The Future of Democracy in Europe

Trends, Analyses and Reforms

A Green Paper for the Council of Europe

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Executive summary

The context

With the collapse of the Berlin Wall, went the conflict that had oriented our thinking and action about politics for more than half a century. To the surprise of almost everyone, it went out, not with a bang, but with a whimper. Europe, from West to East, suddenly found itself in a much-enlarged democratic space. Membership in the Council of Europe had increased to forty-five in 2004. The European Union expanded to twenty-five countries, with others preparing to join. Never before has there been such a large number of politically active, trans-national networks motivated by the "interests and passions" of citizens to promote and protect the quality of their democracy.

In this unprecedentedly favourable context, how does one explain the widespread discontent with the practice of "real existing" democracy in Europe. Citizens' reactions have ranged from indifference, neglect and *ras-le-bol*, through suspicion and mistrust of politicians, to overt hostility towards "politics" – whether of the left, right or centre. The convergence of these trends at the European level could be observed in the low turnout for the 2004 European Parliament elections, but this only mirrors in an exaggerated way the rising abstention that has affected national elections.

If it is to retain its legitimacy, contemporary democracy must react, adapt and actively attempt to mould its environment to have a significant effect upon improving the socio-political, cultural and economic "well-being" of its citizens. Today's governments throughout Europe are being assailed by a myriad of external forces. These have changed the context in which liberal political democracy operates. Governments and elected representatives have found it increasingly difficult to cope with these changes through their traditional institutions and arrangements. Just to list the major ones currently affecting "real existing" democracy in Europe, these are: globalisation, European integration, inter-cultural migration, demographic trends, economic performance, technological change, state capacity, individuation, mediatisation and a prevailing sense of insecurity.

The structure

This Green Paper on "The Future of Democracy in Europe – Trends, Analyses and Reforms" addresses each of these outside forces as posing both "challenges and opportunities" to the way democracy has been practised, analyses their impact upon citizenship, representation and decision-making institutions, and concludes by proposing some twenty-nine potential reforms that are intended to make democratic institutions work better and, hence, enhance the legitimacy of governing and governance arrangements by making them more accountable to the will of the people, a politically skilled and responsible *demos*.

Part I defines the major external challenges and opportunities facing democracy in Europe. It interprets them through the analytical device of rival hypotheses. For each there is a potentially negative impact and a potentially positive one. In other words, democracy could be strengthened or weakened, depending on the reaction of existing political forces and their willingness or resistance to reform. For example, globalisation has weakened the authority and capacity of the national state to solve problems, particularly those involving economic regulation, but it has also provided non-state and trans-national actors with increased resources to pressure for more effective regulation across national borders. The rise of better-educated and differently employed citizens has brought with it greater "individuation" in the way in which they conceive interests and passions. This, in turn, has undermined the collectivist spirit that once belonged to trade unions, political parties and comprehensive social movements. But these changes have brought with them a personalised and intense conception of political action that demands more flexible and participatory structures that cut across the previous categories of class and ideology.

Inter-cultural migration may have triggered xenophobic reactions from certain segments of the "native population", thereby adding fuel to ultra-nationalist political parties. In the longer run, however, citizens in multi-cultural societies acquire a broader outlook and a greater tolerance for diversity. Moreover, the presence of high numbers of permanent foreign residents (denizens) places new issues on the political agenda and tends to stimulate competition between parties, if and when these denizens become citizens.

Part II of the Green Paper analyses the democratic "actors and processes" in relation to the extrinsic "challenges and opportunities" and to the intrinsic tendencies of the practice

of "real-existing democracy". Organising their discussion around "citizenship", "representation" and "decision making", the authors reveal trends, examine how the polities and citizens have responded and discuss experimental initiatives.

Topics include rising citizen disaffection, the political exclusion of denizens, the erosion of the appeal and organisational core of traditional political parties, the quantitative and qualitative transformation of civil society associations, the rise of direct citizen consultation in the form of referendums and the popular initiative, the increased importance of non-democratic "guardian" institutions outside effective democratic control, and the shift in responsibility for decision making both downwards to sub-national units and upwards to the European Union.

Citizens' disaffection and discontent, as reflected in falling voter turnout and rising distrust of political institutions and politicians, is a strand that runs throughout this Green Paper. For example, based on trends over the past thirty years, the authors project that if voter turnout continues to fall at its current rate, abstention in national parliamentary elections could be as high as 45% in Central and Eastern Europe, and 65% in Western Europe by 2020. This could very well compromise the legitimacy of decisions taken by parliament.

Citizens tend to direct their criticism towards individual politicians of whatever ideological or programmatic orientation and to focus on their increasingly similar promises and ineffectual programmes. "Politicking", the simple act of behaving like a politician (and an increasingly professional one at that) has become a term of derision, synonymous with exploitive backroom deals and ineffectual power struggles. These attitudes can be linked to social status and education levels, and range from an ill-articulated feeling of general discontent among the poor and less educated to a more focused and informed criticism emanating from well-off, better-educated and more politically knowledgeable groups in society.

What emerges from this analysis is that a substantial number of citizens tend to believe that politicians are not to be trusted, that governments are out of touch with the people, and that today's persistent problems are beyond the reach of public policy. Added to this is the "blurred" political space created by the tendency towards multi-level governance, which makes it difficult for ordinary citizens to identify who is really responsible for taking decisions binding upon all.

The authors also put the reader on guard against the decline of democratic decision making in certain public and private institutions. This tendency to "replace citizens rather than represent them" is one of the intrinsic dangers of democracy when it relies increasingly on a technocracy of experts and specialised knowledge. Operating outside the realm of public scrutiny, such guardian institutions are not accountable to citizens for their decisions, even though they do have a substantial impact on the life opportunities of citizens and were previously in the domain of the public good. For the authors, much of the future of democracy will depend on how this delegation in practice can be reconciled with democracy in principle, which should be firmly rooted in accountability to the citizenry.

Part III proposes a list of twenty-nine institutional reforms that are aimed at enhancing citizen participation in decision-making and at making rulers (whether elected or selected) more accountable. Most of them are novel. The focus is upon doing democracy differently, rather than upon improving what is already in place. In some cases, they are also designed simply to make politics more fun and appealing, especially to young citizens. Some of these proposals, or at least aspects of them, are similar to those already being tried out in Europe and could be transferred to other countries. The authors stress, however, that reforms do not always have the same effect in different places, should always be considered as experimental, and should be adapted to different situations in different European states. The reforms were drafted taking into account the following guidelines:

– *impartiality*: the reforms should not be designed to benefit a particular party or ideology;

– *feasibility:* the reforms proposed should be capable of being implemented, evaluated and disseminated;

– *level of application*: in general, reforms should be initially tested at lower levels of government and very gradually transferred to higher and more encompassing levels;

– *strategy*: reforms should be experimental at first, and tried out in most dissimilar sub-units of political systems;

– *time horizon*: they should be generally able to be adapted quickly;

– *selection criteria*: all the reforms presented were chosen on the basis of a general consensus of the authors. They were not all approved unanimously, but if an author disagreed with a reform applying to his or her particular domain of expertise, it was not included.

A few salient examples

The list of reforms includes shared mandates, specialised elected councils, democracy kiosks, citizenship mentors, denizen's councils, voting rights for denizens, education for political participation, guardians to watch the guardians, media guardians, freedom of information, a "yellow card" for legislatures, incompatibility of mandates, framework legislation, a citizen's assembly, variable thresholds for elections, vouchers for funding civil society organisations and for political parties, referendums and initiatives, smart voting, electronic monitoring and online deliberation systems, postal and e-voting, an agent for the promotion of democratic reform – and includes the creative examples given below.

Universal citizenship. This would grant full political rights from birth to all born in a state, citizens living abroad, and to subsequently naturalised children. Children would be registered voters but their vote would be exercised by their parents until they reached the age of political maturity.

Discretionary voting. This reform would enable voters to designate both a first and second preference in elections, change the order of preferences in a party listing, or vote for NOTA (none-of-the-above). Citizens could also be given voting points to distribute across candidates, making it easier to see the degree of approval for those elected.

Compulsory civic service. This three-phase reform would replace military service. Phase 1 would be compulsory for citizens or denizens between the ages of 17 and 23 and would require them to study civic education for one month, followed by several months on the job in a civil society organisation or public service agency, chosen on the basis of a bid. They would be paid a modest salary. This period could be followed by a voluntary Phase 2, when participants could spend another year in civic service and would receive (in addition to the modest stipend) vouchers to be spent on education, valid for ten years. Phase 3 would extend civic service work to another year, and the organisation chosen

would match the salary paid from public funds and participants would be entitled to two more years worth of education vouchers.

Funding for political parties. Citizens when they vote could also allocate varying proportions of a fixed sum coming from public funds to the political party (or parties) of their choice. Or, if they preferred, they could assign all or part of their voucher to NOTA (none-of-the-above), or to none of the existing parties. This money would accumulate and subsequently be made available to groups of citizens who met pre-specified criteria and who wished to found a new political party.

Participatory budgeting by citizens. A proportion of total budgeted funding would be earmarked in advance for distribution by an assembly of citizens, initially, at neighbourhood level. After hearing competing proposals from public agencies and civil society organisations, these citizens would deliberate among themselves and decide on the priorities and proportions to be spent on different projects or programmes. Since implementing this reform would require the participation of citizens directly informed about needs and capable of deliberating within a relatively small group, it is unlikely to be appropriate for larger political units. At the national level, a simpler system could be implemented under which citizens via referendum could express their preference concerning what portion of the whole public budget should go to which level of government, but not designate how these funds should be spent.

Smart voting. This novel use of information and communication technology (ICT) would require that all candidates fill out an extensive questionnaire detailing their preferences on a wide range of issues. Prospective voters would then fill out the same questionnaire and discover which candidate or party more closely matches their political profile. More elaborate versions would allow citizens to engage in deliberation with politicians, before and after the election, as well as to access to their past voting records. One could even imagine an interactive version that would trigger a message to interested citizens if and when a politician voted contrary to the preference registered in his original questionnaire – and offer him or her an opportunity to explain their action.

Voting lotteries. Each citizen after having voted would receive one of three lottery tickets (one for first-time voters, another for those who have voted regularly in previous elections, and a third for all other voters). Winning tickets would be announced at the same time as the result of the vote, and the winners would be entitled to allocate a portion of public funds to any public programme or civil society organisation of their choice.

These proposed reforms are not definitive and, alone, each one would make only a marginal contribution to improving the quality of democracy in Europe. "Packages" of them implemented together should be more effective, and might even serve to compensate for the risks posed to specific parties or political forces by any single one. Even if they were all implemented simultaneously (an impossible scenario), they would probably not eliminate all discontent with "real-existing democracy". Some discontent is intrinsic to democracy, since its ideals will always exceed its practices. Moreover, we are aware that any reforms will produce unintended consequences as citizens will seek to "game" them in order to reach their own private objectives. Democracies are unique in their capacity to reform themselves, using the existing rules of the game and capabilities of their citizens. Even when they have reformed themselves, new areas of discontent will appear, and newer reforms would be needed to combat these, as well as to accommodate to other challenges and opportunities as they emerge.

At best, democracy proposes a sovereign citizenry, a transparent polity and supremely accountable and disposable rulers. Though few believe that perfect democracy can be obtained, paying heed to this holy grail, now secular and multicultural, can still define the paths that both polities and citizens should follow if a plurality of needs emanating from a highly diversified *demos* are to be satisfied.

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INTRODUCTION

For something that does not exist, democracy has certainly been much talked about recently. Moreover – at least in Europe – "real-existing" democracy seems to have a promising future, although it is currently facing an unprecedented diversity of challenges and opportunities. The issue is not whether the national, sub-national and supranational polities that compose Europe will become or remain democratic, but whether the quality of this regional network of democracies will suffice to ensure the voluntary support and legitimate compliance of its citizens. For there is abundant evidence that the citizens of Europe – while they may not agree on its existent practices or even know what "it" really is – will not tolerate non-democracy.

