# Why There is a Democratic Deficit in the EU: A Response to Majone and Moravcsik

ANDREAS FOLLESDAL University of Oslo SIMON HIX London School of Economics

#### **Abstract**

Giandomenico Majone and Andrew Moravcsik have argued that the EU does not suffer a 'democratic deficit'. We disagree about one key element: whether a democratic polity requires contestation for political leadership and over policy. This aspect is an essential element of even the 'thinnest' theories of democracy, yet is conspicuously absent in the EU.

#### Introduction

The fate of the Constitutional Treaty for Europe after the French and Dutch referendums will no doubt prompt further volumes of academic books and articles on the 'democratic deficit' in the European Union (EU). The topic already receives huge attention, with ever-more convoluted opinions as to the symptoms, diagnoses, cures and even side-effects of any medication. However, two major figures in the study of the European Union, Giandomenico Majone and Andrew Moravcsik, have recently focused the debate, by disentangling the various forms of dissatisfaction authors have expressed. Not only have these intellectual heavy-weights entered the fray, they have attempted to argue against much of the current received wisdom on the subject – and argue, in a nutshell, that the EU is in fact as democratic as it could, or should, be.

What we do in this article is assess some of the contributions of Majone and Moravcsik together. We start by articulating a contemporary 'standard version' of the democratic deficit, before reviewing how far these two scholars are

able to refute the various elements of the received wisdom. We then highlight our points of agreement and disagreement with the positions of Majone and Moravcsik as expressed in some of their articles. Specifically, we disagree about one key element: whether a democratic polity requires contestation for political leadership and argument over the direction of the policy agenda. This aspect, which is ultimately the difference between a democracy and an enlightened form of benevolent authoritarianism, is an essential element of even the 'thinnest' theories of democracy, yet is conspicuously absent in the EU. We then discuss what we think can be done to reduce the democratic deficit in the EU, and whether the Constitutional Treaty would go some way to achieving this goal. Other issues that Majone or Moravcsik raise also merit attention, but must await later occasions. These include the status and implications of federal or multi-level elements of the EU, and of various non-majoritarian democratic procedures (Majone, 1998; Moravcsik, 1998b, 2002).

# I. The 'Standard Version' of the Democratic Deficit, circa 2005

There is no single meaning of the 'democratic deficit'. Definitions are as varied as the nationality, intellectual positions and preferred solutions of the scholars or commentators who write on the subject. Making a similar observation in the mid-1990s, Joseph Weiler and his colleagues set out what they called a 'standard version' of the democratic deficit. This, they said, was not attributable to a single figure or group of scholars, but was rather a set of widely-used arguments by academics, practitioners, media commentators and ordinary citizens (Weiler *et al.*, 1995).

Weiler's contribution did not lay the debate on the democratic deficit to rest – in due course it become ever more diverse. An upgraded 'standard version' of the democratic deficit, supplemented by a more substantive yet 'thin' normative theory of democracy helps assess the valuable contributions of Moravcsik and Majone, and indicate remaining issues of contestation for further research. The democratic deficit could be defined as involving the following five main claims.

First, and foremost, European integration has meant an increase in executive power and a decrease in national parliamentary control (Andersen and Burns, 1996; Raunio, 1999). At the domestic level in Europe, the central structure of representative government in all EU Member States is that the government is accountable to the voters via the parliament. European parliaments may have few formal powers of legislative amendment (unlike the US Congress). But, the executive is held to account by the parliament that can hire and fire the cabinet, and by parliament scrutiny of the behaviour of government ministers. The design of the EU means that policy-making at the European

level is dominated by executive actors: national ministers in the Council, and government appointees in the Commission. This, by itself, is not a problem. However, the actions of these executive agents at the European level are beyond the control of national parliaments. Even with the establishment of European Affairs Committees in all national parliaments, ministers when speaking and voting in the Council, national bureaucrats when making policies in Coreper or Council working groups, and officials in the Commission when drafting or implementing legislation, are much more isolated from national parliamentary scrutiny and control than are national cabinet ministers or bureaucrats in the domestic policy-making process. As a result, governments can effectively ignore their parliaments when making decisions in Brussels. Hence, European integration has meant a decrease in the power of national parliaments and an increase in the power of executives.

Second, and related to the first element, most analysts of the democratic deficit argue that the European Parliament is too weak. In the 1980s, some commentators argued that there was a direct trade-off between the powers of the European Parliament and the powers of national parliaments, where any increase in the powers of the European Parliament would mean a concomitant decrease in the powers of national parliaments (Holland, 1980). However, by the 1990s, this position disappeared as scholars started to see European integration as a decline in the power of parliamentary institutions at the domestic level relative to executive institutions. The solution, many argued, was to increase the power of the European Parliament relative to the governments in the Council and the Commission (Williams, 1991; Lodge, 1994).

Successive reforms of the EU treaties since the mid-1980s have dramatically increased the powers of the European Parliament, exactly as many of the democratic deficit scholars had advocated. Nevertheless, one can still claim that the European Parliament is weak compared to the governments in the Council. Although the European Parliament has equal legislative power with the Council under the co-decision procedure, a majority of EU legislation is still passed under the consultation procedure, where the Parliament has only a limited power of delay. The Parliament can still amend only those lines in the EU budget that the governments categorize as 'non-compulsory expenditure'. And, although the European Parliament now has the power to veto the governments' choice for the Commission President and the team of Commissioners, the governments are still the agenda-setters in the appointment of the Commission. In no sense is the EU's executive 'elected' by the European Parliament.

Third, despite the growing power of the European Parliament, there are no 'European' elections. EU citizens elect their governments, who sit in the Council and nominate Commissioners. EU citizens also elect the European Parliament. However, neither national elections nor European Parliament

elections are really 'European' elections: they are not about the personalities and parties at the European level or the direction of the EU policy agenda. National elections are fought on domestic rather than European issues, and parties collude to keep the issue of Europe off the domestic agenda (Hix, 1999; Marks et al., 2002). European Parliament elections are also not about Europe, as parties and the media treat them as mid-term national contests. Protest votes against parties in government and steadily declining participation in European elections indicate that Reif and Schmitt's famous description of the first European Parliament elections – as 'second-order national contests' – is as true of the sixth European elections in June 2004 as it was of the first elections in 1979 (Reif and Schmitt, 1980; van der Eijk and Franklin, 1996; Marsh, 1998). Blondel, et al. (1998) provide some evidence that at the individual level participation in European elections is related to citizens' attitudes towards the EU. However, this effect is substantively very small, and more recent research has shown that, if anything, the main second-order effects of European elections - whereby governing parties and large parties lose while opposition and small parties win irrespective of these parties' EU policies – have increased rather than decreased (Mattila, 2003; Kousser, 2004; Hix and Marsh, 2005).

The absence of a 'European' element in national and European elections means that EU citizens' preferences on issues on the EU policy agenda at best have only an indirect influence on EU policy outcomes. In comparison, if the EU were a system with a genuine electoral contest to determine the make-up of 'government' at the European level, the outcome of this election would have a direct influence on what EU 'leaders' do, and whether they can continue to do these things or are forced to change the direction of policy.

Fourth, even if the European Parliament's power were increased and genuine European elections were able to be held, another problem is that the EU is simply 'too distant' from voters. There is an institutional and a psychological version of this claim. Paradoxically, both may have given rise to the frustration vented in the referendums on the Constitutional Treaty. Institutionally, electoral control over the Council and the Commission is too removed, as discussed. Psychologically, the EU is too different from the domestic democratic institutions that citizens are used to. As a result, citizens cannot understand the EU, and so will never be able to assess and regard it as a democratic system writ large, nor to identify with it. For example, the Commission is neither a government nor a bureaucracy, and is appointed through an obscure procedure rather than elected by one electorate directly or indirectly (see, for example, Magnette, 2001). The Council is part legislature, part executive, and when acting as a legislature makes most of its decisions in secret. The European Parliament cannot be a properly deliberative assembly because of the multi-lingual nature of debates in committees and the plenary without a common political backdrop culture. And, the policy process is fundamentally technocratic rather than political (Wallace and Smith, 1995).

