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Introduction

My first question relates to the fact that both of you mentioned, rightly, that you were not accountable to this Parliament. So Mr. Regling you are accountable to the Eurogroup and the President of the Eurogroup is accountable to his [national] parliament. So it's strange that in Europe we have such a huge European problem [the third financial assistance programme for Greece] with no accountability to the European Parliament.

Elisa Ferreira, cited in European Parliament 2015b

On 10 November 2015, Dutch Finance Minister Jeroen Dijsselbloem appeared before the European Parliament (EP) as part of the regular 'Economic Dialogues' established after the euro crisis. Dijsselbloem's participation in an EP committee meeting was related to his position at the time as President of the Eurogroup – the European Union's (EU's) most powerful economic body and key decision-maker on financial assistance programmes (Craig 2017; Puetter 2006). On this occasion, Dijsselbloem was accompanied by Klaus Regling, the Managing Director of the European Stability Mechanism (ESM). Although the ESM was an intergovernmental organisation created outside the EU Treaty framework, the Eurogroup was (and still is) closely involved in its governance structure. In fact, Eurogroup finance ministers act as the ESM's Board of Governors (ESM Treaty, Article 5). During the Economic Dialogue mentioned earlier, the main topic of discussions was the third financial assistance programme for Greece, a package agreed in the summer of 2015 after months of uncertainty and the rejection of similar bailout conditions by Greek citizens in a referendum (Panke 2019).

Against this background, the comment made by Elisa Ferreira illustrates recurrent complaints by Members of the European Parliament (MEPs) regarding the Eurogroup's lack of accountability and its involvement in the

ESM. In 2014, the EP even adopted a Resolution condemning ‘the absence of EU-level democratic legitimacy and accountability of the Eurogroup when it assumes EU-level executive powers’ (European Parliament 2014f). The crisis in Greece and the 2015 referendum served as a reminder that national electorates (and parliaments) could hold their own governments accountable for ESM decisions but not the Eurogroup as a whole (cf. Brandsma *et al.* 2016: 624–625). Conversely, the EP had no powers in relation to the ESM except for the possibility to ask questions of the Eurogroup President during Economic Dialogues.

As the only directly elected institution in the EU, representing citizens from all Member States, the EP has a legitimate claim to oversee the activities of all EU executive actors – not just the Eurogroup – and ensure that they are held accountable at the appropriate level. There are two concepts crucial to this discussion, namely ‘accountability’ and ‘oversight’. Nowadays, accountability is a ubiquitous term centred on the importance of controls over the exercise of power in a democratic system (Dubnick 2014: 29; Fearon 1999; Strøm 2000). At a basic level, accountability requires public officials – whether elected or not – to justify their conduct in front of a higher authority (Bovens *et al.* 2014; Mulgan 2000a; Philp 2009). In a broader sense, accountability is about making amends for past errors and thus correcting inappropriate conduct or ill-conceived policies (Oliver 1991: 28). The ability to hold public actors accountable is linked to legitimacy considerations, namely the extent to which government decisions are seen as acceptable because they can be justified through rules, evidence, or consent by the population (Beetham 1991: 3). In this respect, the EU is no different than any polity that aspires to be democratic.

Furthermore, accountability is a multi-faceted notion that takes different forms depending on the type of forum demanding an account – which can be political, legal, administrative, professional, and so on (Bovens 2007a: 455–457). In the realm of political accountability, legislative oversight allows members of parliaments to check, verify, inspect, criticise, or challenge the activities of the government and public administration (Gregory 1990: 64; see also Aberbach 1990). The objective of oversight is to prevent abuses by executive actors, including but not limited to dishonesty, waste, arbitrariness, unresponsiveness, or deviation from legislative intent (MacMahon 1943: 162–163). Although definitions vary, the common understanding of ‘oversight’ implies an *ex post* focus (‘review after the fact’), looking at ‘policies that are or have been in effect’ (Harris 1964: 9). In a democratic system, oversight (alongside elections) is meant to help bridge the gap between those who hold political authority (citizens) and those who exercise it on their behalf (Bovens 2007a: 455; Strøm 2000).