Mal governo, that is regimes that are not responsive to needs, that engage in corrupt practices, that defraud the electoral process, that restrict or manipulate basic freedoms and that refuse to be accountable to their citizens, do not have a secure future in this part of the world. Not only are they likely to be overturned by their own citizens, but these actions are also likely to draw support from the other national, sub-national and supranational polities in the region.

The major reason for this optimism is simple: the democratisation of Europe's "near abroad" and its subsequent incorporation within the region as a whole. There is no better illustration of this than the expansion in membership of the Council of Europe from twenty-one states in 1988 to forty-five states in 2003, and the enlargement of the European Union (EU) from fifteen to twenty-five in 2004. With the success of these national efforts at regime change to its East, Europe has become and should remain an enlarged zone of "perpetual peace" in which all of its polities can expect to resolve their inevitable differences of interest peacefully through negotiation, compromise and adjudication. Moreover, there exists an elaborate Europe-wide network of trans-national institutions, inter-governmental and non-governmental, to help resolve such conflicts and draw up norms to prevent their occurrence in the future.

Ironically, this much more favourable regional context presents dilemmas of its own for democracy. Many (if not most) of the major historical advances in democratic institutions

and practices came in conjunction with international warfare, national revolution and civil war. Fortunately, none of these Archimedean devices for leveraging large-scale change seems to be available in today's pacified Europe – although rebellion again the *mal governo* of a corrupt, unresponsive or non-accountable democracy is still a grass-roots device very much within the potential reach of citizens. It is our presumption that democracy cannot only live with peace, but thrive with it – if, however, it can learn to reform institutions and practices in a timely and concerted manner. We draw five (tentative) conclusions from this unprecedented state of affairs.

First, established democracies in Western and Southern Europe will find it increasingly difficult to legitimate themselves by comparing their performance with that of some alternative mode of domination, whether real or imagined. Now that liberal democracy has become the norm throughout Europe and overt autocracy persists only in countries with markedly different cultures and social structures, the standards for evaluating what governments do (and how they do what they do) will become increasingly "internal" to the discourse of normative democratic theory, that is to what differing conceptions of democracy have promised over time and for which citizens have struggled so hard in the past. Therefore, there should be a tendency towards a convergence in formal institutions and informal practices within Europe that will, in turn, lead to a narrower and higher range of political standards.

Second, new democracies in Central and Eastern Europe and the western parts of the former Soviet Union will find it increasingly difficult to legitimate themselves simply by arguing that they are so burdened by their respective autocratic heritages that they cannot possibly respect the norms of behaviour and attain levels of performance set by established democracies. The standards that their recently liberated citizens will apply in evaluating their rulers will rapidly converge with those already in use in the rest of Europe.[1] Polities failing to meet these standards will experience more frequent electoral turnover in power and may even be threatened by popular rebellion, unless their newly empowered rulers respect the rules established by the "real-existing" democracies to their West.

Third, in both cases, the polities involved will usually only be able to improve the quality of their respective democratic institutions and practices by means of partial and gradual reforms. Moreover, these reforms will have to be drafted, approved and implemented

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1. Needless to say, the recommendations and conventions of the Council of Europe should play a key role in setting and monitoring norms in both of these groups of countries.

according to pre-existent norms. Rarely, if ever, will the opportunity present itself for a more thorough-going, large-scale or "abnormal" change. After all, how much change in the rules of democracy can one expect from rulers who have themselves benefited from those rules? The usual rotation of parties and party alliances in and out of power will, at best, open up only modest opportunities for change.

Fourth, we should therefore be guided by "possibilism" in our choices with regard to potential reforms of formal institutions and informal practices. We will be less concerned with what may be emerging "probabilistically" from the various challenges and opportunities that face contemporary democracies than with what we believe is possibly within their reach – provided that "real-existing" politicians can be convinced by "real-existing" citizens that the application of these reforms would make a significant improvement in the quality of their respective democracies.

Last, we must also be attentive to the principle of "transversality" which means that we will not limit ourselves to evaluating only the possible effects of any single reform measure, but always try to the best of our collective and interdisciplinary ability to seek out the interconnections and external effects that are likely to emerge if and when several reforms are implemented either simultaneously or (more likely) sequentially. As one of our participants said during the deliberations (citing R. W. Rhodes): "It is the mix that matters".

Our guiding hypothesis throughout this Green Paper will be that the future of democracy in Europe lies less in fortifying and perpetuating existing formal institutions and informal practices than in changing them. "Whatever form it takes, the democracy of our successors will not and cannot be the democracy of our predecessors" (Robert Dahl). In other words, in order to remain the same, that is to sustain its legitimacy, democracy as we know it will have to change and to change significantly – *pace* de Lampedusa – and this is likely to affect all of Europe's multiple levels of aggregation and sites of decision making.

There is nothing new about this. Democracy has undergone several major transformations in the past in order to re-affirm its central principles: the sovereignty of equal citizens and the accountability of unequal rulers. It increased in scale from the city- to the nation-state; it expanded its citizenry from a narrow male oligarchy to a mass public of men and women; it enlarged its scope from defence against aggressors and the administration of justice to the whole panoply of policies associated with the welfare state.

Our tasks in this Green Paper are to:

– identify the challenges and opportunities posed to contemporary European democracy by rapid and irrevocable changes in its national, regional and global contexts;

– specify the processes and actors in both the formal institutions and informal practices that are being affected by these external challenges and opportunities, as well as by internal trends that are intrinsic to democracy itself;

– propose potential and desirable reforms that would improve the quality of democratic institutions in Europe.

PART I
CHALLENGES AND OPPORTUNITIES

There is nothing novel about European democracies' having to face challenges and opportunities coming from major changes in their external environment. They have done this repeatedly in the past and, despite occasional reverses (the period between the first and second world wars comes immediately to mind), they have been much more successful than autocracies in dealing with such threats to their existence. The reasons for this relative superiority are multiple.

First, democracies generate more accurate information about the interests and passions of their citizens. They may seem to be more contentious and less efficient in the short run – precisely due to their freedoms of expression, assembly and petition – but they will be better equipped to cope with changes in individual preferences and intensities when they do get around to reforming their institutions and practices.

Second, democracies have internal mechanisms of accountability and responsiveness that prevent rulers from under- or over-reacting to such external threats. Despite the frequently decried danger of "populism", the interests and passions of citizens – once filtered through the competition and co-operation of their politicians/representatives – usually result in more measured and apposite responses.

They also tend over time and with occasional deviations to make collective decisions that are regarded as legitimate – even by those negatively affected by them. Citizens may grumble about inattentive and unresponsive rulers, but they conform more willingly to what is demanded of them than in the most enlightened dictatorship or technocracy because their political rights are better protected and, therefore, they are more confident that they will be on the winning side in the future.

One could perhaps argue that the challenges and opportunities embedded in the present European context are exceptionally diverse and strong. Certainly, we are condemned to live in "interesting times" in which both the rate and the scale and the scope of change

seem to be unprecedented and, most important, beyond the reach of the traditional units that have heretofore dominated its political landscape. Most of today's problems are either too small or too large for yesterday's sovereign national states and, hence, within Europe there has been a vast amount of experimentation with devolution to smaller political units and integration into larger ones. For the first time, knowing the level of aggregation at which reforms should take place has become almost as important as knowing the substance of the reforms themselves. The classic question *Que faire*? has to be supplemented by *Où faire*?

Moreover, because they are coming from a relatively "pacified environment", the democracies affected will find it difficult to resort to "emergency" measures or "temporary" suspensions in order to pass reform measures against strong opposition. Granted that rulers will be tempted to enhance the sense of urgency by highlighting new threats to security and responses to them (such as "the war on drugs", "the war on terrorism", or "the fear of foreigners") and to exploit them for the purpose of inserting anti-democratic reforms, but the plurality of sources of information and the competition between politicians should limit this possibility in most well-functioning democracies. The key problem will be finding the will to reform existing rules with the very rulers who have benefited by them and who usually cannot be compelled to do so by an overriding external threat to their security or tenure in office.

One generic issue dominates all speculation about the future of democracy – namely, how well do its well-established formal institutions and informal practices "fit" with the much more rapidly changing social, economic, cultural and technological arrangements that surround it and upon which democracy depends both materially and normatively? Let us take an abbreviated look at "the usual suspects" in that surrounding context.

Globalisation

Definition. An array of recent transformations at the macro-level that tend to cluster together, reinforce each other and produce an ever accelerating cumulative impact. All of these changes have something to do with encouraging the number and variety of exchanges between individuals and social groups across national borders by compressing their interactions in time and space, lowering their costs and overcoming previous barriers – some technical, some geographical, but mostly political. By all accounts, the driving forces behind globalisation are economic. However, behind the formidable power

of increased market competition and technological innovation in goods and services, lies a myriad of decisions by national political authorities to tolerate, encourage and, sometimes, subsidise these exchanges, often by removing policy-related obstacles that existed previously – hence, the association of the concept of globalisation with that of liberalisation. The day-to-day manifestations of globalisation appear so natural and inevitable that we often forget they are the product of deliberate decisions by governments that presumably understood the consequences of what they decided to *laisser passer* and *laisser faire*.

Guiding rival hypotheses. (1) Globalisation narrows the potential range of policy responses, undermines the capacity of (no longer) sovereign national states to respond autonomously to the demands of their citizenry and, thereby, weakens the legitimacy of traditional political intermediaries and state authorities; (2) Globalisation widens the resources available to non-state actors operating across national borders, shifts policy responsibility upward to trans-national quasi-state actors – both of which undermine established oligarchic arrangements and promote the diffusion of new trans-national norms of human rights, democracy and "good governance".

European integration

Definition. The direct impact of European Union directives and regulations upon member, candidate and adjacent states and the indirect effect of continuous and varied interaction of politically relevant European actors, tend to produce a gradual convergence towards common norms and practices and, hence, a reduction in the persistent diversity of norms and practices that have historically characterised the European "region".

Guiding rival hypotheses. (1) European integration tends to undermine established national practices of democratic participation and accountability without replacing them with supranational practices of a corresponding nature and importance; (2) European integration through the "conditionality" that it imposes on candidate and member states and the legal supremacy of European law over norms in existing member states tends to promote higher and more uniform standards of democratic performance at the national and sub-national levels.

Inter-cultural migration

Definition. The voluntary and involuntary movement of persons across previously more closed and secured national borders and the permanent residence of increasing numbers of foreigners, especially of non-European origin, within European societies.

Guiding rival hypotheses. (1) Migration and the co-existence of cultures previously separated from each other tends to generate a negative reaction on the part of "native" inhabitants of more culturally homogenous European countries. This finds its expression in xenophobic movements, ultra-nationalist political parties and racially motivated incidents that undermine the authority of established political organisations and agencies, and force existing national (and, eventually, supranational) governments to adopt policies restricting further in-migration. This has a secondary impact on the rights of national citizens and the stability of existing political competition; (2) Migration and co-habitation of foreigners have a positive impact upon the practice of democracy at several levels of aggregation since they diversify the bases of political competition, compel rulers to pay attention to previously ignored issues and, in the longer run, contribute to the formation of more diverse collective identities and more tolerant citizens.

Demographic trends

Definition. Change in the demographic profile of European societies in the direction of lower birth rates and higher proportions of elderly people.