Fifth, European integration produces 'policy drift' from voters' ideal policy preferences. Partially as a result of the four previous factors, the EU adopts policies that are not supported by a majority of citizens in many or even most Member States. Governments are able to undertake policies at the European level that they cannot pursue at the domestic level, where they are constrained by parliaments, courts and corporatist interest group structures. These policy outcomes include a neo-liberal regulatory framework for the single market, a monetarist framework for EMU and massive subsidies to farmers through the common agricultural policy. Because the policy outcomes of the EU decision-making process are usually to the right of domestic policy status quos, this 'policy drift' critique is usually developed by social democratic scholars (Scharpf, 1997, 1999).

A variant of this 'social democratic' critique focuses on the role of private interests in EU decision-making. Since a classic representative chamber, such as the European Parliament, is not the dominant institution in EU governance, private interest groups do not have to compete with democratic party politics in the EU policy-making process. Concentrated interests such as business interests and multinational firms have a greater incentive to organize at the European level than diffuse interests, such as consumer groups or trade unions, and the EU policy process is pluralist rather than corporatist. These features skew EU policy outcomes more towards the interests of the owners of capital than is the case for policy compromises at the domestic level in Europe (see, e.g., Streeck and Schmitter, 1991).

## II. Defence of the Titans: Majone and Moravcsik

Giandomenico Majone and Andrew Moravcsik, two of the most prominent scholars of European integration, have recently struck back at the flood of articles, pamphlets and books promoting one or more of the elements of the standard version of the democratic deficit.

Majone: Credibility Crisis Not Democratic Deficit

Majone's starting point is his theoretical and normative claim that the EU is essentially a 'regulatory state' (Majone, 1994, 1996). In Majone's thinking, 'regulation' is about addressing market failures and so, by definition, is about producing policy outcomes that are Pareto-efficient (where some benefit and no one is made worse off), rather than redistributive or value-allocative (where there are both winners and losers). The EU governments have delegated

regulatory policy competences to the European level – such as the creation of the single market, the harmonization of product standards and health and safety rules and even the making of monetary policy by the European Central Bank – deliberately to isolate these policies from domestic majoritarian government. From this perspective, the EU is a glorified regulatory agency, a 'fourth branch of government', much like regulatory agencies at the domestic level in Europe, such as telecoms agencies, competition authorities, central banks, or even courts (Majone, 1993a).

Following from this interpretation, Majone asserts that EU policy-making *should not* be 'democratic' in the usual meaning of the term. If EU policies were made by what Majone calls 'majoritarian' institutions, they would cease to be Pareto-efficient, insofar as the political majority would select EU policy outcomes closer to its ideal short-term policy preferences and counter to the preferences of the political minority and against the majority's own long-term interests.

In this view, an EU dominated by the European Parliament or a directly elected Commission would inevitably lead to a politicization of regulatory policy-making. Politicization would result in redistributive rather than Paretoefficient outcomes, and so in fact undermine rather than increase the legitimacy of the EU (Majone, 1998, 2000, 2002a, b; Dehousse, 1995). For example, EU social policies would be used to compensate losers or supplement the market rather than only correct its failures (Majone, 1993b).

For Majone, then, the problem for the EU is less a democratic deficit than a 'credibility crisis' (Majone, 2000). The solution, he believes, is procedural rather than more fundamental change. What the EU needs is more transparent decision-making, *ex post* review by courts and ombudsmen, greater professionalism and technical expertise, rules that protect the rights of minority interests, and better scrutiny by private actors, the media and parliamentarians at both the EU and national levels. In this view, the European Parliament should focus on scrutinizing the European Commission and EU expenditure, and perhaps increasing the 'quality' of EU legislation. It should not try to move EU legislation beyond the preferences of the elected governments or try to influence the policy positions of the Commission through the investiture and censure procedures.

Majone consequently holds that, if the EU could increase the credibility of its policy-making by introducing such procedural mechanisms, then the public would or should accept the EU as legitimate and concerns about the democratic deficit would disappear.

Moravcsik: Checks-and-Balances Limit Policy Drift

Moravcsik (2002, 2003, 2004) goes further than Majone, and presents an extensive critique of all main democratic deficit claims. Moravcsik objects to four different positions in his writings on this subject: libertarian, pluralist, social democratic and deliberative. Rather than repeat his arguments as they relate to these four viewpoints, let us reconstruct his arguments against the five standard claims identified, above. Moravcsik has explicit answers to four of the five standard claims.

First, against the argument that power has shifted to the executive, Moravcsik points out that national governments are the most directly accountable politicians in Europe. As he states (2002, p. 612):

if European elections were the only form of democratic accountability to which the EU were subject, scepticism would surely be warranted. Yet, a more important channel lies in the democratically elected governments of the Member States, which dominate the still largely territorial and intergovernmental structure of the EU.

He goes on to argue that national parliaments and the national media increasingly scrutinize national government ministers' actions in Brussels. Hence, while the EU remains a largely intergovernmental organization, decisions in the European Council and the Council of Ministers are as accountable to national citizens as decisions of national cabinets. In other words, his argument that the EU 'strengthens the state' (meaning national executives) also challenges claims of a democratic deficit, since the democratically controlled national executives play dominant roles in the EU institutions – underscoring the democratic accountability of the EU.

Second, against the critique that the executives are beyond the control of representative institutions, and hence that the European Parliament needs to be strengthened, Moravcsik points out that the most significant institutional development in the EU in the past two decades has been the increased powers of the European Parliament in the legislative process and in the selection of the Commission. In other words, he might grant that national governments no longer dominate outcomes where significant independent agenda-setting power has been delegated to the Commission, for example under the codecision procedure and qualified majority voting in the Council. Hence, indirect accountability via national executives in the Council is weak under these 'supranational' policy mechanisms, as particular national governments can be on the losing side on an issue-by-issue basis. However, the EU has addressed this potential problem by significantly increasing the powers of the European Parliament in exactly these areas.

© 2006 The Author(s) Journal compilation: © 2006 Blackwell Publishing Ltd The European Parliament now has veto-power over the selection of the Commission and is increasingly willing to use this power against heavy lobbying from national governments, as was seen with the Parliament's veto of the first proposed line-up of the Barroso Commission in October 2004. Also, the reform of the co-decision procedure in the Amsterdam Treaty means that legislation cannot be passed under co-decision without majority support in both the Council and the European Parliament. So, if a party in government is on the losing side of a qualified majority vote in the Council, it has a chance of 'winning it back' in the Parliament – as Germany has done on several occasions (such as the takeover directive in July 2001).

Third, against the view that the EU is too distant and opaque, Moravcsik argues that the EU policy-making process is now more transparent than most domestic systems of government. The growing paranoia inside the EU institutions about their isolation from citizens and the new internal rules in response to public and media accusations, have made it much easier for interest groups, the media, national politicians and even private citizens to access documents or information about EU policy-making – easier indeed than access to information from national policy processes. Furthermore, EU technocrats are increasingly forced to listen to multiple societal interests. Both the European Court of Justice and national courts exercise extensive judicial review of EU actions, and the European Parliament and national parliaments have increased scrutiny powers (as in the European Parliament's censure of the Santer Commission in May 1999). Also, the introduction of an 'early warning mechanism', as envisaged in the Constitutional Treaty, would increase the power of national parliaments to scrutinize and block draft EU legislation before it even leaves the Commission.

Fourth, Moravcsik argues against the so-called 'social democratic critique' that EU policies are systematically biased against the (centre-left) median voter. The EU's elaborate system of checks-and-balances ensures that an overwhelming consensus is required for any policies to be agreed. There are high thresholds for the adoption of EU policies: unanimity for the reform of the treaties; then either unanimity in the Council (in those areas where intergovernmental rules still apply), or a majority in the Commission plus a qualified majority in the Council plus an absolute majority in the European Parliament (where supranational rules apply); and then judicial review by national courts and the European Court of Justice. Also, no single set of private interests can dominate the EU policy process, as the Commission consciously promotes the access of diffuse interests, and diffuse interests have access via those parties of party groups (on the left) in the Council and European Parliament (see, e.g., Pollack, 1997; Greenwood, 2003).

As a result, EU policies are inevitably very centrist: the result of a delicate compromise between all interest parties, from all Member States and all the main party positions. Only those on the political extremes are really excluded. So, free market liberals are just as frustrated with the centrist EU policy regime as social democrats.