The question whether the EP can hold EU executive actors accountable on a day-to-day basis – by acting as an effective oversight body – is at the centre of this book. The following pages delineate the purpose and scope of the study and contextualise the topic in relation to the EP. Next, the chapter explains the analytical approach and research design of the book as well as its contribution to the academic literature. The chapter concludes with an overview of the monograph's structure and outline of chapters.

1.1 PURPOSE AND SCOPE

This book examines the EP's effectiveness as an accountability forum that oversees EU executive actors on a day-to-day basis. The notion of 'effectiveness' comprises both the performance of the EP as a political oversight body and the extent to which EU executive actors engage with EP oversight. Two aspects are covered here: first, how do MEPs exercise their powers of ex post scrutiny¹ over EU executive actors? Second, how responsive are EU executive actors to oversight by the EP? To address the two dimensions, the book focuses on parliamentary questions as a key accountability mechanism that allows legislators (1) to interact with executive actors on a regular basis (as opposed to an ad hoc basis) and (2) to scrutinise substantive policy and political decisions made by executive actors (as opposed to checking budgetary abuses or violations of the law). Parliamentary questions probe and challenge executive actors, raising different aspects of accountability such as answerability, responsiveness, transparency, non-arbitrariness, effectiveness, or publicness (Dawson and Maricut-Akbik 2020: 7–8; Dubnick 2014: 33). Moreover, while it is acknowledged that MEPs can ask questions for a variety of reasons (Martin 2011a; Wiberg and Koura 1994), this does not diminish their purpose to ensure effective oversight – and thus hold executive actors accountable.

Empirically, the book investigates the Economic and Monetary Union (EMU), a policy area that provoked fierce controversy across Europe following the 2007–2008 global financial crisis. In EU Member States and especially among countries that adopted the euro (the so-called Eurozone), the global financial crisis turned into a protracted sovereign debt crisis that triggered sweeping reforms of the EMU governance framework (Hodson and Puetter 2016). At the EU level, such reforms led to the empowerment of several executive actors – most prominently the Eurogroup, the European Central Bank (ECB), and the European Commission (henceforth 'the Commission') (Bauer and Becker 2014; Braun and Hübner 2019; Curtin 2017). Moreover, the

¹ Throughout the book, the terms oversight and (ex post) scrutiny will be used interchangeably.

crisis laid bare the consequences of introducing a single currency among diverse economies and thus affecting the lives of millions of citizens across Europe. While some faced unemployment or loss of income as a result of austerity-imposing bailout programmes, others failed to understand why their tax money had to support distant governments in other Member States (Copolovitch *et al.* 2016; Fabbrini 2013; Schelkle 2017). In the dichotomy between debtor and creditor countries, EMU governance became linked to politically sensitive questions about redistribution and solidarity (Borger 2013; Chalmers 2012). Despite initial attempts at depoliticising the EU response to the crisis, the outcome was an increase in the salience of EMU decision-making in public debates at the domestic level (Hobolt and Wratil 2015; Kriesi and Grande 2016; Statham and Trenz 2015).

In this context, the need to improve the accountability of EMU institutions became pressing. Unlike in the field of market integration, EU decisions in the EMU started to have tangible redistributive consequences that affected Member States disproportionately (Genschel and Jachtenfuchs 2018: 181–182). Moreover, many citizens became mobilised against the EU response to the crisis – as illustrated by the rise of Eurosceptic parties on both the right and the left of the political spectrum (De Vries 2018; Leruth *et al.* 2017). Under the circumstances, critics pointed to the expansion of executive power in the EMU since the crisis and the need to create commensurate mechanisms of legal and political accountability (Crum and Curtin 2015; Dawson 2015). In addition to the intensification of crisis management meetings by the European Council and the Eurogroup (Fabbrini 2013; Maricut and Puetter 2018), technocratic institutions such as the ECB and the Commission saw their powers expanded since the crisis (Bauer and Becker 2014; Curtin 2017; Dawson *et al.* 2019; Savage and Verdun 2016).