Guiding rival hypotheses. (1) Aged people are more likely to vote, join associations and, hence, acquire the political influence needed to appropriate an increasing share of public funds and policy benefits for themselves. This leads to youth disaffection with politics on the grounds that rulers have to pay increasing attention to the aged (and may themselves be increasingly aged); (2) Demographic shifts, especially in their territorial impact (and when combined with compensating foreign in-migration), are bringing about long overdue redistributions in political representation and public policy that will enhance regime legitimacy and economic performance – provided that politically disaffected youth subsequently become engaged citizens.

Economic performance

Definition. The combined effect of several economic components, involving rates of growth, levels of employment, rates of inflation and distributions of income and wealth, upon citizens' perceptions of individual and collective well-being.

Guiding rival hypotheses. (1) Decline in economic performance in Europe, especially relative to that of the United States, leads to a perception among citizens that their democratic institutions are serving them badly and that they should be reformed in a more "American" direction; (2) Decline in relative and objective economic performance is not perceived as a corresponding decline in quality of life and, therefore, leads to a reaffirmation of the distinctiveness and value of the "less liberal" political institutions of (continental) Europe.

Technological change

Definition. The rapid, unpredictable and uncontrollable diffusion of changes in technology across political borders – whether by shared knowledge or commercial competition – and its impact upon the way in which citizens, representatives and rulers exchange information and communicate among themselves and with each other.

Guiding rival hypotheses. (1) The acceleration in technological change, especially in the information and communication technologies, reduces the absolute cost of exchanges, protects the autonomy of users, and lowers relative disparities of access among citizens, and between them, their representatives and their rulers, thereby not only increasing political equality but making it easier to hold rulers accountable; (2) This accelerated technological change only reduces transaction costs for a privileged segment of persons in favoured countries and opens up wider disparities between those who can and those who cannot exploit it, thereby adding new elements of discrimination and bias to the political process.

State capacity

Definition. The ability of existing permanent governing institutions, especially at the national level, to carry out effectively and autonomously ("in a sovereign manner") the tasks which rulers have assigned to them and which citizens expect them to fulfil.

Guiding rival hypotheses. (1) In the present international/interstate context (see especially the headings "globalisation", "European integration", "technological change", and "sense of security" in this listing), the governing institutions of previously sovereign national states find it increasingly difficult to extract sufficient resources, to regulate behaviour and, hence, to satisfy effectively and efficiently the expectations of their citizens – and this causes a decline in the prestige and legitimacy of rulers; (2) While the above-noted changes in the external context do restrict the performance of national states, they also contain incentives for shifting governing tasks to both the sub- and supranational level of aggregation and these institutions "beyond and below" the nation state are becoming increasingly (if gradually) capable of satisfying citizen expectations and generating political legitimacy.

Individuation

Definition. The shift, due to changes in working conditions, living contexts, personal mobility and family structure, in the locus of identity and collective action from large ("encompassing") historically generated socio-political categories such as class, race, religion, ideology and nationality to much more fragmented and personalised conceptions of self-interest and collective passions.

Guiding rival hypotheses. (1) Individuation at the level of interests and passions undermines the tendency of citizens to support, join and act in conjunction with more encompassing political organisations such as parties, trade unions and nationalist movements, produces a structure of intermediary associations that is more specialised in purpose and less connected in action than in the past, leads to a decline in the ability of polities to pursue overriding "general" or "public" interests and, ultimately, to a decline in the legitimacy of democracy; (2) Individuation may undermine traditional forms of collective action, but it provides powerful incentives for creating new intermediaries that are more flexible in their structure, participatory in their decision making, capable of forming (and re-forming) networks for the production of public goods of overriding general interest, and this leads to the legitimacy of new forms of democracy.

Mediatisation

Definition. The tendency to acquire information about politics and to receive political messages exclusively from a plurality of sources in the mass media, but especially television and the Internet, that are in commercial competition with each other for the attention of consumers and the profit of owners.

Guiding rival hypotheses: (1) Mediatisation destroys previously well-established mechanisms whereby citizens discussed politics directly with each other (and their children) and obtained their information and proximate identity through distinctively public and political intermediaries such as parties, associations and unions, and replaces them with a commercial nexus that trivialises information about politicians and exploits their personal rather than political actions; (2) The growing plurality of sources, the privatisation of ownership and the competition between firms for consumer attention liberates the media from control by rulers and insulates them from partisan manipulation, thereby creating a more diverse and accessible "public sphere" from which citizens can extract information more easily and in which they can participate virtually at much lower cost and effort.

Sense of insecurity

Definition. An increase in the perception of avoidable risks and the magnitude of their probable consequences for vulnerable individuals and groups due either to threats external to one's own society or to damaging behaviour from one's own co-citizens.

Guiding rival hypotheses: (1) The manipulation by rulers of this growing sense of insecurity, especially that due to foreign non-state actors (such as terrorists), reduces basic freedoms and promotes aggressive ("pre-emptive") behaviour that undermines institutions of the accountability of rulers to citizens and distorts the competition and co-operation of democratic representatives; (2) Efforts by rulers to exploit insecurity in order to avoid accountability will generate a reaction among previously apathetic groups of citizens that will resuscitate pre-existing parties, associations and (especially) movements in defence of threatened freedoms and provide a basis for the foundation of new intermediary organisations.

PART II
PROCESSES AND ACTORS

There are at least three generic "models" of democracy circulating among theorists and practitioners in contemporary Europe. Each of them places primary responsibility on different types of actors and processes of decision making. In order to guide our collective thinking on the challenges and opportunities facing these actors and processes, we propose to use a generic working definition of democracy that does not "commit" to any specific institutional format or decision rules. By leaving open the key issues of how citizens choose their representatives, what the most effective mechanisms of accountability are and how collective binding decisions are taken, this definition does not preclude the validity of what we shall later call "numerical", "negotiative" or "deliberative" democracy.

Modern political democracy is a regime or system of governance in which rulers are held accountable for their actions in the public realm by citizens, acting indirectly through the competition and co-operation of their representatives.

This definition provides us with a tripartite division of labour. Three types of actors combine through a variety of processes to produce the *summum bonum* of political democracy, namely, accountability. We have, therefore, divided our analyses of contemporary transformations and responses into those primarily affecting citizenship, representation or decision making.

Citizenship

Political discontent

Today, one of the most striking features of European democracies is an apparently widespread feeling of political discontent, disaffection, scepticism, dissatisfaction and cynicism among citizens. These reactions are not, or not only, focused on a given political party, government or public policy. They are the result of critical and even hostile perceptions of politicians, political parties, elections, parliaments and governments in general – that is across the political spectrum.

Political discontent expresses itself in opinions, attitudes and deeds. Some citizens give utterance to their political disappointments or angers through day-to-day talks with friends or relatives. Social scientists try to analyse such opinions through polls, or in-depth interviews. The more intense these opinions or attitudes, the more likely they are to lead to actual deeds. In the political sphere these deeds are often "non-deeds". Many disappointed or angry citizens refrain from voting or from joining a political party. Others explain that they are so angry with (established) politicians and political parties that they intend to cast a vote for some outsider, protest, or radical political party. Discontented voters are thus more likely to make unstable electoral choices, which partly accounts for the unprecedented high rate of turnover in the composition of governments.

Whether expressed through talks, polls or interviews, opinions may be (more or less) fragile, volatile, dependent on context, and even artificial. That is the reason why acts are more significant than words. Even if electoral participation is affected by many factors and cannot be reduced to satisfaction or dissatisfaction with politics, its evolution may provide a rough, but nonetheless informative view of the spread and growth of political discontent.

"European" voter turnout has decreased from 88% in 1980 to 74% in 2002, and even 70% in 2000. Electoral participation is declining – with a more or less gentle slope – in all countries except Denmark. If we extrapolate the past overall tendency, turnout will be close to 65% in 2020, and even lower if we take into account the voting-age population instead of the registered voters. The decline in electoral participation is even more marked in Central and Eastern Europe. In this region, the weighted mean voter turnout has moved from around 70% at the beginning of the 1990s to 60% just ten years later. It would decrease to around 45% at the beginning of the 2020s if we extrapolate its evolution over this brief period. These conclusions are backed up by opinion polls, showing a clear downward trend of trust in parliaments in Europe.
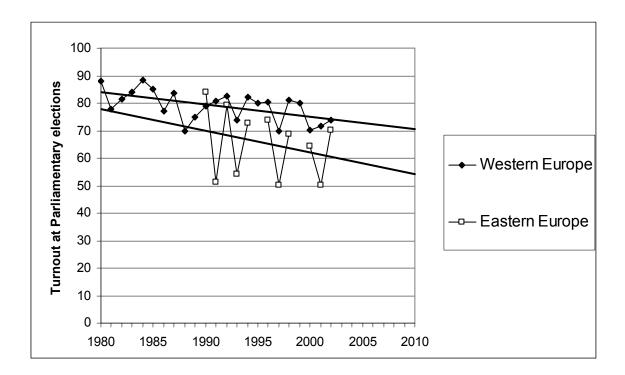
Figure 1: Turnout at parliamentary elections in Western and Eastern Europe

Figure 1 measures the evolution of the mean yearly turnout at parliamentary elections in all Council of Europe member states since 1980. It is based on electoral data of the member states with a population of more than 1 million which were members of the Council of Europe before 1980 (Austria, Belgium, Denmark, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, the United Kingdom). Such a grouping is obviously artificial, but it illustrates the overall declining trend of electoral participation in Europe and, consequently, the seemingly growing political discontent which partly determines voter turnout. Data for Eastern and Central Europe have been processed analogously and take into account voter turnout at parliamentary elections in seven states (Bulgaria, Czech Republic, Hungary, Lithuania, Poland, Romania, Slovak Republic). These states have been chosen because they have a population of more than 1 million inhabitants and because they have been a member of the Council of Europe for more than ten years after 1990.

Attitudes towards the political realm are however more ambivalent than opinions of discontent may suggest. National parties and politicians, that is to say specialised and professionalised political actors, are much more criticised than those on the local level. In other respects, people make distinctions among various political levels or dimensions. Some of them, belonging mostly to upper middle and upper socio-cultural strata, see differences between a "politicking" component, which refers to parties, politicians, elections, rivalries and struggles for power, and a non- or less-"politicking" aspect, associated with projects, programmes, issues, ideas, principles, convictions and efforts to solve problems. When people in this category criticise politics, they usually (tacitly) think

of the former dimension while refraining from criticising the latter. Some of these most censorious citizens are willing to believe in politics when a leader or a party appears "different" to them or when crucial issues (terrorism, fascism, welfare state) are at stake.

The way people perceive and criticise the political realm depends on their political investment and skills. Two different types of discontent may must be distinguished: a rather simplistic and timeless one and another more sophisticated type. The former has been around for a long time, well before politicians and political scientists began to worry about distrust in political institutions and actors. It is older than the political changes (for example globalisation, "de-localisation", the "crisis" in nation-state capacity, rising unemployment, European integration) often singled out as explanations for political disaffection. Discontent of this type is easily – perhaps too easily – picked up by opinion polls. Respondents who share these views belong, at least statistically, to definite segments of the public which are characterised by:

– a rather low (but somewhat unequal) level of education, social status, political information and sophistication, and a feeling of personal political incompetence;

– no marked political preferences and even an inability to perceive differences between politicians and parties;

– a fear of "being had" by politicians because of this incompetence;

– a lack of interest in politics which leads to thinking and arguing that politics does not deserve their attention;

– a narrow vision of politics, mainly reduced to the above-mentioned "politicking" dimension, as a consequence and a determinant of this lack of interest;

– bad living conditions that prompt people to think that politicians do not really care about them and, therefore, that politics do not matter.