Just as Majone's views of the EU democratic deficit are logical extensions of his general 'regulatory politics' theory of the EU, Moravcsik's views of the democratic deficit are extensions of his liberal-intergovernmental theory (Moravcsik, 1998a). Basically, because the governments run the EU and there is 'hard bargaining' in the adoption of all EU policies, the EU is unlikely to adopt anything which negatively effects an important national interest or social group. Also, because the Commission is simply an agent of the governments, there are no significant unintended consequences of the intergovernmental bargains. Hence, there is little gap between the preferences of the elected governments and final EU policy outcomes; so, the EU is not undemocratic.

Finally, Moravcsik does not address the claim directly that there are 'no European elections'. But, his position would justify at least two answers to this concern. First, Moravcsik thinks that European Parliament elections do not really work and will not be genuine 'European' contests for some time, since the issues the EU tackles are simply not salient enough for voters to take an interest. 'EU legislative and regulatory activity is inversely correlated with the salience of issues in the minds of European voters, so any effort to expand participation is unlikely to overcome apathy' (Moravcsik, 2002, p. 615). Voters care primarily about taxation and spending and these issues are still the responsibility of Member States and tackled overwhelming at the national level. Hence, it is rational for voters to treat European elections as largely irrelevant contests.

Second, Moravcsik (2004) likes the idea that EU policy-making is largely isolated from majoritarian democratic contests. He agrees with Majone that it is a good thing that regulatory policy-makers are isolated from democratic majorities. He cites three normative reasons. Firstly, 'universal involvement in government policy would impose costs beyond the willingness of any modern citizen to bear' (Moravcsik, 2002, p. 614; 2004). Secondly, isolating particular quasi-judicial decisions is essential to protect minority interests and avoid the 'tyranny of the majority'. Thirdly, and above all, isolated policy-makers can correct for a 'bias' inherent in majoritarian democratic contests. Here, Moravcsik argues that particularist (concentrated) interests can more easily capture majoritarian electoral processes than isolated regulators or courts. From this perspective, 'the EU may be more "representative" precisely because it is, in a narrow sense, less "democratic" (Moravcsik, 2002, p. 614).

## III. Points of Agreement and Disagreement

The contributions of Majone and Moravcsik have greatly enhanced the democratic deficit debate, and raised it from the largely impressionist and descriptive contributions in the 1980s and early 1990s to a new level. Arguments are presented more fully, based on careful theoretical analysis backed up by empirical evidence. This analytic clarity is a welcome improvement, not least because it facilitates assessment and further improvement. Some of their theoretical arguments and empirical evidence are valid, while others are questionable.

## Majone: Most EU Policies are Redistributive

Majone's main theoretical assumption, that purely Pareto-improving policies with no redistributive effects may, on normative grounds, be isolated from majoritarian democratic process, is surely correct. If policies reliably are, and are meant to be, purely Pareto-improving (with no losers) then decision-making in these areas via the usual democratic mechanisms, of electoral and parliamentary majorities, may well not produce the desired outcomes. The problem comes, however, at an empirical level, when trying to identify those policies that produce purely Pareto-improving policy outcomes with one unique solution. Majone would agree that many decisions would challenge a strict efficiency—redistributive dichotomy. This article questions the centrality of this distinction, when the empirical reality of decisions is a continuum between policies that are predominantly efficient and policies that are predominantly redistributive, with many mixes.

For example, almost everyone would accept that judicial decisions, such as court adjudication of property rights, and certain technical decisions, such as consumer product standards and safety protection, are at the 'efficient' extreme of a potential continuum: there is a very limited number of correct outcomes, where the distribution of benefits and burdens is largely settled in the process of deciding on the legal and technical standards. Courts and agencies, such as a food safety agency, might best be isolated from political interferences once the laws and other standards are identified.

Next on an efficiency—redistibutive continuum are interest rate policies and competition policies. The aim of delegation to independent institutions in these areas is the time inconsistency of preferences and the need for trustworthiness, rather than the fact that these policies *by definition* are purely about the correction of market failures and the production of collective benefits (Beetham and Lord, 1998, p. 20). Even though a majority of economists and political scientists believe that central banks and competition regulators should be independent from majoritarian institutions, these views are not universally held (e.g. McNamara, 2002). And there may be reasons for immediate action that

outweigh the loss in trustworthiness: trade-offs that may best be handled by majoritarian, political accountable, agents.

Next are the bulk of policies at the European level which relate to the construction and (re)regulation of a market. A larger market and harmonized national regulatory standards to secure market integration certainly have Pareto-improving elements, in that much of EU single market, environmental or social regulation aims to make the free market work more efficiently or to correct particular market failures, such as negative externalities of production (such as pollution), collectively disadvantageous practices of trade barriers, or information asymmetries in employment contracts such as rules on minimum health and safety at work. However, many EU regulatory policies have significant redistributive consequences. Private producers for domestic markets are losers from the liberalization of trade in a single market (e.g. Frieden and Rogowski, 1996). Similarly, producers tend to suffer from environmental 'process' standards, such as factory emissions standards. On the other hand, some workers benefit from social policy 'process' standards, such as equal rights for part-time and temporary workers.

At the predominantly redistributive extreme are EU expenditure policies. It may seem that all Member States benefit in some way from EU expenditure policies. Yet, the identification of 'net contributors' and 'net beneficiaries' from the EU budget has always been a highly contested game in the negotiation of every EU multi-annual framework programme. Moreover, winners and losers are even more apparent at the individual level. Beneficiaries from EU expenditure policies, such as farmers, depressed regions, or research scientists, tend to be concentrated groups who receive large amounts from the EU budget as a percentage of their income. On the other hand, the consumers and taxpayers who pay into the EU budget are highly diffuse, with widely varying net benefits of larger markets.

Majone might wish that all EU market regulation or reregulatory policies are or should be purely Pareto efficient. The current reality is rather different. Many EU regulatory policies have identifiable winners and losers (Pierson and Leibfried, 1995, pp. 432–65; Joerges, 1999). At an empirical level, Majone's argument that EU policy-making is or should primarily be about Pareto-improving outcomes is thus either implausible, or requires a drastic reversal of many competences back to the Member States. Majone provides good reasons why certain EU policies, such as competition policy or food safety regulation, should be delegated to independent, non-majoritarian, institutions. But his arguments do not apply to policies which allow choices with distributive or even redistributive effects. He offers no reason why they should be isolated from democratic contestation. Where there are short- and long-term winners

and losers, Majone's argument does not diminish the need for democratic, responsive and accountable decision-makers.

Moravcsik: Democratic Contestation Would Produce Different Policies In Moravcsik's view:

Constitutional checks and balances, indirect democratic control via national governments, and the increasing powers of the European Parliament are sufficient to ensure that EU policy-making is, in nearly all cases, clean, transparent, effective and politically responsive to the demands of European citizens. (2002, p. 605)

Much of this we agree with. Essentially, because of the requirement of oversized majorities in multiple institutions, EU policy outcomes are invariably 'centrist'.

Yet, this response to the social democratic concern is insufficient insofar as the status quo of no-agreement does not secure 'centrist' but rather rightof-centre outcomes, as the near-constitutional status of market freedoms suggests. Moravcsik must then go on to argue that this no-agreement point is not skewed against the political parties on the left. On this issue the jury still seems to be out. On the one hand, as Paul Pierson (2001, p. 82) finds: 'the available evidence casts doubt on the claim that in the absence of growing economic integration welfare states would be under dramatically less pressure, and national policy makers markedly more capable of addressing new public demands'. Signs of cut-backs and retrenchments may have other causes. On the other hand, the demographic changes may otherwise have entailed increases rather than stand-still in public expenditures. Thus, Anton Hemerijck (2002) notes that: 'The empirical evidence ... suggests that tax competition has so far been limited ... But this may be misguided. For one, when we consider increasing unemployment, rising poverty, expanding pensions and health care costs, we would have expected that taxation should have risen. Instead, during the 1980s most welfare states turned to deficit spending'.

Indirect control via national governments certainly provides some control over EU policy outcomes, although it is greater in those areas where intergovernmentalist decision-making rules operate (such as police cooperation, foreign and defence policies, and some aspects of monetary union) than in areas where supranational decision-making rules operate (such as the regulation of the single market and now asylum and immigration policies). Increasing the powers of the European Parliament has certainly improved the legitimacy of policy outcomes in precisely those areas where the indirect control of governments over outcomes has been weakened by the move to qualified majority voting and the delegation of significant agenda-setting power to the

Commission. Essentially, the authors are willing to accept, both theoretically (because of the design of representation in the Council and Parliament and the rules of agenda-setting and decision-making) and empirically (the balance between the neo-liberal and 'social market' elements of the EU policy regime), that policy outcomes from the EU may be relatively close to some abstract European-wide 'median voter'. The social democratic critique of the EU is insufficiently defended and argued; it is also quite possibly incorrect.

