr. György Schöpflin, Member of the European Parliament (EPP), Dániel Ambrus Head of Sector and Political Reporter at the European Commission Representation in Hungary and with Sándor Gyula Nagy, Academic Director at the Institute for Foreign Affairs and Trade and Assistant Professor at the Corvinus University of Budapest. Once again I would like to thank them the opportunity that I could make an interview and ask them about my institutional model. Furthermore I also would like to thank to my supervisor Miklós Rosta who helped to organise these interviews.