At the same time, other people express more sophisticated feelings of discontent. Contrary to those who may be subsumed within the previous category, they refer to various shifts in the political realm. They say, for instance, that "there are not many differences among political parties nowadays", "left- and right-wing parties are presently very similar; they pursue and drive the same policies", "politics is increasingly

lukewarm", "it's no longer important, it's economics that matter now", "nation-states can't do much against firms' decisions to relocate", or that "the EU decides on everything". These opinions are held by people who add that they used to be, but are presently much less, interested in politics and that their political preferences have waned. Nevertheless, many of them still have strong negative preferences, in the sense that they are strongly opposed to some political parties. They also pay enough attention to politics to be able to criticise political actors, using informed arguments. People who may be classified in this second category have a higher (but not necessarily a very high) level of education. They are more interested in, informed about and confident in their ability to cope with politics than those in the first category, and have a more complex, diachronic, and even lofty view of it.

Causes and explanations of political discontent

Political discontent proceeds from a set of convergent factors.

Education. The higher the level of education, the higher the feeling of political competence. The higher the subjective and objective political abilities, the higher the criticising capacities and tendencies. Increasing cognitive competence among citizens increases capacity for criticism, and a greater willingness to criticise if something appears to be wrong. A more educated citizenry has a more critical mind and is potentially more demanding with its political leaders and representatives. More educated citizens also tacitly wish to be more active, even if they are not ready to invest time and energy when they are really asked to participate in something. Demands for more significant and direct forms of political participation are therefore real, although somewhat ambiguous. One of their real effects is perhaps that the significance of voting for representatives, as the most important form of democratic participation, is bound to diminish. A small but seemingly growing number of (relatively) educated citizens are more or less plainly asking for greater opportunities to express their own opinion and to decide by themselves on important subjects.

Changing values. European citizenries or, at least, large segments of them, seem to have shifted from deference to authority and authorities to scepticism of elites and institutions. But, for numerous and complex reasons, a growing pervasive permissiveness and intolerance of social norms and authority has been spreading for a long time. A growing culture of rights, equality and personal autonomy is somewhat contradictory to the

deference, compliance, discipline, hierarchy and leadership that organise citizens-representatives relations in a representative democracy.

Economic shifts. Economic growth has been weak during the last three decades. Unemployment has increased. Real wages have remained stable or have grown only slowly for years. Declining trade barriers and transportation costs and improvement in communication have enhanced the role of international trade and investment in all economies. Global competition brings various advantages to some categories, but also entails relocation of firms to low-wage countries, depression of wages in advanced countries and downward competitive pressures placed on labour standards. New technologies are also eroding skilled labour and wages, even if they help to create new skilled jobs at the same time. Globalisation has challenged the capacity of the states to provide effective regulation in the economic and social domain. New institutions like the European Union or the World Trade Organisation have weakened nation-states' policy latitudes. They have also suggested that nation-states may become a less significant collective actor. Nation-states are also hollowed out by deregulations and privatisations. Governments have at the same time faced a "fiscal crisis", and tried to balance budgets by containing public sector outlays. Social services have been reduced or their expansion has at least come to an end.

A growing number of citizens have been increasingly confronted with problems resulting from global economic competition, economic crisis and diminishing welfare protection. Those who personally, or whose relatives, endure or fear unemployment, and those who think their economic situation will worsen, are more prone to a negative perception of politics. People who already thought that politics could not improve their life and that there was nothing to expect from politicians have seen their opinion confirmed.

Dramatic and highly salient woes, whether "objective" or "imagined", like recessions, rising immigration, loss of local control, unemployment, and insecurity, have led some segments of the public to share the conclusion that government was handling problems poorly and was failing to keep its promises, whether they were personally affected or not, and regardless of achievements in other areas.

For more sophisticated segments of the public, the level of political discontent is also linked to more complex evaluations of governments' performances. The successful economic policies of governments during the first thirty years after the Second World War and the subsequent downturn of the mid-1970s have raised and then disappointed

expectations of state capacity to deal with growth, inflation and employment. Poor or poorer states' economic performances of the last decades have seemingly been assessed with reference to the economic boom of the thirty "glorious" post-war years, and also through expectations arisen from a century of expanding public interventions.

The most sophisticated segments of the public are more aware of the economic and social changes of the last decades. They do not reason as if no change has occurred. They think that the nation-state is no longer able to deal with major economic difficulties, that it cannot oppose the decisions of international companies and prevent de-localisations of plants. Their expectations of what governments are able to accomplish are diminishing. However, they still remain unsatisfied with politics because they tacitly compare present governments' performances with prior ones, or with their developed normative views of what governments should do. Both normative and ideological expectations thus provide critical resources which are activated by what appears as government failures. The conjunction of growing critical resources due to higher education and numerous political disappointments give rise to permanent critical dispositions in the politicised strata of the public. These critical leanings are activated when people face personal difficulties, whatever they may be, in their own life.

Political context. When people explain their political disappointment, they refer or allude to various elements of social and political contexts to vindicate their disillusions. One observes that dramatic revelations of political corruption and scandals in numerous countries have fostered a climate of ethical distrust.

Ideological and political distances among political parties have been reduced. In various European countries, politics was, but is no longer, regarded as a struggle between contrasting, even utopian, views of society and its future. Since the collapse of the "real existing" socialist system, almost no established party intends to overthrow the market economy, capitalism and liberal democracy. For various reasons mentioned before, governments' leeway has also been reduced. This has led some segments of the public to the conclusion that politics does not matter anymore, that it is not worth losing time to decide between similar parties, defending similar policies, and that parties and politicians are competing only to enhance their own power and privileges. Those who have kept some partisan attachments deeply regret that left-wing parties support what they regard as "neo-liberal right-wing" policies, or that right-wing parties leave unchanged "socialist left-wing" policies when in government. Some citizens feel that politics has lost authenticity, and is increasingly run by self interest and ulterior motives. They even

sometimes allude to opinion polls and communication specialists as having caused these changes.

Recurrent episodes of political life that were perceived as neutral or normal in the past now fuel political distrust when this distrust has become high enough to produce a bias against politics itself. The current and frequent bashing, bad mouthing and blaming of "the government" by elected and selected representatives thus help to develop increasingly negative perceptions among segments of the public already prone to reducing politics to "politicking".

In order to maximise their audience, the media tend to simplify, personalise, dramatise and stress the "spectacular" aspects of political events. They cover politics rather than policies, focus on scandals, tactics and personal rivalries, and describe electoral campaigns as if they were "horse-races". Candidates and public officials are often depicted as duplicitous and self-serving. The media tend to reinforce the fears and prejudices of those among their consumers who see all politics as merely "politicking" – if only because this makes the information more entertaining and easy to understand. This is especially the case for those "citizen-consumers" who are only slightly interested in the subject and already prone to mistrust politics due to their attitudinal predispositions, social marginality and lack of trust in institutions.

Does political discontent matter?

Is the apparent increasing level of political discontent threatening the legitimacy of European polities? First and foremost, political discontent is ambivalent and the present disenchantment is potentially reversible. A second point is that there is an ambivalent decreasing confidence in politicians, parties, elections, legislatures and governments, but apparently no pervasive distrust of other dimensions of European polities. The legitimacy of a political system depends on the existence of an alternative and competitive polity or utopia, and the struggle over different forms of governmental and societal organisation has disappeared at least since 1989. Some scholars argue that since the collapse of the socialist system, citizens' support for democracy is becoming increasingly dependent on governmental performance, especially in former socialist countries. Democratic systems seem thus more vulnerable, but also unquestionable and stronger at the same time.

For the same reasons, a high and growing level of electoral abstention is not a threat to the political system *per se*. But as abstention increases with lower social rank and as politicians are more eager to take voters' than non-voters' expectations into account, declining electoral participation should tend to introduce or strengthen the class bias in public policies.

The lack of confidence in political institutions raises the question of the willingness of the public to comply with laws, to pay taxes or to enter administrative careers. Several isolated acts of violence against politicians and officials perpetrated in some countries could be linked to a growing political discontent. Ethical distrust of politicians is already a serious problem since it weakens dispositions to comply with rules and laws. Young criminals say, for instance, that they do not feel ashamed of their thefts, robberies, or drug dealings, because "political leaders have stolen much more than we have".

Cultural identity and protest

Migration, defined as the movement of persons from one region or country to another, irrespective of motivation, gives rise to important population changes which affect democratic life in Europe. Migration diversifies the composition of the European *demos* as it causes people with different legal status to co-habit under the same democratic roof; along with national citizens there are guest workers, long-term residents (or *denizens*), asylum seekers and undocumented migrants. All these groups of people, because of their legal status, are subject to different sets of rights and obligations.
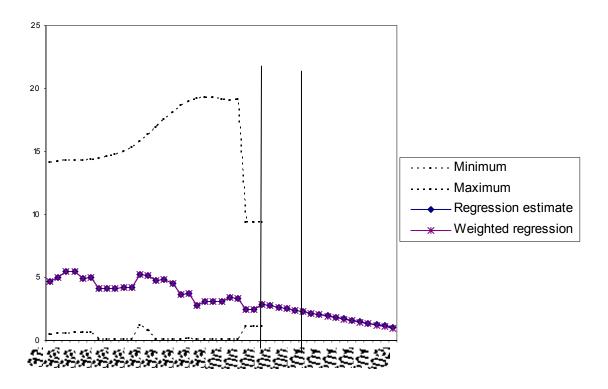
Democracy, citizenship and rights

    a) Levels and characteristics of migration

Since 1989 net migration has been the main factor impacting annual population change in Council of Europe member states. Figure 2 below presents the trends in the change of stock of foreign population as a percentage of the total population for fifteen countries in Europe. The total recorded stock of foreign population is approximately 21 million people in 1999 amounting to about 2.6% of the total population of all countries. The data suggest that in 1999, the highest proportion of foreigners relative to the total population was in Switzerland (19.3% with two-thirds of foreign nationals being EU citizens). The greater part of the foreign stock is resident in Western Europe while in Central and

Eastern Europe, the proportion is relatively small (less than 2%). Net in-migration in both regions was relatively high in the early 1990s, with the Federal Republic of Germany experiencing the largest absolute increase. In the late 1990s, in some countries in Western Europe, the proportion either declined or stabilised. The percentage of foreigners has been increasing for most countries since 1998 albeit at lower levels for Central and Eastern Europe (the largest numbers have been in the Czech Republic among Central and Eastern European states). For Western Europe, data point to considerable diversity in terms of the origins of foreign migrants and a majority of the foreign national population comes from outside the European Economic Area (EEA) plus Switzerland. Foreign migrants from different regions select different countries as their destination. For example, Africa is an important source of migrants for France while for Spain and Portugal, Latin America is a major region of origin. Asians migrate to different European countries for various reasons; those from the Indian subcontinent usually go to United Kingdom, Filipinos mainly to Italy for temporary employment, and Greece receives immigration from the Middle East region. Germany stands out as the most common destination for nationals of non-EU European countries. Temporary and transit migrants also constitute a substantial population in Central and Eastern Europe.

In Europe, starting from the late 1950s, migrant workers were actively recruited abroad but were not expected to stay in the receiving country permanently. Foreign labour recruitment has formally ceased in Western European countries since the mid-1970s; however, the stock of foreign population has not decreased due to low return rates and family reunification. Many former guest workers have acquired the status of resident non-citizen. This category of people, often referred to as "denizens", enjoys an intermediate status between citizens and aliens. They are incorporated into various social, economic and legal structures while not enjoying full rights of political participation. Rules for granting "denizenship" and the rights and benefits attached to that status vary from state to state. However, "denizenship" has become a salient and stable feature in all Council of Europe democracies, and has led to reconsideration of who has the right to participate in politics and how.