There are still two problems for Moravcsik's theory, however, concerning the link between voters' policy preferences and the policies of the EU. First, the match between preferences and policies should not only occur as a matter of fact, but there should be mechanisms that reliably ensure that this power will indeed be so used. Democratic accountability is one such mechanism that sometimes at least serves to kick rascals out and sometimes serves to prevent domination and disempowerment (Shapiro, 1996). The defence of institutions as legitimate must thus not only show that present outcomes are acceptable. Proponents must also show that these institutions can reliably be expected to secure more acceptable outcomes in the future than the alternatives considered, for instance because they are sufficiently responsive to the best interests of voters. These are the problems with benevolent but non-accountable rulers: their subjects have no institutionalized mechanisms that make them trustworthy. And, there are no reliable selection processes for selecting their benevolent successor – at most, the processes ensure selection of the next ruler, who may turn out to be much less benevolent (Rawls, 1999; Follesdal, 2005).

Second, voters' preferences are not fixed or purely exogenously determined. If voters' preferences over policies are completely exogenous to the political process and permanently fixed, then there would perhaps be no difference between a fully-democratic majoritarian policy and an 'isolated' policy regime – a form of regulated benevolent authoritarianism – that produces policies that 'voters subjectively want' in some interesting sense of that phrase. Both democratic and (enlightened) non-democratic regimes would produce policy outcomes close to the median or otherwise decisive-voter (assuming a single dimension of preferences).

A key difference between standard democratic and non-democratic regimes, however, is that citizens form their views about which policy options they prefer through the processes of deliberation and party contestation that are essential elements of all democracies. Because voters' preferences are shaped by the democratic process, a democracy would almost definitely produce outcomes that are different to those produced by 'enlightened' technocrats. Hence, one problem for the EU is that its policy outcomes may not be those policies that would be preferred by a political majority after a debate.

This leads to a weakness in Moravcsik's argument that the issues on the EU agenda are simply not salient enough for voters to want to have a debate about the policies, and hence allow their preferences to be shaped on these issues. The problem is that the salience of a policy issue is also endogenous to the political process. Schattschneider (1960) famously called this the 'mobilization of bias'. With no articulation of positions on several sides of a policy debate, it is no wonder that a debate over a particular policy area does not exist and that issues lack voter salience.

Moravcsik would still contend that such a democratic contest is more likely to be captured by private particularist interests than the EU's current system of checks-and-balances and isolated regulators, who can more easily consider diffuse and long-term interests. As it stands, this argument is incomplete. Reasons must also be provided for believing that regulators will indeed reliably use their discretion in such ways rather than for less legitimate objectives. Indeed, many democratic theorists and empiricists would actually think the opposite. Independent regulators are highly prone to capture, primarily because they are heavily lobbied by the producers who are the subjects of the regulation (Becker, 1983). Furthermore, constitutions with multiple checks-and-balances (or veto-points), as opposed to more majoritarian decision-making rules, allow concentrated (single-issue) interests to block policy outcomes that are in the interests of the majority – as has been the case in the US system of government, where the gun lobby has repeated blocked more restrictive gun control and private healthcare companies have repeatedly blocked provisions to introduce some form of universal health coverage, despite overwhelming public support for both these policies (Tsebelis, 1999, 2002).

Majone and Moravcsik extol the virtues of 'enlightened' bureaucracy against the dangers of untrammelled 'popular' democracy, or 'majoritarian' rule in the current parlance. For Majone, the technocrats in the Commission, the Council working groups and the EU agencies are more likely to protect citizens' interests than the majority in the European Parliament or a hypothetical majority in an election of the Commission President. Moravcsik, less enthusiastic about technocratic rule, still sees no need for fully-blown electoral democracy since the design of the EU already guarantees that any policies passed are in the interests of the majority of EU citizens. We argue in the next section that there are good reasons to be slightly less optimistic about the comparative advantages of technocratic rule over constrained forms of democratic rule.

## IV. Why Constrained Democracy is Better than Pareto Authoritarianism

One plausible defence of democracy is comparative, in the tradition of Winston Churchill's quip that democracy is the worst form of government except

for all the others that have been tried from time to time. Forms of democratic rule in terms of competitive elections to choose policies and leaders, is better than enlightened technocracy and the alternatives favoured by Moravcsik and Majone.

We build the case for democracy from premises that we believe are shared by a broad range of democratic theorists. The main features of democracy are (see, for example, Follesdal, 1998):

- 1. institutionally established procedures that regulate,
- 2. competition for control over political authority,
- 3. on the basis of deliberation,
- 4. where nearly all adult citizens are permitted to participate in
- 5. an electoral mechanism where their expressed preferences over alternative candidates determine the outcome,
- 6. in such ways that the government is responsive to the majority or to as many as possible.

This is not intended as a complete definition, but rather as a statement about virtually all modern political systems that we would normally call 'democratic'. The perennial dispute about the definition of democracy seems largely fruitless to us, and we hope to avoid it altogether. This sketch of democracy is robust in the sense that many theorists would agree to many of its components, though specifying them differently.

Features 1, 2 and 3 are especially relevant for assessing Moravcsik's and Majone's arguments. These are held in some form by most theorists. As an example, for Charles Beitz (1989, p. 17), democracy is conceived as:

a kind of rivalry for control over the state's policy-making apparatus, with an electoral mechanism at its center in which all citizens are entitled to participate ... There is considerable room for variation in both the manner in which the rivalry itself might be regulated and the details of the electoral mechanism that determines its outcomes. The generic idea of democracy is indeterminate about these matters, but because not all of the possibilities are equally acceptable, some criterion is needed for selecting among them.

For Schattschneider (1960, p. 141), modern democracy is 'a competitive political system in which competing leaders and organizations define the alternatives of public policy in such a way that the public can participate in the decision-making process'. And for Brian Barry (1991, pp. 24–61), a democratic procedure is 'a method of determining the content of laws (and other legally binding decisions) such that the preferences of the citizens have some formal connection with the outcome in which each counts equally... [and] allow for the formulation, expression, and aggregation of political preferences'.

These first three components merit elaboration to identify the weaknesses of Majone and Moravcsik's arguments. Regarding the first component, the primary issue is *institutional design, not policy outcomes*. Many, though not all, democratic theorists would hold that the outputs matter when assessing such institutions. We hold that, in order to assess institutions, more must be known about whether they *can* bring about certain outputs. We cannot accept Majone's argument that EU institutions provide unbiased representation without further defence. That such institutions *may* prevent capture by powerful minorities opposing the majority's more diffuse, longer-term or less self-conscious concerns may be correct, but this is not enough. Indeed, much more must be known than their current output. We also need to know about the likely, least likely or typical outcomes, including the formative and strategic effects of institutions on strategies and preferences.

Thus we cannot appeal only to present policy outcomes, but must also consider their tendency to reliably be sufficiently responsive over time, compared with alternative arrangements. Their track record so far is not sufficient. We must also know whether there are mechanisms that will reliably continue to ensure acceptable outcomes in ways that provide crucial trustworthiness. This is of course not to argue that constitutions determine everything, but that the choice of constitutional rules affects the bargaining positions within the democratic decision procedures.

For example, an essential feature of the practice of democracy is an institutional design that allows for an 'opposition' to the current leadership elites and policy status quos (Dahl, 1971). Providing incentives and arenas for oppositions to organize and articulate their positions is important to ensure that citizens understand differences between the present government and the (democratic) political order (Shapiro, 1996). If citizens cannot identify alternative leaders or policy agendas, it is difficult for them to determine whether leaders could have done better or to identify who is responsible for policies. Active opposition parties in parliament with many affected parties represented, and media scrutiny, are crucial for such fact-finding, attention and assessments. These benefits require freedom of association and information, and real opportunity spaces for formulation and contestation of the agenda and policy choices.