In this context, the book focuses on the scrutiny powers gained by the EP in the new governance instruments created in response to the euro crisis. The EP was an obvious choice to address the accountability gap in the EMU because it already possessed scrutiny functions (*vis-à-vis* the Commission) and could technically act as a political oversight body in a similar way to national parliaments (Crum 2018; Fromage 2018). Since the euro crisis, the EP gained additional powers to scrutinise the activities of several key EMU actors. In banking supervision, the EP has a new accountability framework with the ECB, which is, by all accounts, more comprehensive than corresponding arrangements in monetary policy (Fromage and Ibrido 2018; ter Kuile *et al.* 2015). In economic governance, the EP now holds regular exchanges of views (the Economic Dialogues) with the Commission, the Council, the Eurogroup, and individual Member States with the purpose ‘to ensure greater

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transparency and accountability' (de la Parra 2017: 102). The reforms held great promise for the oversight potential of the EP, signalling that EMU governance decisions are open to scrutiny.

Bearing this in mind, the monograph simultaneously explores parliamentary accountability through the EP and the challenges of EMU governance after the crisis. The EMU is a perfect setting for testing EP oversight of EU executive actors for two reasons. On the one hand, the salience of the field is likely to attract public attention and thus encourage MEPs to take advantage of parliamentary questions in order to exercise their political accountability functions. In the context of the crisis, areas of contention included the appropriateness of austerity policies and structural reforms (Busch *et al.* 2013; Hermann 2017), the effectiveness of EU instruments such as the European Semester (Efstathiou and Wolff 2018; Maatsch 2017), the legality of market interventions by the ECB (Goldoni 2017; Sauer 2015; Zilioli 2016), or the legitimacy of EU influence in domestic socio-economic affairs more generally (Kriesi and Grande 2016). On the other hand, the new scrutiny instruments introduced during the euro crisis ensure frequent interactions between the EP and different executive actors in the EMU – and hence provide extensive and comparative data for the empirical analysis of parliamentary questions.

In the academic literature, the EP's accountability powers have received little attention – not least because oversight has never been at the top of the political agenda throughout the EP's history. For a long time, the EP has sought to expand its legislative and budgetary functions and has only recently tried to consolidate its control powers over the Commission. The next sections contextualise the EP's capacity for oversight in relation to its institutional development and scrutiny powers.

1.2 THE EUROPEAN PARLIAMENT: A NORMALISING ABNORMAL
PARLIAMENT

The history of the EP as a transnational legislature is a history of continuous struggle. From humble beginnings as the unelected Common Assembly of the European Coal and Steel Community, in 1979, the EP became the only directly elected institution of the European Community and later of the EU (Jacobs and Corbett 1990). Since then, the EP has constantly expanded its legislative, budgetary, and scrutiny powers (Burns 2019; Hix and Høyland 2013; Judge and Earnshaw 2003; Rittberger 2003). Invoking a direct mandate from EU voters, MEPs have persistently fought to increase the influence of their institution in the EU political system (Corbett *et al.* 2003: 355–357). In fact,

every time critics complained about the lack of democratic legitimacy in the European Community or the EU, the answer was typically an empowerment of the EP (Blondel *et al.* 1998: 4; Føllesdal and Hix 2006: 554–556; Katz and Wessels 1999: 5–6; Rittberger 2005).