Figure 2: Stock of foreign population as a percentage of total population in selected Council of Europe countries, 1980-2020

Sources: The estimations are based on data from Council of Europe yearbooks, OECD SOPEMI "Trends in International Migration, 2003", Salt, J., 2001; "Current Trends in International Migration in Europe", Council of Europe; Wanner, P., 2002; "Migration Trends in Europe", European Population Paper Series No. 7. The data draws on foreign stock as a proportion of the total population since those countries with the highest number of foreign residents are not necessarily with the highest proportion of foreign residents.

b) Denizenship and nationality

The continuity between people and place, nationality and *demos*, is a major premise of modern democracies. EU citizenship is a prominent example of how the boundaries of political membership can be enlarged and the *demos* can extend beyond national borders. However, even in EU member states, third country nationals are not included in the complementary status of EU citizenship as defined by the Maastricht Treaty. This indicates that so far attempts to expand citizenship rights beyond nationals do not offer a comprehensive framework for attending to issues relevant to the political participation of third country nationals. This invites innovative thinking on the composition of political constituency, citizenship and mechanisms of political participation.

In fact, civil and social rights have also been extended to third country nationals in the EU. Such a trend suggests that citizenship is no longer the exclusive way to access the benefits of state membership and become fully integrated members of a community. Yet, political rights are a prerogative of citizens only. This prerogative is an important one as, for example, the rules for the allocation of social and civic rights are made and altered by those who have and exercise political rights, namely the "native" citizens. This is particularly problematic, for example, in times of economic crises, when citizens and their representatives may decide to cut down social benefits for resident non-citizens, with the latter being excluded from the decision-making process.

However, resident non-citizens contribute substantially to the economic and social development of their country of residence, pay taxes and are expected to abide by its laws. In other words, they share the burdens and benefits of social co-operation. Denying them full political rights appears to violate one of the basic (normative) democratic principle according to which those affected by a certain set of social and political institutions, should also be granted rights that allow them to influence these institutions and their policies. Recognising that the absence of such political rights as a form of democratic deficit, some governments have endorsed various channels of political participation for denizens other than the right to vote. In some Council of Europe countries, denizens are granted opportunities for indirect influence in decision making through government funded organisations, consultative bodies and unions. Such models usually shift the focus of democratic practice from the national level to the local level. By engaging in civic practice at the local level, resident non-citizens come into contact with representative bodies, associations and lobby groups which could also give them a voice at the regional and national levels. Moreover, practice at the local level can result in skills which will enhance participation at national and supranational levels.

Granting denizens political rights, for example the right to elect a representative in municipal elections – as in Ireland, Sweden, Norway, Denmark, Netherlands, Finland and Luxembourg – introduces a significant change in the terms of political competition. In other words, candidates who win elections have to be accountable to a more diversified constituency, and be responsive to the needs of a sector of the population previously excluded from political life. Moreover, new issues (for example, in the fields of education and health) appear or gain precedence on the political agenda.

Additionally, giving voice to denizens offers an opportunity for dealing with potential ethnic and cultural conflicts through democratic procedures. In this way conflicts are not overlooked, but faced and possibly solved. This would favour a free confrontation of ideas through open dialogue and deliberation, enhancing self-reflectivity and critical multiculturalism in the receiving society.

The fact that this category of migrants is going to reside permanently in the receiving country has been regarded as justifying a project of multicultural citizenship in which political rights can be shared by national and non-nationals.

c) Minorities

Increasingly, some resident non-citizen and sub-state national groups demand collective recognition as well as individual participation in policy processes, for example as "minorities". Favourable conditions for meeting such claims originate from their considerable numeric presence in some countries, the international conventions supporting minority recognition and the general concern for securing fair access to political, social and economic life for the previously excluded sectors of the population. On the one hand, most Council of Europe countries articulate a common commitment to recognition of group rights and their accommodation (for example, in the countries that emerged from the former Yugoslavia). On the other hand, some (such as France) contest the recognition of these groups as "minorities" and the concession of group rights even when they recognise the equality of people of different cultural and ethnic origin. Some states (such as Croatia) have introduced quotas for linguistic minorities in regional and local representation, while others maintain consultative bodies, that is a second chamber of parliament, or "veto" mechanisms for national or religious "communities". However, the "smaller" and territorially dispersed members of national minorities, especially the Roma, remain excluded from almost all schemes.

d) Illegal migration

In recent years, illegal migration estimates have reached worrying levels, especially in Southern European countries. Undocumented migrants, officially prohibited from taking up employment, supply a significant proportion of the labour force in the "hidden" or "underground" economy in these countries. Irregular migration is advantageous for employers in the receiving country that profit from undocumented migrants' lower pay and more flexible and longer working hours. Both the state and the juridical system are

absent from this informal sector of the market. The demand for labour supply of the undocumented migrants fosters human trafficking and smuggling, and a dramatic growth in the shadow industries that treat people as commodities in this trade. Every year, thousands of people, especially women and children, fall victim to trafficking for the purposes of sexual or other types of exploitation, which can be equated to a new form of slavery.

Attitudes towards migrants

Observers have pointed out the alarming increase in anti-migrant attitudes in Council of Europe member states. The United Nations World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance has brought this problem into focus, and international organisations such as the International Organisation for Migration, the International Labour Organisation and the European Centre for Racism and Immigration have pointed to a growing negative attitude towards non-EU migrants, reinforced by racial stereotypes diffused through the media and by some political leaders. Data from the European Monitoring Centre on Racism and Xenophobia (EUMC) show that racially motivated attacks have increased in most EU member states. For some, official statistics indicate a possible reduction of crimes in the last two years. Concerning Central and Eastern European countries, Amnesty International has reported a rise in xenophobic attitudes and racist violence in the late 1990s.

Consistently in all Council of Europe countries, the typical perpetrators of racist crimes are young (18-26) males with low levels of education. However, some NGOs (non-governmental organisations) have reported to the EUMC that worrisome numbers of racist acts of violence are also being committed by law enforcement officers. This suggests that racism finds expression even within the established institutional structures. Extreme right-wing parties – the electoral success of which has risen substantially starting from the 1980s – often appeal to the xenophobic feelings of people in their political campaigns. They also base their electoral strategies on the claim that migrants threaten the national culture and its symbols (such as crucifixes in Italy and Germany), and on a supposed link between unemployment and the number of migrants in their respective countries.

There is no actual empirical or theoretical evidence to support the claim that immigration causes unemployment. To the contrary, some studies show that citizens who are the closest substitutes for immigrant labour do not suffer as a result of increased immigration.

Additionally, various studies on demographic trends have identified migration as a possible solution to overcome the "demographic deficit" of Europe and its related problems. It has been argued that in-migration may be a political option to meet the strategic economic and social goals that underpin Europe's market economy.

A further issue often raised by leaders of xenophobic parties is that immigration constitutes a threat to political and social stability. It is also a commonly spread perception that crime rates have increased as a consequence of immigration. The fear of migrants has been exacerbated by the events of 11 September 2001 and 11 March 2004. Suspicions and fears are especially directed towards migrants coming from the Arab countries and South-East Europe.

These negative perceptions have often been reinforced by the image of migrants portrayed by the media. News programmes report crimes indicating the offenders generically identified as members of a minority group. In a similar vein, several crime fiction programmes characterise murderers and offenders as people of foreign ethnic origin.

At the same time, media represent an important opportunity for the participation and integration of resident non-citizens. Through various mechanisms such as funding multicultural programmes, some countries have highlighted the positive effects that media can have on the perceptions and attitudes of the public, as well as on the self-perception of migrants.

Representation

Political parties

No democracy exists without political parties even if parties differ in organisational structure, ideology, size, functions and goals. They act as an intermediary between voters (citizens) and public authorities (rulers) By structuring the political field they help voters in making their choice and they help rulers put together governments. There exist many definitions of political parties ranging from the very broad to the extremely narrow. Often, definitions are based on one or more of the functions of political parties. The most commonly accepted criterion is that parties should compete in the political arena, try to get their candidates elected and play a role in forming the government. Parties might

fulfil a wide variety of functions – although not all parties are engaged in all functions, and certainly not to the same degree. They might play a crucial role in recruiting and selecting the political elite by nominating candidates for elective offices and filling government positions, in forming and sustaining governments, and in policy making. They might also play an integrative role in society by mobilising and providing a collective identity to voters, by aggregating and articulating social interests, and by enhancing the legitimacy of the political system. In addition, they might similarly engage in voter socialisation, issue structuring and/or social representation. However, a party in a democracy cannot represent the whole of the society as the origin of its name *pars* (part) illustrates well. In order to avoid democratic deficits, parties in democratic systems are expected to be democratic and transparent themselves as well as establishing lasting and regulated relations between party leaders and their membership.

Party membership, size and organisation

Although party membership shows a declining trend in Europe, such a claim fits long-established democracies of Western Europe better than the recently democratised Southern, and Central and Eastern European countries. All Western European countries report a decrease in the number of party members. Countries belonging to the third wave of democratisation display more variation, with some even showing growth (Greece, Hungary, Slovak Republic and Spain). All this suggests that declining membership is a pervasive trend in well-consolidated democracies. This raises concerns over citizens' participation in public affairs: democracy is in danger if citizens are so apathetic or disillusioned with it that they avoid joining one of its most salient institutions. The less they join parties, the less they are likely to vote, and when they do both, the less governments can be held accountable, the less individual rights can be enforced, and the less individual and group demands can be represented in the policy process. Finally, the more people choose not to be represented in decision making, the less they will recognise the actions of their democratic government as legitimate.
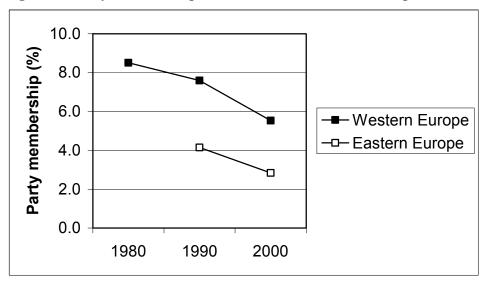
Figure 3: Party membership in Western and Eastern Europe

However, decline in membership is not always worrying *per se*. It is not necessarily a sign of declining political participation in general: the decrease in party membership can, at least in part, be accounted for by the appearance of new, more individually appealing and socially acceptable forms of participation (such as signing petitions, boycotting certain products for political reasons, or demonstrating in favour or against a specific policy). Furthermore, the incentive to join parties becomes weaker as parties face various competitors that partially seem to take over the one or the other of their functions while inflicting less demands on and guaranteeing easier access to citizens. Similarly, parties' demand for members is also waning: the changed nature of campaigning (increase in the use of the media accompanied by a decrease in traditional forms of campaigning that rely on volunteers) and the restructuring of party financing (greater reliance on public funds and, thus, less on member dues) have made it increasingly less important for parties to maintain large memberships. That is, no longer do parties have to provide a "regular or full programme of participatory events" besides those that are directly related to elections. Finally, a large party membership may not make the democratic system more responsive to citizens' demands: the larger the membership, the smaller its ability to influence party leadership may be.

During the 1990s, scandals involving illicit party financing were frequent throughout Europe. Regardless of political or party system, party organisation or ideological orientation, political corruption related to party financing has become a persistent

problem. Despite differing institutional and policy arrangements, almost every European democracy has had serious difficulty in coping with providing sufficient funds to its political parties and ensuring that these funds were equitably distributed.

a) Higher (and growing) party expenditures that outweigh legal revenues

By the 1970s, parties had built up permanent and sizeable bureaucracies. These administrative apparatuses proved to be costly to sustain, especially in non-election years when donations were not as generous. Parallel to this, the importance of national-central offices had come to outweigh that of local party branches, and this brought with it a rise in the need for (expensive) professional expertise.