Consider those who favour an alternative set of policy outcomes to the current policies of the Commission, the Council and the Parliament. As the EU is currently designed, there is no room to present a rival set of leadership candidates (a government 'in waiting') and a rival policy agenda. This is different from the growing 'anti-EU' sentiment in many Member States, which often presents itself as the opposition to the EU establishment. But, such anti-EU parties and movements do not simply oppose the current policy balance at the European level, but advocate root-and-branch reform, or even abolition, of

the EU system – rather like the Anti-Federalists in the early years of American democracy. Indeed, it is precisely because there is no visible quasi-official 'opposition', that citizens cannot distinguish between opposition to the current EU policy regime and opposition to the EU system as a whole.

Regarding the second component, *competitive elections are crucial to make policies and elected officials responsive to the preferences of citizens* (see, for example, Powell, 2000). Electoral contests provide incentives for elites to develop rival policy ideas and propose rival candidates for political office. This identification of new alternatives is crucial: 'the definition of the alternatives is the supreme instrument of power' (Schattschneider, 1960, p. 68). Competition between parties with different platforms that express alternative, somewhat consistent, conceptions of public interest and public policies helps voters realize which choices may be made and give them some alternatives (see, for example, Manin, 1987, pp. 338–68).

Where the EU is concerned, policies might be in the interests of citizens when they were first agreed, but without electoral competition there are few incentives for the Commission or governments to change these policies in response to changes in citizens' preferences. For example, EU policy-makers are trying to grapple with the structural reform of the European economy, which everyone seems to agree needs to be addressed at the European level. At the moment this is not salient for Europe's voters, even though the distributive and redistributive consequences of any structural reforms are potentially huge. The EU has policy instruments to introduce labour market reform in Europe. For example, the Commission could propose a directive harmonizing rules on the hiring and firing of workers for small and medium-sized enterprises. However, such a proposal would be politically explosive, as this would involve a radical shift from the policy status quo for most Member States. As a result, governments have tried to encourage each other to introduce labour market reforms through the 'softer' process of the 'open method of co-ordination' (OMC). But, faced with entrenched vested interests against labour market reform, domestic political parties have no incentive to follow the informal agreements made through OMC or to act unilaterally.

The problem for the EU, in this case, is that there are few if any vehicles for encouraging a European-wide debate about structural reform of the European economy that can feed off and mobilize political opposition. In a 'normal' democracy, rival groups of elites (parties) would have incentives to develop and promote competing policy positions, a majority would form in favour of a particular policy package, and a mandate for action would be established. Without such democratic contestation, the EU is simply less capable of assessing and addressing one of the central issues facing European policy-makers.

Regarding the third component, *political competition is an essential vehicle for opinion formation*. Competition fosters political debate, which in turn promotes the formation of public opinion on different policy options. Policy debates including deliberation concerning the best means and objectives of policies are an inherent by-product of electoral competition. Without such debates, voters would not be able to form their preferences on complex policy issues. Electoral contestation thus has a powerful formative effect, promoting a gradual evolution of political identities.

For example, in the history of American and European democracies, the replacement of local identities by national identities occurred through the process and operation of mass elections and party competition (Key, 1961; Lipset and Rokkan, 1967). Political parties appear to play particularly important roles in fostering and maintaining dual political loyalties in multi-level polities to one's own sub-unit and to the polity as a whole (McKay, 2004, pp. 23–39, 2001). Likewise in the EU, rather than assuming that a European *demos* is a prerequisite for genuine EU democracy, a European democratic identity might well form through the practice of democratic competition and institutionalized co-operation.

Our concern that Moravcsik and Majone ignore the role of preference formation in the EU does not stem from a greatly contested philosophically esoteric version of deliberative democracy. These effects of political discourse for 'identity formation' are widely acknowledged, not only among 'communicatively' oriented deliberative democrats – though they sometimes seem to ignore that much of this is a shared democratic heritage (Weale, 1999, p. 37). Where different theorists disagree is instead in their assessment of the risks, possibilities and best institutions for regulating such preference formation and modification in a normatively preferred direction (Schumpeter, 1976; Riker, 1982; Schmitter 2000; Follesdal, 2000).

As has also been argued by many other scholars, it is not necessarily the case that all such formation and modification is reliably for the better (Przeworski, 1998, pp. 140–60; Follesdal, 2000, pp. 85–110; Elster, 1998, pp. 1–18; 2003, pp. 138–58).

We deny that more – and less constrained – deliberation always makes for better democracy. We are prepared to defend constitutional constraints on democratic decisions (Dryzek, 1990), and we accept a constrained rather than populist account of democracy. We accept the delegation of authority to regulators where policies should be Pareto-improvements with few distributive options or when needed to build trustworthiness. We are also prepared to consider checks and balances, for example, drawing on the US federalist tradition or the European consensus-democracy tradition (Lijphart, 1999). And, we are prepared to welcome human rights constraints on parliaments to

protect minorities and Member States, rather than exposing them to avoidable risks of unfortunate deliberations and resultant policy mistakes.

Against this background, consider Moravcsik's claims that expanding participation is unlikely to overcome apathy, since 'EU legislative and regulatory activity is inversely correlated with the salience of issues in the minds of European voters' (Moravcsik, 2002, p. 615). We would object that perceived salience is partly endogenous, a consequence of lack of political contestation. Thus, for instance, this apathy is likely to change if media and political parties start to claim that EU decisions impact on high-salience issues such as health care provision, education, law and order, pensions and social security policy, and taxation.

The links between domestic policies and EU institutional design may well be 'unclear in the minds of many, thereby depoliticizing the issue' (Moravcsik, 2002, p. 616). But, increased political contestation would probably address – and contest the nature of – such links or lack thereof. Moravcsik holds that the formal list of EU competences is highly significant for assessing whether democratic contestation is appropriate. Surely the relevant terms of normative assessment are not the formal list of competences but the impact on citizens. Such claims about impacts is the stuff of democratic contestation – and hence salience. Moravcsik may be correct that the EU's activities are limited to a policy agenda focused on cross-border economic activity, with a small budget to boot. Yet national politicians sometimes claim that their hands are tied, leaving much room for two-level diplomacy. Such claims and others emerge and are tested largely within democratic institutions. The links may well remain unclear, but are hardly uncontested or not salient.

Moravcsik dismisses some ways to give citizens reason to care about EU politics: Schmitter's or Van Parijs's suggestions regarding minimum income with massive redistribution may well be infeasible schemes, especially in the short run (Schmitter, 2000; Van Parijs, 1992). But other, politically more realistic, agenda topics may also capture voters' interests. The current implausibility of Schmitter's and Van Parijs's proposals are irrelevant for assessing claims that political contestation is important for enhancing democratic legitimacy.

## V. Why the EU is Undemocratic and What Could be Done About It

Central weaknesses in Moravcsik's and Majone's denials of the EU's democratic deficit are that EU policies currently have large distributive consequences, rendering a purely unique Pareto-improvement argument insufficient. The low current salience about policy issues is not a justification for no democracy, as long as it may equally well be the result of a lack of democratic arenas for

© 2006 The Author(s) Journal compilation: © 2006 Blackwell Publishing Ltd contestation. Currently there are several constitution-like and institutional features that insulate the EU from political competition.

Most fundamentally, there is no electoral contest for political leadership at the European level or the basic direction of the EU policy agenda. Representatives at the EU level are elected, and so can formally be 'thrown out'. However, the processes of electing national politicians and even the members of the European Parliament are not contests about the content or direction of EU policy. National elections are about domestic political issues, where the policies of different parties on issues on the EU agenda are rarely debated. Similarly, as discussed, European Parliament elections are not in fact about Europe, but are 'second-order national contests'. They are fought by national parties on the performance of national governments, with lower turnout than national elections, and hence won by opposition and protest parties. At no point, then, do voters have the opportunity to choose between rival candidates for executive office at the European level, or to choose between rival policy agendas for EU action, or to throw out elected representatives for their policy positions or actions at the EU level.

Referendums on EU issues, such as membership of the EU or EMU or ratification of a new EU Treaty, do better than national elections or European Parliament elections in terms of allowing voters to express their preferences about the EU. National politics, such as the popularity of the government, still play a role in EU referendums (Franklin *et al.*, 1995; Hug, 2002). However, referendums on EU issues are considerably less 'second order' than European elections (Siune *et al.*, 1994; Garry *et al.*, 2004). The problem with referendums, however, is that they only allow voters to express their views about isolated fundamental constitutional issues and not on the specific policy content within a particular constitutional status quo. Referendums are hence ineffective mechanisms for promoting day-to-day competition, or contestation between policy platforms, or indeed articulation and opposition in the EU policy process.