Over time, the EP's expansion of powers occurred in all of its areas of activity. In terms of law-making, the EP evolved from a consultative body – whose opinions could be ignored by the Council – to a co-decider on equal footing with national governments (Hix *et al.* 2007: 18). The Lisbon Treaty (2009) renamed co-decision into the ordinary legislative procedure and extended it to many policy areas (Article 289 of the Treaty on the Functioning of the European Union, TFEU). In relation to budgetary control, EP powers also increased over time: nowadays, the EP must give its consent for the EU's multi-annual financial framework (Article 312(2) TFEU) and has the last word on the annual budgetary discharge for the Commission and other EU institutions and agencies (Article 319 TFEU). In terms of scrutiny functions, the Maastricht Treaty empowered the EP in respect of the appointment of the Commission President and the College of Commissioners (Pavy 2020). Since 2014, the *Spitzenkandidat* process brought additional visibility to EP electoral campaigns, as EU political groups put forth candidates for the position of Commission President (Hobolt 2014, 2019).

In academic studies, the EP's expansion of legislative powers has received the most attention, in parallel to the development of party politics – which is often taken as a sign that the EP has become a 'normal parliament' (Hix *et al.* 2007: 3). Significantly, scholars attested to the emergence of cohesive political groups and coalitions along the left–right dimension, focused on the representation of distinct socio-economic views rather than territorial units (Hix *et al.* 2007; Kreppel 2002; Kreppel and Tsebelis 1999). In the past, the main political groups were the centre-right European People's Party (EPP) and the centre-left Progressive Alliance of Socialists and Democrats in the European Parliament (S&D). For most of the EP's existence, the two pan-European groups benefited from a comfortable majority which allowed them to establish a 'grand coalition' and cooperate on most issues. The dynamic has partially changed in the last two electoral cycles (2014 and 2019), when many voters embraced Eurosceptic parties and the EP became more fragmented (Hobolt 2019; Hobolt and de Vries 2016; Nielsen and Franklin 2017). In itself, however, the fragmentation of political groups does not make the EP less of a 'normal parliament'.

Conversely, authors who challenge the view regarding the normalisation of the EP point to other aspects (Brack and Costa 2018: 3–4; Katz and Wessels 1999: 6). First, unlike national parliaments, the EP lacks the right of legislative

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initiative, which formally belongs to the Commission (Article 17(2) Treaty on European Union, TEU). While MEPs can ask the Commission to submit proposals on any matter, the Commission can refuse by simply providing a justification (Article 225 TFEU). Second, the EP still has limited or no decision-making powers in some policy areas – such as taxation or foreign policy. Even in areas of co-decision, the EP has consistently relied on a grand coalition between centre-right and centre-left groups, creating a highly consensual system that ‘dilute[d] ideological differences between left and right’ (Brack and Costa 2018: 4). Third, it is unusual for a legislature to have so many members who oppose the existence of the polity which they are supposed to represent – as shown by the increasing number of Eurosceptic parties (Brack 2017).

Undoubtedly, the EP has more legislative powers than ever before. Yet its empowerment did not automatically reduce the EU’s infamous ‘democratic deficit’ (Føllesdal and Hix 2006; Majone 1998; Moravcsik 2002). In fact, EU legislative decision-making continues to be complex, with multiple veto players at different levels of governance. Most significantly, political competition in EP elections does not translate into control over the EU policy agenda: even if citizens were to endorse a particular political programme, their preferences will be lost in negotiations with other institutions and Member States (Hix and Høyland 2011: 131–133). At the same time, EP elections lack the typical ‘electoral connection’ between members of parliaments and their voters (Hix and Høyland 2013: 184). Technically, EU citizens have the possibility to vote MEPs in and out of office every five years according to their performance; in practice, they tend to vote based on domestic rather than European issues (Hix and Marsh 2011; Mzes 2005; Reif and Schmitt 1980).