Election campaigns became more and more expensive. First, campaign techniques changed due to technological advances that made volunteer labour less effective. Not only was the importance of partisan militancy diminished, but its replacement – television, radio and newspaper advertisement – were much more costly and effective in influencing voter behaviour. Second, the increasingly competitive, market-oriented, nature of electoral politics and the tendency for longer campaigns have forced the central organisations of parties to invest more money and professional resources in their effort to catch as many votes as possible, regardless of previous affiliations and class loyalties. The more that parties found it necessary to reach out beyond their traditional supporters, the more expensive each additional vote became.

Moreover, in Europe, parties have historically felt the need to sustain a level of participation in national and, sometimes, regional and local political assemblies, social organisations, study groups, partisan foundations and intellectual academies between elections, and these have had to be financed from party budgets (although sometimes with the help of public subsidies). Although it is difficult to gather reliable data on the amounts involved, in recent decades Western European parties of both the Left and the Right have engaged in supporting "sister" parties or political groups in foreign countries undergoing political liberalisation and democratisation. Again, government funds have often been channelled through party organisations for this purpose, but such trans-national activity has no doubt contributed to professionalising their permanent staffs.

Even if legislation on the legal sources of party finance varies throughout Europe, certain general trends can be observed almost everywhere. The composition and sources of income have changed substantially since the 1970s. Membership dues have become less

important for party budgets. First, because of declining membership, parties simply cannot raise as much money from this source. Second, the great increase in the need for money demanded that parties look elsewhere for financial support. And, third, in the new democracies of Southern and Eastern Europe membership dues never gained central importance due, in part, to the historical circumstance of single-party systems with various forms of obligatory contributions and, in part, due to the very timing of their processes of regime change.

Another important source of party income has been donations. These may come from various entities: private individuals, business firms, trade unions and/or associations in civil society. Some domestic donations have been banned or limited by law, but subterfuges have not been difficult to find. In most European countries, donations by foreign governments, parties, firms or individuals have been prohibited, but again unknown amounts still seem to manage to get through the ban, especially, when "kick-backs" from foreign aid contracts and state firms operating abroad are involved. Needless to say, many of the party finance scandals of recent years have originated in this murky and difficult to control area of donations.

Parties have historically earned money from a wide variety of firms that were owned or closely affiliated with them, such as printing plants, newspapers, book publishers, travel agencies, consultancies, planning bureaux, research institutions, recreational societies, sports clubs and, more recently, party foundations. While it is difficult to judge the evolution of the importance of these sources of finance, the impression is that they have declined due either to the break-up of ideological solidarity or to commercial competition. For example, it is doubtful whether any partisan newspaper or publishing house in Europe currently earns a profit which is significant enough to represent an important source of party finance.

Public subsidies to parties have gained greatly in significance since the 1970s. While three decades ago such subsidies were rare, today they are a major source of party income throughout Europe. Legislation in each country determines how these subsidies should be distributed, how they can be spent and how they are supposed to be monitored. They can also be allocated directly in the form of money, indirectly in form of free access to television or other media, or some combination of both.

b) Corruption

Illicit party financing has long been a common phenomenon throughout European democracies, but only recently seems to have become a threat to their legitimacy and a source of decline in public trust. What counts as illegal is determined by national legislation; what is illegal in one country may be quite legal in another. Incomes may be illicit if they come from entities whose contribution is banned by law (such as foreign firms or governments), from organised crime, from individual contributions that exceed legal limits or circumvent the legal requirements for recording. Two time-honoured, if illicit, sources are kickbacks from public contracts and bribes – usually to the incumbent party – in exchange for some favourable policy treatment.

There is no reliable and objective way of evaluating whether, over the past thirty years, parties have become more or less corrupt. The above-mentioned gap between rising demand for funds and limited supply from traditional sources suggests that there is a greater material incentive to resort to *inavouable* means of finance than in the past. What does seem clear is that public tolerance for illicit fundraising – even when not tainted by personal fraud or profiteering – has increased. Citizens seem to be applying higher standards of ethical behaviour to their representatives and rulers and they are better informed about corrupt practices, thanks to the Internet and to comparative indicators such as that produced by Transparency International. The media have become more inclined to publicise funding scandals; the judiciary more disposed to prosecute those who engage in such acts; the citizenry more likely to react by punishing even those just suspected of corruption. Regardless of what this implies for the long-term future of democracy, the immediate term consequences are serious. Contemporary regimes in Europe have a serious problem with their "internal political economy". Democracy costs money – and more money each time its electoral game is played. Its ultimate beneficiaries, the citizens, are less inclined to pay these costs whether through voluntary private contributions or compulsory public subsides. Since parties are still the only known way of structuring both electoral competition and the formation of governments, they cannot simply go bankrupt and disappear – or democracy as we know it would disappear.

c) Parties move away from the civil society and closer to the state

This is the result of many factors, including declining party membership, changing campaign techniques and dependence on the state for financing their growing

expenditures. Volunteer work for parties became outdated once parties tried to reach people primarily through television. Also, individual donations as a passive form of participation have been declining. A small number of large donations have tended to replace a large number of small contributions. At the same time, as we have seen above, parties have become increasingly financially dependent on public funds and, in some cases, upon big business firms. The state is crucial, not only because in Europe it has become the major supplier of party funds, but also because the incumbent party or parties that control it can gain access to other (often illicit) sources of revenue. On the one hand, the advantage of incumbency has been rising and, hence, the likelihood of oligarchy; on the other hand, all parties have become increasingly under-funded and, hence, the prospect of irrelevance and fragmentation when none of them succeeds in connecting with its targeted public.

d) Citizen disaffection from and apathy towards politics

The problem is not simply that the participation of people in the life of parties has been declining (other forms of political participation may replace this) or that private donations are decreasing (other sources, especially public ones, have been increasing). Cynicism about the motives and practices of politicians has increased to the extent that a large proportion of the population considers political corruption to be "business as usual".

* * *

These problems are only in part endogenous to "real-existing" democracies. They are also closely connected to the exogenous challenges and opportunities outlined in Part I.

Globalisation and its consequences pose one of the biggest challenges for parties in Europe. First, trade liberalisation meant that money could move more and more freely across national borders which widened the range of potential sources of financial support for parties and this proved to be vital for the opposition in post-communist countries struggling for democracy in Central and Eastern Europe and the former Soviet Union. It also poses a dilemma for those established national democracies, however, which try to resist the influx of foreign funds into their domestic elections and policy processes. Second, the concentration of money that globalisation places in the hands of multinational corporations and wealthy individuals could make it easier for parties to raise money. However, this would make these parties more vulnerable to the accusation that they have become excessively dependent upon business interests. To the extent that

this occurs across the political spectrum, it reinforces the popular notion that "all parties are alike" and, hence, that choosing among them is a futile exercise.

European integration poses a very similar challenge. The tendency to integrate markets, professions and policies on a regional scale blatantly contradicts one of the central premises of existing party systems, namely, that they are responsible for organising political competition on the basis of a sovereign territorial unit, the national state. For example, people living and working in a country different from that of their citizenship are often prohibited from financially supporting parties in the state in which they reside, while firms incorporated in any EU member state, but foreign owned, are free to make partisan donations.

Technological changes have literally revolutionised campaigning and, in some countries, are beginning to affect fundraising. Television has firmly established itself as the major medium for addressing the general public during elections. Depending on the mix of private and public channels and on the content of licensing arrangements, this has greatly increased the financial cost of campaigning and depreciated the importance of voluntary contributions of labour by party members. It has also enhanced the focus on the personality of candidates at the expense of the appeal of party platforms, since that is what is best projected by this exceedingly time-dependent form of mass communication.

It is too early to assess whether information and communication technology (ICT), in particular the Internet, will provoke an analogous revolution. The Internet seems to have the potential for reversing the trend towards exploding costs and, therefore, for evening out the conditions of competition between large and small, poorly and well-endowed parties. And there are strong indications that parties are experimenting extensively with this medium to reach actual members, potential donors and eventual voters. No party today can afford to be without its website. But this is also the case for individual candidates and elected representatives. Will this rapidly expanding form of direct communication (and, eventually, of electronic voting) have the effect of further undermining traditional forms of party organisation and affiliation?

A sense of insecurity probably has a significant, but indirect effect upon partisan organisation and activity. As we have seen above, the increased demand for money (and decreased supply of it from members) makes parties vulnerable to engaging in corrupt practices and this can enhance the influence of organised crime as a potential source for the missing funds. Indeed, some techniques of illicit party financing closely resemble

those of money laundering and some of the means for soliciting contributions are hardly distinguishable from racketeering or extortion. Again, to the extent that all or a wide range of parties resort to this source of clandestine funding, this will reinforce the already existing tendency to condemn parties as such as intrinsically corrupt and incapable of combating organised crime.

No one can accurately judge the extent to which external sources of insecurity, hostile states and threatening non-states are influencing the behaviour and status of political parties in Europe. In the not-so-distant past, clandestine "contributions" by the Soviet Union were used to discredit national Communist Parties, just as happened in the interwar period with Fascist and National Socialist "transfers" across borders. In the contemporary context, trans-national financing of partisan and civil society organisations in democratising countries has become an openly recognised practice which does not seem to have brought discredit upon the recipients. Money circulating in the opposite direction, that is from autocratic governments to parties in democratic polities, is quite another matter. The "War on Terrorism" and "the War on Drugs" have focused a great deal of attention on international traffic in clandestine funding, but so far European political parties have been spared any embarrassing revelations.

A European party system: an excursus

European political parties could potentially offer a response to the declining autonomy of the national state and the parallel decline in membership in its political parties. The development of a genuine party system among EU member states would constitute an important step towards creating a European *demos,* with its distinctive citizenry and electorate. These parties would be unlikely to replace well-established national parties for the foreseeable future, given the asymmetry that persists between the importance and the functions of national parliaments and the European Parliament (EP) – not to mention the intrinsic difficulties in creating partisan identities on such an extensive scale for such a linguistically and culturally heterogeneous population.

The shift of economic and political competencies from the national to the European level has (so far) not been matched by a corresponding shift in democratic legitimacy. EU institutions lack the legitimacy of their national counterparts and the gap between EU citizens and European institutions seems to be growing. Public opinion surveys tell us that many people see the Union's institutions as remote, bureaucratic and undemocratic. This democratic deficit is aggravated by national politicians who tend to use the

European Union as a scapegoat, and fail to explain their own role in adopting European legislation. The resulting lack of a European *demos* is aptly demonstrated by the large discrepancy between the turnout for national and European parliamentary elections.

The existence of a European *demos* would first require an increase in the salience of European (as opposed to national) political issues. Sandwiched between the traditional distinction between domestic and foreign policies, the significance of the emerging regional dimension has not been communicated strongly enough to those affected by it. Europeans, if they were aware of how many of the issues that formerly belonged in the category of domestic politics have been shifted to the regional level, might be more inclined to combine across national borders to found and fund genuinely trans-national political parties. As it stands, they are vaguely aware that their interests are structured in European elections and within the European Parliament by "federations" of national parties that have no common platform. This merely aggregates and reproduces in a superficial fashion the different cleavages that emerged historically within each member state, rather than recognise and reflect the cleavages that transcend these national borders.

One reason for this lack of genuine European parties is related to the way that elections for the European Parliament are conducted. They are not organised on a uniform basis across member states. Although in the latest ones all countries have used roughly the same system of proportional representation, the rules for assignment of seats and definition of constituencies are still quite divergent. The elections are not held on the same day, and in some cases they do or do not coincide with local, municipal or provincial contests. The result is what has been called "second-order elections" in which the ostensible purpose is to choose representatives to the European Parliament where they will have to deal with European issues, but the actual process reflects the standing issues within each national state. Euro-citizens, needless to say, are aware of this and use these elections primarily to send a message to their national rulers – often one of discontent, since they can afford to vote for more extreme candidates and parties, knowing that they will not be governed by them. This has produced the embarrassing outcome that incumbent governments and centrist opposition parties tend to fare badly – which can have serious implications for the stability of domestic politics. Another increasingly embarrassing aspect of European-level elections is that they have been characterised by a markedly lower level of voter turnout than national ones. Each successive contest since 1979 has attracted proportionately less voters. This has been the case in virtually every member state, despite the fact that the effective powers of the European Parliament have manifestly increased during the same period.