Interestingly, there is increasingly 'democracy at the European level', in terms of party organization and competition in the European Parliament. The political parties in the European Parliament are now more cohesive than the Republicans and Democrats in the US Congress, and what determines coalition formation between the parties in the Parliament is their distance from each other on the left–right continuum – in other words, parties that are ideologically closer together vote together more often (Hix *et al.*, 2005). Moreover, the powers of the parties in the European Parliament have evolved – in terms of their influence over policy outcomes – as the powers of the Parliament itself have grown, as has their control of resources inside the European Parliament (such as committee and *rapporteurship* assignments). As a result, the members of the European Parliament (MEPs) are increasingly likely to vote with their

European party colleagues and against their national party leaderships when these two sets of interests are in conflict (Hix, 2002a). This tendency came into the open in October 2004, when a coalition of parties and MEPs in the European Parliament for the first time refused to support the proposed line-up for the new Commission, despite heavy lobbying by many national governments from both right and left for their MEPs to break from their European party positions.

Similarly, there is increasing policy contestation inside the Council of Ministers. There are a growing number of 'roll-call' votes and what explains the number of times a government either abstains in a vote or votes against the winning qualified majority is the left—right and pro- or anti-Europe position of the government relative to the other governments (Mattila and Lane, 2001; Mattila, 2004). But, without full transparency of amendment procedures, agenda-control rules and even the recording of roll-call votes when votes fail, it is very difficult for academics or the media, *let alone* the general public, to follow meaningfully what goes on inside the EU's primary legislative chamber.

A bigger problem, however, is the lack of a connection between the growing democratic politics inside the European Parliament and EU Council and the views of the public. The parties in the European Parliament and the governments in the Council may well reflect the various positions of the voters they represent on the issues at stake. However, without an electoral contest connected to political behaviour in these EU institutions it is impossible for voters to punish MEPs or governments for voting the 'wrong way'. Government responsiveness suffers.

What is encouraging from the early seeds of democratic contestation in the European Parliament and Council, nevertheless, is that there really is potential for battles over the EU policy agenda. Opening the door for further contestation, to allow a greater connection between voters' preferences and coalitions and alignments in the EU institutions, may not require massive constitutional overhaul. We argue that these problems may be temporary, and may not require massive constitutional overhaul – tinkering, time and controversies may engender Europe-wide debates, possibly spurred by parties and party families who see opportunities for votes.

Nevertheless, we would point to some details of institutional design that seem important. For example, the Council of Ministers needs to be more transparent. This not only means publishing voting records, which has been the demand of many democratic deficit commentators for some time. It also means allowing the public, via the media, to see who proposed what, what coalitions formed, which amendments failed, and who then was on the winning and losing side. Now that the EU has expanded to 25 Member States, the Council will be forced to become ever more like a classic 'legislature', with

standard rules of procedure determining the division of labour, agenda control and amendment rights. What needs to happen is that who gets what, when and how as a result of these rules, becomes public knowledge.

Furthermore, the Commission's designated role regarding the European interest should not be formulated in such a way as to imply that the content of this term is uncontested, or that the Commission is the only institution able and willing to identify and pursue it. Now that the basic policy-competence architecture of the EU has been confirmed – in terms of the regulation of the market at the European level and the provision of spending-based public goods at the national level - the role of the Commission is not fundamentally different from other political executives. The purely Pareto-improving functions of the Commission, such as the merger control authority or the monitoring of legislative enforcement, could easily be isolated in new independent agencies. Then, the expressly 'political' functions of the Commission, in terms of defining a work programme for five years, initiating social, economic and environmental laws, and preparing and negotiating the multi-annual and annual budgets, should be open to rigorous contestation and criticism. Such criticism should not be interpreted as euroscepticism or anti-federalism, but rather as an essential element of democratic politics at the European level. Majone may well agree with this suggestion, though it remains to be seen how and where he would distinguish between purely Pareto-improving and other, (re) distributive, functions of the Commission (Dehousse and Majone, 1994).

Related to these two ideas, an institutional mechanism needs to be found for generating debate and contestation about politics in, not only of, the EU. The most obvious way of doing this is contestation of the office of the Commission President - the most powerful executive position in the EU. For example, there could be a direct election of the Commission President by the citizens or by national parliaments (Hix, 2002b). Alternatively, a less ambitious proposal would be for government leaders to allow a more open battle for this office without any further treaty reform. Now that the Commission President is elected by a qualified-majority vote (after the Nice Treaty), a smaller majority is needed in the European Council for a person to be nominated. This led to a dramatic increase in the number of candidates in the battle to succeed Romano Prodi and a linking of the nomination of a candidate to the majority in the newly elected European Parliament. However, the process could have been much more open and transparent – with candidates declaring themselves before the European elections, issuing manifestos for their term in office, and the transnational parties and the governments then declaring their support for one or other of the candidates well before the horse-trading began.

The Constitutional Treaty, if ratified, would be an improvement on the institutional status quo in terms of the possibility and likelihood of more

democratic contestation. The Constitutional Treaty would increase transparency of the legislative process, increase the powers of the European Parliament and formally link the choice of the Commission President to European elections. The Constitutional Treaty would also give several new powers to national parliaments, underscoring that we are not witnessing a 'post-national' order, but rather a complex new multi-level polity, with some classic federal features and some completely new institutional innovations. National parliaments would be able to monitor the application of the subsidiarity principle, giving 'yellow cards' when violations are suspected. This arrangement may well bolster political debate and contestation, since national parliaments are to get copies of legislative proposals, Commission consultation documents, copies of suggested Treaty reforms and European Council suggestions of when unanimity is not required by Council.

The increased transparency and powers of the European Parliament and national parliaments may foster political contestation. This is not to deny that transparency also may carry costs regarding the quality and efficiency of agreements, for instance by foreclosing the creative exploration of new options (Elster, 1998, p. 98; Naurin, 2004). This loss of efficiency in individual cases does not outweigh the benefits of political contestation and more trustworthy institutions.

Our arguments for increased democratic contestation also withstand Dahl's pessimism about enlightened decisions in large-scale democracies. We agree that it is difficult, if not impossible, to determine the 'general good' within a heterogenous population, even with contestation (Dahl, 1999). And there seems to be a trade-off between citizen effectiveness in smaller units and system capacity which sometimes favours larger units. Surely, the relationship and division of functions between units in a complex polity requires careful and theoretically informed decisions (Dahl and Tufte 1973, pp. 139-42). Dahl and Tufte's arguments underscore an argument that this article shares: democratic constestation of these issues is not a perfect procedure. However, their arguments do not support non-democratic solutions, where these important decisions about subsidiarity and competence allocation should be taken by non-accountable authorities without public contestation. Such non-democratic modes of decision-making would paper over such controversies and obscure the political choice. They are therefore over time likely to yield even less 'effective' solutions than democratic mechanisms.

EU decisions have contested effects, distributive and otherwise, and there are reasons to believe that several choices are arguably good faith specifications of 'the European interest'. A worry about the efficiency loss of politicization therefore seems ill-founded.

However, the Constitutional Treaty was a missed opportunity to be rather more bold in trying to promote contestation of the EU agenda. For example, there was considerable support in the Convention on the Future of Europe for allowing the majority in the European Parliament to nominate the Commission President instead of the European Council. This would have established a much clearer link between the outcome of European elections and the formation of government at the European level. But a minority of governments, led by France and the United Kingdom, vetoed this change, fearing that this was too 'federalist'. This was a mistake, as the potential impact of more democratic competition could be more or less policy from the EU, depending on the type of contest that develops and the candidate who wins.

Such a reform would also have captured the public's imagination. With all the other Treaty reforms, the governments promised their voters a significant policy 'carrot' if they ratified the Treaty: the Single European Act would produce a single market; the Maastricht Treaty would lead to EMU; the Amsterdam Treaty would create an area of freedom, security and justice; and the Nice Treaty would allow enlargement. In contrast, there is no major new policy project that would be achieved if the Constitutional Treaty is ratified. As a result, the potential costs of not ratifying the Constitutional Treaty are not obvious to most citizens. Hence, the governments should have been bolder in promising something new for the European public, such as a genuinely more democratic set of institutions.

