The European Council has become the new centre of political gravity in EU decision-making

by Blog Admin

This month saw another in a long line of European Council summits aimed at reforming the institutional framework of the eurozone. **Uwe Puetter** looks at the rise of deliberative intergovernmentalism in the European Union through European Council summits, and finds that while agreement is required at the highest level to make this system work, the process is remarkably stable.

The European Council recently met in Brussels to discuss the recurrent issue of reforming the institutional framework of Economic and Monetary Union (EMU) including the tricky question of coordinating domestic budgetary policies more effectively. Banking union was also discussed. As usual the meeting triggered a great deal of media attention and Europe's top policy-makers were quite talkative ahead of the summit. Herr (French President Francois) Hollande expressed impatience with the decision-making on euro area reform and the question of EU-level bank bailout schemes, and Madame (German Chancellor Angela) Merkel replied that this meeting was about discussing these issues further – not about making a final decision. She stressed that this was on the agenda only for the next meeting. Yet, the Franco-German couple as well as all the other "heads" knew in any case that there soon will be another opportunity to sort these things out: the next European Council meeting.

What I found more interesting in this regard was another statement by Hollande published in Le Monde on 17 October, the day before the European Council. The French president demanded monthly meetings of the heads – at least for the euro area. He expressed dissatisfaction with the notion of European Council crisis meetings and called for emphasising continuity instead. This was an idea also familiar to some of Merkel's EU affairs aides in the chancellery in Berlin.

On the day before the European Council meeting I listened to a programme on German national radio Deutschlandfunk with the title "The euro crisis and its managers". The program featured Thomas Wieser, the Austrian senior civil servant, who chairs the Eurogroup Working Group – the offspring of the Economic and Financial Committee which brings together the euro area's deputy finance ministers and prepares all Eurogroup meetings and, increasingly, the



Francois Hollande Credit: Philippe Moreau Chevrolet (Creative Commons BY NC ND)

EMU related agenda points for the European Council. I know who he is but who else does? Yet, we learn why Wieser is an important man in Brussels. Instead of sitting in his empty office (also mentioned in the programme) he spends most of his time in meetings and talking to top-level decision-makers. What is his role in all this? "I am something like a marriage counsellor who tries – between two or several partners, if one accepts polygamy – to achieve a common understanding of things and seeks to make sure that operational implementation gets underway", says Wieser.

This is in a nutshell what I think the currently most important institutional trend in EU policy-making is. What we are seeing is a new European intergovernmentalism. It is a different type of intergovernmentalism. It is not what was referred to as the opposite model of political integration in Europe. Instead of standstill there is a continuous intensification of top-level intergovernmental policy coordination. Instead of legislative

decision-making there is agreement on commonly shared policy objectives which is reiterated on a regular basis. Implementation is fully dependent on the political self-commitment of member state representatives in the European Council and the Council of the European Union. To make this system work agreement is required at the highest level. Individual ministers often simply lack the authority within the domestic context to guarantee implementation. This is a lesson from the open method coordination experience of the early 2000s. This is why the European Council becomes an effective supervisor of the relevant Council formations and the Eurogroup. This is why the heads get involved in day-to-day decision-making.

There is disagreement and there are conflicts, of course and one should expect this given what is at stake. Yet, the process as such is remarkably stable. It seems that the more problems occur the more frequent are the meetings. The heads themselves are overseeing this process. The Council and the Eurogroup receive instructions. Meetings among ministers in the relevant areas become more frequent too. Moreover, European Council and Council activity involves the emergence and continuing expansion of a sophisticated system of comitology. All these processes including the underlying bureaucratic infrastructure – committees like the one chaired by Wieser or the influential Political and Security Committee – are geared towards consensus seeking among member state governments. Because of this focus on institutionalising collective processes of policy deliberation I have referred to this new institutional dynamic as deliberative intergovernmentalism.

It is the key mode of governance especially in areas such as economic policy and foreign and security policy. Even on issues which involve classic community method decision-making – such as in the case of the reform of banking supervision – the power to initiate and shape policy is not so much with the Commission anymore but with the European Council. Moreover, policy instruments and implementation resources are all decentralised and located at the national level. It all started with the Maastricht Treaty and the decision to develop economic governance and foreign and security policy outside the community method. The crucial point is that these processes not only constitute new modes of governance but over time also triggered a process of profound institutional change. We can trace numerous attempts at institutional engineering aimed at enhancing the problem-solving capacity of forums like the Eurogroup, the relevant Council formations and, most recently under the supervision of its new full-time president, the European Council. The creation of the office of a full-time president (currently held by Herman van Rompuy) of the European Council is a function of this dynamic too.

Read more on this: Uwe Puetter, Europe's deliberative intergovernmentalism: the role of the Council and European Council in EU economic governance, Journal of European Public Policy 19:2, pp. 161-178, 2012.

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