In this context, scholars have emphasised the structural deficiencies of political accountability through the EP (Brandsma *et al.* 2016: 624–625; Gustavsson *et al.* 2009: 5). Notably, EP elections allow voters to change the composition of the supranational legislature and indirectly of the College of Commissioners, but this does not guarantee control of the EU policy agenda by citizens with knowledge of European issues. By contrast, intergovernmental bodies such as the European Council and the Council are key decision-makers at the EU level, but they remain accountable to national parliaments and electorates on an individual basis (Article 10(2) TEU). Against this background, it makes sense to shift attention from elections as the main instrument of political accountability to other mechanisms – such as oversight – that allow the EP to hold executive actors accountable, *ex post facto*, for their decisions at the EU level. The next section outlines the type of oversight instruments available to the EP vis-à-vis EU executive actors.

1.3 THE EP AS AN ACCOUNTABILITY FORUM

In the EU multi-level governance system, the EP is uniquely placed to oversee the actions of executive bodies. Even in the absence of a strong electoral connection to voters, the advantages of a transnational legislature with cohesive political groups are clear for improving the EU's democratic credentials. First and foremost, the EP offers a venue for the representation of a common European interest as opposed to the national interests of each Member State (Crum 2018; Fasone 2014a; Rittberger 2014). Article 10(2) TEU specifies that the EP is to represent citizens directly at the EU level, while empirical research has shown that ideological divides are more important than national lines in driving the behaviour of MEPs (Hix *et al.* 2007; Scully *et al.* 2012). This is not to say that MEPs ignore territorial constituencies (Raunio 1996; Scully and Farrell 2003), but they are much more likely than national legislators to invoke a 'common European good' in support of their positions (Lord 2013: 255).

Second, in areas of intergovernmental decision-making, the EP has the potential to compensate for the structural limitations of national parliaments in the EU political system. While each national government in the EU is accountable to its respective parliament (Article 10 TEU), intergovernmental decisions are collective – making it difficult to disentangle individual responsibility (Brandsma *et al.* 2016: 625; Hobolt and Tilley 2014). By overseeing the European Council and the Council, the EP could exercise political accountability for decisions that affect the EU as a whole. At the same time, by acting as a strong accountability forum, the EP would not diminish the oversight role of national parliaments, which will continue to remain responsible for scrutinising decisions taken at their own level. In other words, the contribution of the EP to oversight is additive and complementary to national parliaments, 'keeping a watchful eye' (Aberbach 1990) over EU executive decisions.

Procedurally speaking, the EP has several mechanisms to oversee the activities of executive actors. The relationship with the Commission is placed front and centre, although EU executive power is fragmented across several other institutions, including the European Council and the Council, the ECB and EU agencies, as well as committees responsible for implementing decisions (Curtin 2009; Egeberg 2006; Trondal 2010). In relation to the Commission, the concept of 'oversight' excludes the *ex ante* selection of executive members, for example, the election of the Commission President or the investiture of the College of Commissioners (European Parliament 2019b). Conversely, oversight focuses on *ex post* scrutiny of Commission activities – where the strongest instrument is indisputably the potential

dismissal of the College of Commissioners through a motion of censure (Article 234 TFEU). Since the Maastricht Treaty (1993), MEPs have attempted to use the procedure seven times but never succeeded in removing the Commission (Remáč 2019: 26). However, the mere threat of a successful motion of censure can create pressure for the resignation of the Commission – as was the case of the Santer Commission in the late 1990s (Ringe 2005: 677).

Another oversight mechanism specific to the Commission refers to delegated acts, a type of non-legislative instrument that allows the supranational institution ‘to supplement or amend certain non-essential elements’ of EU legislation (Article 290(1) TFEU). The EP (and the Council) can object to a delegated act within a specific time period or revoke it altogether, offering an important avenue of ex post parliamentary control of the executive (Brandsma 2016; Yordanova and Zhelyazkova 2020: 346). In practice, the right to revocation has never been used, while objections by the EP occurred only on eight occasions since 2009 (Remáč 2019: 73). Overall, motions of censure and scrutiny of delegated acts are too infrequent to allow a systematic analysis of the EP’s oversight powers of EU executive actors.