#### Conclusion

If democracy is only about matching the present preferences of voters to policy outputs, it is difficult to explain what is wrong with the EU. However, there is broad agreement between democratic theorists that the citizens' preferences that do matter are those that have a chance of being created or modified within arenas of political contestation, and that what matters are institutions that reliably ensure that policies are responsive to these preferences, rather than matching by happy coincidence. Thus, one important challenge is to create institutions that provide such opportunities and responsiveness. The endogeneity of voters' preferences, while recognized and indeed a premise across many normative democratic theories concerned with the legitimacy of democratic arrangements, seems to be handled less acceptably at the European level than at the domestic level. In particular, we suggest that the lack of party competition and other lacunæ concerning a political public sphere should make us more wary of Moravcsik's and Majone's optimistic conclusions. It will be much more difficult to assume that EU policies are only – or should only be – concerned with Pareto-improvement to a unique solution if such claims are subjected to public political scrutiny by different political parties that have something to gain by convincing voters otherwise.

All is not lost though, as change is on the way. Democratic contestation, in terms of trans-national alignments and coalitions along left—right lines have started to emerge in both the EU Council and the European Parliament. What is still missing, though, is the connection between these developments and the divisions in the EU's society at large, in terms of the potential winners and losers of potential policy agendas. This may not even require fundamental reform of the EU treaties. All that may be needed is for the political elites to make a commitment to open the door to more politicization of the EU agenda, for example via a battle for the Commission President, with governments and national and European parties backing different candidates and policy platforms. European Parliament elections would continue to be primarily 'second-order' for some time. But, if there are new incentives for national party leaders to compete in these contests on European-level issues rather than purely national concerns, over time EU-wide coalitions and alignments between national and European actors would begin to solidify.

Overall, Majone and Moravcsik's contributions should be welcomed. We do not agree with all their claims and assertions. However, we share their enthusiasm for ditching abstract normative assertions in favour of careful normative reasoning and the assessment of empirical evidence. The proverbial 'bar' has been 'raised' to a new level of analytical rigour in the debate about the democratic deficit in the EU and what should be done about it.

Correspondence:
Simon Hix
London School of Economics
Houghton Street
London WC2A 2AE, UK
email: s.hix@lse.ac.uk

#### References

Andersen, S.S. and Burns, T. (1996) 'The European Union and the Erosion of Parliamentary Democracy: A Study of Post-parliamentary Governance'. In Andersen, S.S. and Eliassen, K.A. (eds) *The European Union: How Democratic Is It?* (London: Sage).

Barry, B. (1991) *Is Democracy Special? Democracy and Power* (Oxford: Oxford University Press).

Becker, G.S. (1983) 'A Theory of Competition Among Pressure Groups for Political Influence'. *Quarterly Journal of Economics*, Vol. 98, No. 3, pp. 371–400.

© 2006 The Author(s) Journal compilation: © 2006 Blackwell Publishing Ltd

- Beetham, D. and Lord, C. (1998) *Legitimacy in the European Union* (Harlow: Longman).
- Beitz, C.R. (1989) Political Equality (Princeton, NJ: Princeton University Press).
- Blondel, J., Sinnott, R. and Svensson, P. (1998) *People and Parliament in the European Union: Participation, Democracy, and Legitimacy* (Oxford: Oxford University Press).
- Dahl, R.A. (1971) *Polyarchy: Participation and Opposition* (New Haven, CT: Yale University Press).
- Dahl, R.A. (1999) 'Can International Organizations be Democratic? A Sceptic's View'. In Shapiro, I. and Hacker-Cordon, C. (eds) *Democracy's Edges* (Cambridge: Cambridge University Press).
- Dahl, R.A. and Tufte, E. (1973) *Size and Democracy* (Palo Alto, CA: Stanford University Press).
- Dehousse, R. (1995) 'Constitutional Reform in the European Community: Are There Alternatives to the Majoritarian Avenue?'. In Hayward, J. (ed.) *The Crisis of Representation in Europe* (London: Frank Cass).
- Dehousse, R. and Majone, G. (1994) 'The Institutional Dynamics of European Integration: From the Single Act to the Maastricht Treaty'. In Martin, S. (ed.) *The Construction of Europe* (Dordrecht: Kluwer Academic Publishers).
- Dryzek, J.S. (1990) *Discursive Democracy: Politics, Policy, and Political Science* (Cambridge: Cambridge University Press).
- Eijk, C. van der and Franklin, M. (eds.) (1996) *Choosing Europe? The European Electorate and National Politics in the Face of Union* (Ann Arbor, MI: University of Michigan Press).
- Elster, J. (1998) 'Introduction'. In Elster, J. (ed.) *Deliberative Democracy* (Cambridge: Cambridge University Press).
- Elster, J. (2003) 'The Market and the Forum: Three Varieties of Political Theory'. In Christiano, T. (ed.) *Philosophy and Democracy* (Oxford: Oxford University Press).
- Follesdal, A. (1998) 'Democracy, Legitimacy and Majority Rule in the EU'. In Weale, A. and Nentwich, M. (eds) *Political Theory and the European Union: Legitimacy, Constitutional Choice and Citizenship* (London: Routledge).
- Follesdal, A. (2000) 'Subsidiarity and Democratic Deliberation'. In Eriksen, E.O. and Fossum, J.E. (eds) *Democracy in the European Union: Integration through Deliberation?* (London: Routledge).
- Follesdal, A. (2005) 'Justice, Stability and Toleration in a Federation of Well-ordered Peoples'. In Martin, R. and Reidy, D. (eds) *Reading Rawls's The Law of Peoples* (Oxford: Blackwell).
- Franklin, M., van der Eijk, C. and Marsh, M. (1995) 'Referendum Outcomes and Trust in Government: Public Support for Europe in the Wake of Maastricht'. In Hayward, J. (ed.) *The Crisis of Representation in Europe* (London: Frank Cass).
- Frieden, J.A. and Rogowski, R. (1996) 'The Impact of the International Political Economy on National Policies: An Overview'. In Keohane, R.O. and Milner, H.V. (eds) *Internationalization and Domestic Politics* (Cambridge: Cambridge University Press).

- Garry, J., Marsh, M. and Sinnott, R. (2004) "Second Order" Versus "Issue Voting" Effects in EU Referendums: Evidence from the Irish Nice Treaty Referendums'. Mimeo (Dublin: Trinity College).
- Greenwood, J. (2003) *Interest Representation in the European Union* (London: Palgrave Macmillan).
- Hemerijck, A. (2002) 'The Self-Transformation of the European Social Model(s)'. In Esping-Andersen, G. (ed.) *Why We Need a New Welfare State* (Oxford: Oxford University Press).
- Hix, S. (1999) 'Dimensions and Alignments in European Union Politics: Cognitive Constraints and Partisan Responses'. *European Journal of Political Research*, Vol. 35, No. 1, pp. 69–106.
- Hix, S. (2002a) 'Parliamentary Behavior with Two Principals: Preferences, Parties, and Voting in the European Parliament'. *American Journal of Political Science*, Vol. 46, No. 3, pp. 688–98.
- Hix, S. (2002b) *Linking National Politics to Europe* (London: Foreign Policy Centre).
- Hix, S. and Marsh, M. (2005) 'Punishment or Protest? Understanding European Parliament Elections'. Paper presented at the biennial conference of the European Union Studies Association, Austin, Texas, April.
- Hix, S., Noury, A. and Roland, G. (2005) 'Power to the Parties: Cohesion and Competition in the European Parliament, 1979–2001'. *British Journal of Political Science*, Vol. 35, No. 2, pp. 209–34.
- Holland, S. (1980) *Uncommon Market: Capital, Class, and Power in the European Community* (New York: St. Martin's Press).
- Hug, S. (2002) *Voices of Europe: Citizens, Referendums, and European Integration* (Lanham, MD: Rowman and Littlefield).
- Joerges, C. (1999) 'Der Philosoph als wahrer Rechtslehrer: Review of G. Majone, *Regulating Europe'*. *European Law Journal*, Vol. 5, No. 2, pp. 147–53.
- Key, V.O. Jr (1961) *Public Opinion and American Democracy* (New York, NY: Knopf).
- Kousser, T. (2004) 'Retrospective Voting and Strategic Behavior in European Parliament Elections'. *Electoral Studies*, Vol. 23, No. 1, pp. 1–21.
- Lijphart, A. (1999) *Patterns of Democracy: Government Forms and Performance in Thirty-Six Countries* (New Haven, CT: Yale University Press).
- Lipset, S.M. and Rokkan S. (eds) (1967) *Party Systems and Voter Alignments* (New York, NY: Free Press).
- Lodge, J. (1994) 'The European Parliament and the Authority-Democracy Crisis'. Annals of the American Academy of Political and Social Science, Vol. 531, pp. 69–83.
- McKay, D. (2001) Designing Europe: Comparative Lessons from the Federal Experience (Oxford: Oxford University Press).
- McKay, D. (2004) 'The EU as a Self-sustaining Federation: Specifying the Constitutional Conditions'. In Dobson, L. and Follesdal, A. (eds) *Political Theory and the European Constitution* (London: Routledge).

