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***"The Institutional significance of 2014 in the European Union-
The European Elections, Spitzenkandidaten and Juncker Commission"***

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When we look around, some of us see a protracted crisis. Some notice signs of growth linking it to reforms and policy efforts.

It is not the first time growth is so high on the EU agenda. I am sure you remember the fear of euro sclerosis in the eighties or the Lisbon agenda at the beginning of the twenty first century. It was an ambitious strategy which suffered from a system of delivery which was not sufficiently robust.

Europe has been growing for quite a while below its potential. It is very likely that an erosion of productive capacities has taken place. This makes the output gap more worrying. We see rather scarce capabilities to create jobs.

Need of structural reforms to improve productivity is urgent. New areas of single market (energy, digital economy, services) can be growth conducive. Use of fiscal space wherever available is needed. Strong pro-growth policy both at national and EU level can be seen as a necessary effort complementing a rather robust monetary policy of the ECB.

We all hope that Juncker's investment package will provide strong impulses to investment. But their effects will not come tomorrow. They will come only in the mid-term.

I'm mentioning this need of action for growth because uncertainties generated by the protracted crisis have been transposed into a massive increase of anti-Europeanism. This in turn leads to worries with regard to the legitimation of the entire European Project. And I do not talk here only about expanding basis for populist parties but

also about representatives of academic circles who make prophecies about the end of Europe (for example the last book of Jan Zielonka).

So I believe that having you here for this debate about the institutional dimension of European good governance is very timely.

I believe it is useful to see as the starting point for our discussion today the fact that the Union of today is very different from the Union before the crisis. This should emerge as a strong message.

The crisis led to many unprecedented and also unthinkable reforms of the way the Union works.

Many new competences have been added to the portfolio of the core institutions. Especially the European Commission has acquired new executive powers in the area of economic and financial governance.

The European Council has moved beyond its Treaty obligations and rights towards a quasi-legislative and not really transparent institution.

This genie is out of the bottle and I wonder whether it will be possible to squeeze it back in there.

The European Parliament, empowered very generously by the Lisbon Treaty, is still trying to live up to its new powers and responsibilities. It will have to look into being fully fit for performing its duties when working with the restructured Commission born through Spitzenkandidaten process in the European Parliament. The Parliament will also have to exploit better the synergies that come out of its collaboration with national parliaments. And here we are not at the beginning but in the middle of the process.

One can hope that the openness of the Council towards entering into collaborative arrangements between the three institutions as we can see it at the beginning of the new legislative cycle will become a new standard.

But Union has also given birth to a number of new institutions in the areas of economic and financial governance, as well as added new competences to existing institutions, like the ECB. In this context, we are certainly confronted with the challenge of democratic legitimacy of the ECB as well as with unprecedented, in terms of frequency of action and substance, role of the German Constitutional Court.

Some of the reforms leading to the Europeanization of domestic policies touched upon competences of particular sensitivity, traditionally belonging to national competences (such as the European Semester). This has added to the need of looking more carefully at the issue of democratic legitimacy or even double legitimacy.

In the 21st century, good governance, also European one, must be deeply rooted in smoothly functioning democratic legitimation.

Here comes in particular the role of the European Parliament who unlike Council, which decides on the ground of national democratic mandates, makes decisions on the basis of European interests which cut across the borders and are also enriched by political groups' perspective.

Of course it goes without saying that if the Union offered itself an authentic political identity, the legitimacy problem would be less challenging.

Had we also taken more seriously Art 11, we would have citizens more constructively on board. Inclusive, participatory democracy would be a good tool to reduce the space for new anti's: anti-systemic, anti-democratic, anti-European groups and parties to build their political capital on populism. If people were more on board, there would be less space for populism.

Looking at the democratic legitimacy challenge without emotions, we must certainly address the growing Europeanization of important policies that matter for citizens, the growing role of institutions without organic democratic legitimacy but also look at

the single market when national borders do exist while new areas are about to be added (digital, energy, services).

It might be easier for Parliament to cope with democratic legitimacy challenges if the collaborative spirit could lead to a closer collaboration with national parliaments.

And the last thing I would like to add. Today democratic legitimacy is not only about transparency of political structures, integrity, participation. It is also about the capacity of political class and institutions to deliver. In the time of crisis to deliver what people expect is more important than ever. Yet it also matters more. There are small issues that reduce the efficiency of the delivery machinery. An example could be the lack of commitment technology for structural reforms.

Also the three institutions working together on legislative programming, not only on reducing red tape for SMEs and delegated acts could give a strong impulse to the capacity to deliver.

The three institutions working together could bring back people's confidence.

We need to regain the trust and confidence. Without it there will be no European governance. We must take a leap towards the advancement of the European project, and to do this we must act together. Otherwise we risk weakening, or even wasting, all the remarkable accomplishments that more than sixty years of integration have given European citizens.