Next, there are instruments available to MEPs on an ad hoc basis, such as committees of enquiry. These allow the investigation of ‘alleged contraventions or maladministration in the implementation of Union law’ (Article 226 TFEU). Enquiry committees are not specific to the Commission – they can be set up against any EU institution, national body, or entity implementing EU law. Over time, the EP has repeatedly complained about the limited powers of enquiry committees and passed two resolutions (in 2014 and 2019) criticising the Commission and the Council for their reluctance to help establish an effective process for EP enquiries (Pavy 2020). The problem is the lack of legal mechanisms to enforce the cooperation of executive actors with EP investigations: unlike enquiry committees at the national level, EP committees cannot summon witnesses or enforce document access (European Parliament 2016g). A similar dynamic can be found in the case of special parliamentary committees, which are also seldom used despite not being limited to enquiries of contravention or maladministration of EU law (Remáč 2019: 45).

Another oversight instrument is the discharge procedure, which is technically part of the EP’s budgetary powers (Pavy 2020) but carries elements of ex post scrutiny of the executive. The discharge procedure allows the EP to monitor and vote on the correct implementation of the EU budget by the Commission and other EU bodies (Committee on Budgetary Control 2020). In this respect, the EP works closely with the European Court of Auditors (ECA) and acts as a forum for financial supervision and control (Bovens 2007a: 456). In practice, the EP’s refusal to grant discharge to an EU body is a rare

occurrence: since 2009, it has happened a couple of times in respect of the Council and EU agencies but not vis-à-vis the Commission (Remáč 2019: 60). Overall, the discharge procedure is an important mechanism where ‘auditing and politics meet’ in the EU system (Laffan 2003: 773), but which ultimately does not go beyond a form of financial accountability. Nonetheless, the political nature of the EP allows it to move easily from budgetary oversight to ex post scrutiny of substantive policy decisions by EU executive actors.

This is where parliamentary questions come into play – the final and most pervasive mechanism of oversight at the disposal of the EP. MEPs can address questions to different EU institutions: the Commission, the Council, the European Council, the ECB, and so on – in line with the Rules of Procedure for each parliamentary term (European Parliament 2020a). In practice, most questions are directed at the Commission (European Parliament Plenary n.d.). In the repertoire of questions, there are some basic distinctions between interpellations and questions, as well as between oral and written questions (Rules 136–41 for the 9th parliamentary term). Interpellations are questions of general interest and are limited to thirty per year, distributed fairly between political groups (Rule 139). By contrast, questions are posed on specific topics and are available to all MEPs but include time limitations for oral questions. Oral questions can be addressed within committees, where they are known as ‘hearings’ or ‘exchanges of views’, as well as in plenary debates. Written questions are the most common because there are fewer or no restrictions for submitting them; individual MEPs can send them directly to the institution of interest without having to go through the structure of committees or party groups (Proksch and Slapin 2011: 60). The advantage of parliamentary questions is that they can scrutinise any area of EU policy at any point; as an accountability tool, they can ‘request information’, ‘press for action’, ‘demand an explanation’, ‘test’ or ‘attack’ executive actors on controversial policy issues, or simply ‘demonstrate [the] fault’ of a course of action (Wiberg and Koura 1994: 30–31).

In EP studies, parliamentary questions have attracted considerable attention, albeit from the perspective of the profile of questioners rather than for the value of questions as an oversight mechanism. Previous research found that MEPs from opposition parties at the national level are more likely to ask questions of the Commission and signal violations of EU law in their respective countries (Jensen *et al.* 2013; Proksch and Slapin 2011). From this perspective, parliamentary questions can function as a ‘two-way information channel’, allowing MEPs to receive answers about the activity of executive actors and, at the same time, make the Commission aware of specific problems in EU countries (Raunio 1996: 379). Another finding is that there is variation in the