The political groups within the European Parliament do not and cannot function as European parties. Not only is their composition heterogeneous – the parties from different member states can be very different in social composition and programme even when collected under the same label – but they also have no effective organisational infrastructure. For example, they have little or no role in the selection of candidates for EP elections. Their financing has long been a mysterious matter due to lack of transparency and insufficient monitoring. Expenditures are left exclusively in the hands of national parties that receive subsidies directly from the European Parliament to cover the costs of campaigning. These parties have virtually no incentive to focus on distinctively European issues and, as we have noted above, base their campaign efforts primarily around national ones.
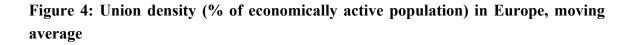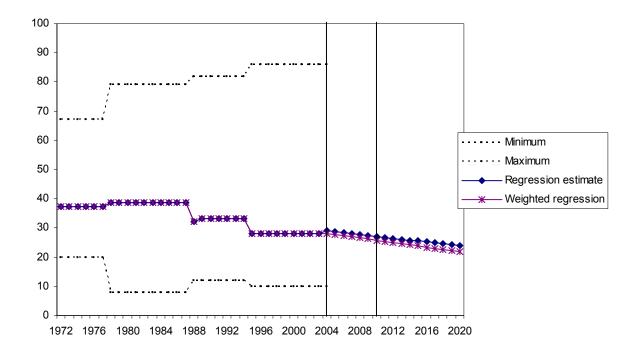
Civil society

Virtually all students of contemporary democracy recognise that the presence of a viable and lively civil society "pressuring" authorities to pay attention to rights, entitlements, interests and causes contributes positively to both the persistence and the quality of modern democracy – and not just in Europe and America. *Nota bene* that civil society contributes to –but does *not* itself cause this outcome. It cannot unilaterally bring about democracy. Nor can it alone sustain or improve democratic processes once they are in place. As we shall see, civil society acts along with other institutions and practices – participation by individual citizens, competition between political parties, the legislative process, regular and fair elections for major offices, checks-and-balances between governing bodies, a free and diverse press, autonomous local and provincial governments, the rule of law and an independent judiciary – just to name the most obvious ones.

Before proceeding to an analysis of the present state of civil society in Europe, let us first define it. Civil society is a set or system of self-organised intermediary groups that: (1) are relatively independent of both public authorities and private units of production and reproduction, that is of firms and families; (2) are capable of deliberating about and taking collective actions in defence or promotion of their interests or passions; (3) but do not seek to replace either state agents or private (re)producers or to accept responsibility for governing the polity as a whole; (4) but do, however, agree to act within pre-established rules of a "civil", meaning mutually respectful and public, nature.

The multiple and varied units of such a civil society may limit themselves by seeking to influence and not to replace elected officials, and by accepting to treat each other respectfully, but their presence in political life is not an unmitigated blessing. In other words, the mere presence of such a mixture of self-regarding interest associations and other-regarding social movements can produce both "public goods" and "public bads". The European (and American) experience over the long run suggests, however, that the positive effects of civil society far outweigh the negative ones. What interests us is whether, given the challenges and opportunities facing the contemporary societies of Western and Eastern Europe, this will prevail in the future.

The most obvious obstacle to assessing changes in the role of civil society is the continually changing nature of the subject itself. Unlike abstention in elections or public trust in institutions, or shifts in electoral preferences or increases in the number of referendums, when it comes to civil society, the interest associations, social movements and charitable foundations that compose it do not remain fixed in either form or function. With the exception of those organisations whose membership is compulsory and whose interest domain is determined by public law, for example professional "orders", sectoral "chambers" and some trade associations and unions, most of its units are free to choose whom they wish to represent and how they interpret their mission. This means that their material resources and organisational status are continually at the mercy of shifts in social structure, consumer preference and political purpose. Forms of association that previously played an important, even a crucial, role in political life may gradually decline – hopefully, to be replaced by other kinds of autonomous collective action. For example, an American social scientist drew dramatic negative conclusions – "there is reason to suspect that some fundamental social and cultural preconditions for effective democracy may have been eroded in recent decades" (Putnam and Goss, 2002, p.3) – from the tendency of his *concitoyens* to "bowl alone", while ignoring their propensity to seek out and use other means of socialising with each other and articulating politically their shared interests and passions.

Figure 4: Union density (% of economically active population) in Europe, moving average

Source: Eurobarometer and World Value Survey (1995-97)

Let us first take the case of trade unions. There is no question that this form of collective action has had a continual and significant impact on the democratisation of European polities and subsequently upon their everyday politics. Trade unions struggled to enfranchise their members and workers in general and mobilised periodically to ensure that the benefits of public policy would be more equally distributed among citizens. No national history of civil society could possibly ignore them, or the wider democratic effect that they had upon other political parties, interest organisations and social movements.
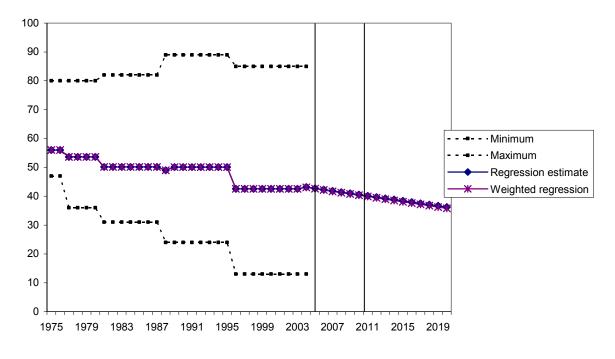
Figure 4 above displays data on the long-term evolution of membership in trade unions as a percentage of the economically active population in Europe since 1972. All observations have been "smoothed out" by using three-year moving averages and "normalised" to reflect the differing size of countries and the changing composition of the Council of Europe's membership. According to two alternative progressions (one

linear, the other weighted by time), the density of union membership (which was 28% in 2001-4) will be *c.* 25% in 2010-12 and *c.* 22% in 2018-20, provided that the underlying socio-economic trends persist and no major changes in public policy intervene. If we take into consideration only those countries for which we have data and that were members of the Council of Europe in early 1970, the picture does not change very much. The trend is still relatively stable and membership density in 2018-20 is projected to be 23% rather than 22% of the economically active population. Comparable data for trade unions in Central and Eastern Europe and the republics of the former Soviet Union are not available, but those that do exist suggest that membership density fits within the previously established trend lines, although at the lower range of variation.

Despite alarming voices predicting the disappearance of the organised working class (or its suffocation by non-unionised workers from the East), our conclusion is more re-assuring, especially when one takes into consideration changes in the sectoral composition of employment (the relative decline of manufacturing where unionisation has historically been greater), the shifting balance of men and women in the active workforce (the former have been easier to recruit than the latter) and the growing proportion of part-time workers (*ibidem*). For example, the density of trade union membership in the United States fell much more dramatically – from 45% in 1970 to 18% to 1995. Nevertheless, the conclusion seems inescapable that one of the most significant and stable categories of associability within European civil societies will diminish in relative importance – but certainly not "fade away".

Figure 4 also illustrates a second trend. At the initiation of the time series (*c.* 1972), the disparity in national densities of trade union membership was of the order of 48 points, from a high of 68% to a low of 20%. Thanks largely to the entry of the Southern European countries into the Council of Europe, this disparity has widened considerably. The most unionised polity had 87% in 2003; the least had 10% – a 77 point difference. Whether this is a temporary "diversion" due to the recent nature of democratisation and, with it, the sudden diffusion of freedoms of association, assembly, speech and petition after a long period of repression by single-party rule, or whether this represents a more deeply entrenched tendency towards "free-riding" and even hostility in neo-democracies to forms of collective action based on class and sectoral interest, is not yet clear. What is clear is that, if it should be the declared policy of the Council of Europe to promote greater convergence over time in the qualities of the respective civil societies of its member states and, moreover, if this convergence should be towards a higher level of performance, this will require a good deal of reform effort.

A third trend among trade unions – more difficult to document – seems to be towards a decrease in their number at each level of aggregation (largely, through mergers) and an increase in the proportion of specialised associations that are members of higher-order federations and confederations. In short, the trade union movement seems to be undergoing a process of organisational consolidation through which its base units are becoming larger in their members and more comprehensive in their scope of representation.

Figure 5: Membership in voluntary associations in Europe, moving average (in %)

Source: Eurobarometer and World Value Survey (1995-97)

So far, we have made the mistake of presuming that the evolution of membership and organisational structure in a single type of association was somehow emblematic of civil society as a whole. Granted that trade unions have historically been of a much greater significance for democracy than, say, bowling societies, it is nevertheless perfectly plausible that other types of associability have been following different patterns. Now, we are about to commit the inverse fallacy, namely to assume that all memberships in voluntary associations are of equal significance. Thanks to the regular surveys carried out by Eurobarometer since 1977 and the World Values Survey of 1995-57, data are

available on the proportion of a random sample of the population in twenty-eight countries that report belonging to at least one association. They are displayed in Figure 5 above according to three-year moving averages beginning in 1975. The two points of inflection (1975-77 and 1995-97) again reflect major changes in Council of Europe membership (first, southward and, then, eastward), and in both cases they depress the proportion of those claiming to belong to an association. The summary figure for Europe as a whole (weighted by size of country) is 47% and both the linear and time-weighted projections would be in 2010, 48% (linear) and 46% (weighted) and in 2020, 48% (linear) and 45% (weighted) – *ceteris paribus*. If one includes only those countries already members in 1972, the corresponding figures are 50% (2003), 55% (2010) and 57% (2020). The "spread" between best and worst performers was 47 points in 1975 and an astonishing 72 points in 2003, if all countries are included, and 46 points in 1975 and 61 points in 2003, if only the 18 original member states are included.

This time the evidence is less preoccupying. Democratisation, Southern and Eastern, seems to have had some downward impact on "primary associability" in Europe, but the overall impression is one of exceptional stability. If nothing changes, those persons in Western Europe who are members of at least one association will even be marginally higher in 2020 than in 2003. Their eastern brothers and sisters may be less "associative", but their net effect will depress the total by only two or three percentage points.

Let us now take a second look at this same data set by selecting out and distinguishing *grosso modo* between two types of organisations: first, those that directly provide services and satisfactions to their members (social); and second, those that are more likely to make demands upon authorities that indirectly benefit their members and the public at large (political). In the first, we find groups that provide social welfare, personal health, education, art, music and cultural appreciation, youth, sports, recreation and entertainment. In the second, we have included trade unions, professional associations, local community groups, political parties, movements for human rights, peace, Third World development, resource conservation, environmental protection, gender equality and so forth. At the beginning of our time-series (1974), ostensibly political organisations were proportionately slightly more important (55.0% of the European population reported membership in at least one of them) than social ones (51.2%). By our last observation (2003), the former had declined much more rapidly (to 33.2%) when compared with the latter (39.5%). According to our projections, only 22.8% of Europeans in 2010 and 13.7% in 2020 will be members of any type of political association or movement – again, *ceteris paribus*. Now, a lot can change during that period. We have reason to believe that

participation in such organisations did increase markedly during the 1950s and 1960s, which suggests that some cyclical process may be at work within civil society. But what will provide the incentive for such a turn-around in the future? Our analysis below has failed to detect any "natural" process external to democracy that seems likely to do this. Only conscious and consequent reforms in its internal rules and practices can provide the necessary incentives.