- McNamara, K.R. (2002) 'Rational Fictions: Central Bank Independence and the Social Logic of Delegation'. *West European Politics*, Vol. 25, No. 1, pp. 47–76.
- Magnette, P. (2001) 'Appointing and Censuring the European Commission: The Adaptation of Parliamentary Institutions to the Community Context'. *European Law Journal*, Vol. 7, No. 3, pp. 292–310.
- Majone, G. (1993a) 'The European Community: An "Independent Fourth Branch of Government"?'. EUI Working Paper SPS No. 94/17 (Florence: European University Institute).
- Majone, G. (1993b) 'The European Community Between Social Policy and Social Regulation'. *Journal of Common Market Studies*, Vol. 31, No. 2, pp. 153–70.
- Majone, G. (1994) 'The Rise of the Regulatory State in Europe'. West European Politics, Vol. 17, No. 3, pp. 78–102.
- Majone, G. (1996) Regulating Europe (London: Routledge).
- Majone, G. (1998) 'Europe's "Democratic Deficit": The Question of Standards'. *European Law Journal*, Vol. 4, No. 1, pp. 5–28.
- Majone, G. (2000) 'The Credibility Crisis of Community Regulation'. *Journal of Common Market Studies*, Vol. 38, No. 2, pp. 273–302.
- Majone, G. (2002a) 'The European Commission: The Limits of Centralization and the Perils of Parliamentarization'. *Governance*, Vol. 15, No. 3, pp. 375–92.
- Majone, G. (2002b) 'Delegation of Regulatory Powers in a Mixed Polity'. *European Law Journal*, Vol. 8, No. 3, pp. 319–39.
- Manin, B. (1987) 'On Legitimacy and Political Deliberation'. *Political Theory*, Vol. 15, No. 3, pp. 338–68.
- Marks, G., Wilson, C. and Ray, L. (2002) 'National Political Parties and European Integration'. *American Journal of Political Science*, Vol. 46, No. 3, pp. 585–94.
- Marsh, M. (1998) 'Testing the Second-Order Election Model after Four European Elections'. *British Journal of Political Science*, Vol. 28, No. 4, pp. 591–607.
- Mattila, M. (2003) 'Why Bother? Determinants of Turnout in the European Elections'. *Electoral Studies*, Vol. 22, No. 3, pp. 449–68.
- Mattila, M. (2004) 'Contested Decisions: Empirical Analysis of Voting in the European Union Council of Ministers'. *European Journal of Political Research*, Vol. 43, No. 1, pp. 29–50.
- Mattila, M. and Lane, J.-E. (2001) 'Why Unanimity in the Council? A Roll Call Analysis of Council Voting'. *European Union Politics*, Vol. 2, No. 1, pp. 31–52.
- Moravcsik, A. (1998a) *The Choice for Europe: Social Purpose and State Power from Messina to Maastricht* (Ithaca, NY: Cornell University Press).
- Moravcsik, A. (1998b) 'European Integration at Century's End'. In Moravcsik, A. (ed.) *Centralization or Fragmentation? Europe Facing the Challenges of Deepening, Diversity, and Democracy* (New York: Council on Foreign Relations).
- Moravcsik, A. (2002) 'In Defence of the "Democratic Deficit": Reassessing the Legitimacy of the European Union'. *Journal of Common Market Studies*, Vol. 40, No. 4, pp. 603–34.
- Moravcsik, A. (2003) 'The EU Ain't Broke'. Prospect, March, pp. 38–45.
- Moravcsik, A. (2004) 'Is there a "Democratic Deficit" in World Politics? A Framework for Analysis'. *Government and Opposition*, Vol. 39, No. 2, pp. 336–63.

- Naurin, D. (2004) 'Transparency and Legitimacy'. In Dobson L. and Follesdal, A. (eds) *Political Theory and the European Constitution* (London: Routledge).
- Pierson, P. (2001) 'Post-Industrial Pressures on the Mature Welfare States'. In Pierson, P. (ed.) *The New Politics of the Welfare State* (Oxford: Oxford University Press).
- Pierson, P. and Leibfried, S. (1995) 'The Dynamics of Social Policy Integration'. In Leibfried, S. and Pierson, P. (eds) *European Social Policy: Between Fragmentation and Integration* (Washington, DC: Brookings).
- Pollack, M.A. (1997) 'Representing Diffuse Interests in EC Policy-Making'. *Journal of European Public Policy*, Vol. 4, No. 4, pp. 572–90.
- Powell, G.B. (2000) *Elections as Instruments of Democracy: Majoritarian and Proportional Visions* (New Haven, CT: Yale University Press).
- Przeworski, A. (1998) 'Deliberation and Ideological Domination'. In Elster, J. (ed.) *Deliberative Democracy* (Cambridge: Cambridge University Press).
- Raunio, T. (1999) 'Always One Step Behind? National Legislatures and the European Union'. *Government and Opposition*, Vol. 34, No. 2, pp. 180–202.
- Rawls, J. (1999) The Law of Peoples (Cambridge, MA: Harvard University Press).
- Reif, K. and Schmitt, H. (1980) 'Nine Second-Order National Elections: A Conceptual Framework for the Analysis of European Election Results'. *European Journal of Political Research*, Vol. 8, No. 1, pp. 3–45.
- Riker, W.H. (1982) *Liberalism Against Populism* (San Francisco, CA: W.H. Freeman).
- Scharpf, F.W. (1997) 'Economic Integration, Democracy and the Welfare State'. *Journal of European Public Policy*, Vol. 4, No. 1, pp. 18–36.
- Scharpf, F.W. (1999) *Governing in Europe: Effective and Democratic?* (Oxford: Oxford University Press).
- Schattschneider, E.E. (1960) *The Semi-Sovereign People: A Realist's View of Democracy in America* (New York, NY: Holt, Rinehart and Winston).
- Schmitter, P.C. (2000) *How to Democratize the European Union ... and Why Bother?* (Lanham, MD: Rowman and Littlefield).
- Schumpeter, J.A. (1976) *Capitalism, Socialism and Democracy* (London: Allen and Unwin).
- Shapiro, I. (1996) *Democracy's Place* (Ithaca, NY: Cornell University Press).
- Siune, K., Svensson, P. and Tonsgaard, O. (1994) 'The European Union: The Danes Said "No" in 1992 but "Yes" in 1993: How and Why?'. *Electoral Studies*, Vol. 13, No. 2, pp. 107–16.
- Streeck, W. and Schmitter, P.C. (1991) 'From National Corporatism to Transnational Pluralism: Organized Interests in the Single European Market'. *Politics and Society*, Vol. 19, No. 2, pp. 133–64.
- Tsebelis, G. (1999) 'Veto Players and Law Production in Parliamentary Democracies: An Empirical Analysis'. *American Political Science Review*, Vol. 93, No. 3, pp. 591–608.
- Tsebelis, G. (2002) *Veto Players: How Political Institutions Work* (Princeton, NJ: Princeton University Press).

- Van Parijs, P. (1992) Arguing for Basic Income: Ethical Foundations for a Radical Reform (London: Verso).
- Wallace, W. and Smith, J. (1995) 'Democracy or Technocracy? European Integration and the Problem of Popular Consent'. *West European Politics*, Vol. 18, No. 3, pp. 137–57.
- Weale, A. (1999) Democracy (New York, NY: St. Martin's Press).
- Weiler, J.H.H., Haltern, U.R. and Mayer, F. (1995) 'European Democracy and its Critique'. *West European Politics*, Vol. 18, No. 3, pp. 4–39.
- Williams, S. (1991) 'Sovereignty and Accountability'. In Keohane, R.O. and Hoffmann, S. (eds) *The New European Community* (Boulder, CO: Westview).