Volunteering to work in an association is not the same thing as being a member of one. It is possible, therefore, that fewer people could be joining and more people could be working in various parties, associations and movements. The data on such "volunteering" is sporadic and subject to wide variations due to seemingly minor changes in the wording of survey questions, but they do point to a gradual increase in most of the countries in Western Europe between 1981 and 1999. Comparable data for Eastern Europe, even for a shorter time period, do not exist. However, no one would be surprised if they showed marked lower levels given the turmoil that has accompanied regime change there.

And now we come to an interesting paradox. Although the data are scattered and difficult to interpret comparatively, they indicate no tendency towards a decrease in the sheer number of associations, movements, societies and foundations. The decline in the proportion of the population reporting membership in at least one of them does not seem to be discouraging "organisational entrepreneurs" from trying to create new units of civil society. Granted that we lack reliable information on those organisations that fail and disappear, but the clear impression is one of net growth in virtually every European society. This suggests that the universe is becoming increasingly specialised. More and more associations, movements and foundations are chasing after members and funds to support ever more specific definitions of collective interest and passion.

And, as we have noted above with regard to trade unions, there is reason to believe that "traditional" organisations representing the interests of social classes, economic sectors and professional specialisations are merging and therefore decreasing in number. The dynamism, therefore, can only be coming from entrepreneurs appealing to new interests and passions – mostly, we suspect, recreational, cultural, educational and social-service oriented, but also including a wide variety of "causes" – environmentalism, human and animal rights, feminism, anti-globalism and democracy itself. It is difficult to document this shift to "new social movements" since their very nature often precludes an accurate count of their numbers or their members. Nevertheless, the increase in "unconventional" collective action by these movements – protests, petitions, boycotts and demonstrations –

has become manifest and has transcended the boundaries of national polities. What is much less obvious is the relation of this activity to more traditional forms of democratic participation: voting, party identification, union membership and civic associability. Nor is it clear whether the young people who form the overwhelming bulk of participants in these network forms of organisation will eventually settle down and join the same parties and associations as their parents.

Analytical overview

As one might have expected from its intrinsic variability and constant adaptability, civil society has probably been affected more than any other aspect of democracy by all of the unprecedented challenges and opportunities discussed in Part I. Every one of them seems to be having some impact on either the membership of associations, their composition, their number, their scope or their resource base.

Globalisation. Here, the major difference has been the spread of trans-national non-governmental organisations, especially those advocating a wide range of causes from democracy and human rights to environmental and gender issues. The impact has been particularly great in the new democracies to the East where the relative importance of financial resources and conceptions of passion and interest has been more disproportionate. In the more established Western democracies, the focus of these NGOs has often been on globalisation itself and its economic, social and environmental impact upon an increasingly well-educated citizenry sensitive to the dilemmas of "complex interdependence". There is hardly a government in Europe that has not had to face pressure from organisations whose human and material resources come from beyond their borders and whose networks of influence penetrate deeply into what had previously been a relatively autonomous realm of national politics. Whether this narrows the range of policy responses, or widens the potential resources that can be brought to bear on such complex issues, remains to be determined – but the outcome will have a significant effect on the effectiveness and legitimacy of rulers at both the national and the supranational levels.

European integration. EU directives and regulations have affected the civil societies of member, candidate and adjacent states and even led to the emergence of an embryonic European civil society. Again, the greatest impact has been on the neo-democracies to the East, especially those struggling to meet the obligations of the *acquis communautaire* and

competing for funds from the various EU programmes. In a few policy areas, such as agriculture and regional funds, exerting influence at the European level has become imperative, whereas in most cases, associations and movements tend to work through their respective national authorities. EU policies have also opened up unprecedented opportunities for direct access to large trans-national enterprises. The overall picture is, therefore, mixed: pluralism for specialised functional interests and selected causes through a proliferation of points of access in this emerging "multilevel" and "polycentric" polity and corporatism for those at the supra- and national levels with privileged resources or special access to specific agencies. Particularly striking has been the re-emergence of national systems of policy concertation in response to the twin challenges of a single European market and monetary unification.

Inter-cultural migration. One of the major challenges to European civil societies has been their response to increasing numbers of migrants, asylum seekers and refugees from outside Europe. Historically, these "aliens" were first assimilated into national cultures and then entered into pre-existing trade unions, professional associations and other intermediary organisations. When they did form associations or movements of their own, it was usually assumed that this was merely a "way-station" to their eventual integration. What is distinctive about the contemporary situation is the presence of large numbers of foreign residents who insist on their right to remain different – and, therefore, to create their own civil societies. They demand, not only that their organisations be recognised, but also that they be accorded access and influence. Making this process even more contentious is the fact that aliens often come from countries that are deeply divided internally, if not subject to endemic violence. Whether these claims to persistent difference will provoke an "uncivil" backlash among natives in their existing parties, associations and movements or whether they will contribute to a pluralistic diversification of patterns of political competition and social tolerance is one of the most difficult things to predict in contemporary Europe.

Demographic trends. The impact of this trend is relatively easy to assess. Older people are becoming a more and more important component of existing associations, especially trade unions, or they are forming specialised organisations representing the interests of retired persons. Young people are less and less likely to join these pre-existing associations (or to participate in politics in general) and are providing more and more of the dynamism for the "unconventional" behaviour of new social movements. The result is an increasing imbalance in the distribution of organisational capacity and a less homogeneous mix of political strategies across generations and, therefore, a tendency

towards public polices skewed to benefit the aged and a growing resistance to fiscal and other reforms intended to redress this imbalance. Unless the politically disaffected youth of today can find stable niches within the reformed national or even supranational civil societies of the future as they mature, regime effectiveness and eventually legitimacy is bound to suffer.

Economic performance. All European societies, even the most impoverished ones to the East, have sufficient human and material resources to sustain a large number and variety of civil society organisations. High levels of unemployment, no doubt, depress individual participation and place high demands on service organisations, but this is often compensated by increased voluntary work and contributions from those more favoured by the *conjuncture*. Governments, also, come to depend more on intermediary bodies for the implementation of social programmes and this can increase associational revenue. The fact that, generally speaking, European economic performance has been inferior to that of the United States during the recent decade seems not to have had much impact on their respective civil societies. If anything, this has only brought out the contrast between the quality of life in Europe and America, where the higher levels of social solidarity and community organisation tend to favour the former.

Technological change. None of the challenges/opportunities has had a greater impact upon civil society than this one. Many of its organisations have seized upon the innovations in ICT and even become agents for their diffusion throughout the rest of society. The cost and ease of contacting members and soliciting their support has been dramatically reduced. Networks tying together previously separate local efforts across large distances and especially across national borders have been formed and even proven efficacious in co-ordinating the behaviour of activists at the level of Europe as a whole. Which is not to say that ICT has been an unmitigated blessing. It is not yet clear the extent to which the time spent "surfing" the Internet detracts from the time that individuals, especially the young, spend interacting with each other. Solicitations mailed by post or sent over the Internet have been successful in creating and funding a vast number of "virtual associations and movements" whose members never meet each other and who have little or no knowledge of or control over what their leaders do in their name. Many of these organisations are dominated by their professional staff and are run similarly to profit-making firms – with "customers" receiving selective goods or services in exchange for their contributions.

State capacity. In several of the new democracies, the main issue has been whether, along with their transition from authoritarian rule, there has also come a change in geographic boundaries and collective identities. The break-up of former multinational states has brought with it the problem of a plurality of civil societies within the same political unit – and the prospect of quite "uncivil" relations between them. In some instances, this has been resolved peacefully by a process of mutually acceptable secession – but even then there usually persist serious cleavages between the new "titular" national majority and various national minorities. But for most of Europe, the issue has been quite the inverse: how can well-established national civil societies cope with a marked decline in their state's capacity to carry out effectively and autonomously the tasks that are expected of it by citizens. Here, the problem is not national disintegration but international integration. What can the organisations of civil society do when the state they have been seeking to influence becomes part of a larger process of "pooled sovereignty"? The simple answer is to reorganise across national boundaries and expand the scale of collective action. Unfortunately, this may mean overcoming deeply entrenched differences in national culture, language and organisational format – and the resulting "European civil society" can be much less efficacious and skewed to favour particular interests and passions than were the previous national ones.

Individuation. If this challenge were very serious, there would be no opportunity for a civil society. If every individual citizen had different working conditions, living contexts, patterns of mobility and family situations, the probability of acting collectively and voluntarily with others would diminish greatly. Fortunately, this has not happened and human beings seem to have an intrinsic genius for discovering new goals that they have in common. It does mean, however, that some of the large ("encompassing") socio-political categories based on class, race, religion, ideology and nationality have yielded to much more fragmented and personalised conceptions of self-interest and collective passion. Presumably, this helps to account for the continued pace of forming new associations and movements with more specialised objectives and to the gradual decline in more traditional forms of associability such as trade unions. One clear implication of this transformation is a diminished probability for reaching widely-embracing "social contracts" and, hence, a more unruly and less predictable pattern of bargaining between interests and passions. It also helps to explain why political parties have less and less connection with associations and movements and have lost much of their historical function of aggregating citizens under broad "ideological" labels.

Mediatisation. Previously, the units in civil society played an important role in providing their members and followers with political information and, thereby, helped to form their conceptions of interest and identity. Nowadays, the mass media – especially television – have usurped this function and whatever specialised information is offered by associations and movements usually has to compete with rival commercial sources. The "party press" has virtually disappeared and the newsletters and broadsheets from trade unions and professional groups have less and less circulation. The Internet, as we mentioned above, may be offering them novel and less expensive means to get their messages across, but the competition for attention is ferocious and the audiences are much less captive than in the past. Commercialisation may trivialise (and scandalise) information about politics, but has also contributed to liberating citizens from partisan manipulation and government propaganda. For the (unfortunately declining) number of them who wish to participate in an informed way in the processes of democratic accountability, there are many more sources than in the past and accessing them is easier and cheaper, but they do not involve the opportunity for direct, inter-personal exchange and deliberation that used to characterise the "public sphere".

Sense of insecurity. Here we discover another paradox. In the past, nothing was more productive of associability than the most threatening form of insecurity, namely, international war. During both the first and second world wars, membership in a wide range of political and social organisations went up dramatically and many new organisations were founded during and immediately after these episodes of large-scale violence. Now that the Cold War is over, and Europe has effectively established an "international security community" within the region, that is the countries within it have no realistic expectation that their disputes will be resolved by armed force or reason to go to war with each other, this powerful impetus for the development of civil society has been eliminated. It is only the perception of avoidable risks and of their probable consequences from one's own neighbours that gives rise to new forms of voluntary collective action. Not only is this a weaker incentive, it is also a divisive one. Its most manifest expression in contemporary Europe is the mobilisation of natives against foreigners – and of these legal and illegal aliens to protect their persons and rights.

Decision making

"Guarding the guardians"

In contemporary European democracies, a number of non-democratic or non-majoritarian institutions play an increasingly important role. In this section, we will focus on so-called "guardian" institutions (institutions made up of experts) and on the development of network, regulatory and multi-level "governance". By "governance" we refer to patterns of decision making involving various public and private actors whose actions are not solely co-ordinated through hierarchical and/or market mechanisms. Outside and in between these two traditional mechanisms of allocation, there are a variety of new modes of governance that make use of different steering arrangements to produce policy outcomes.

Democratic legitimacy, guardians and governance

In modern societies, political legitimacy requires that matters of public and common interest should be decided democratically. For a system of governance to be considered democratic, the opinions of the citizens must be freely represented, so as to be listened to and accommodated by rulers, who in turn need to be accountable to citizens in their actions and decisions. It is an important aspect of democratic legitimacy that citizens believe they have a fair chance of influencing the outcome of the decision-making process on issues that affect their own life chances.

This does not mean that all binding collective decisions have to be taken democratically. Although of considerable economic importance and social relevance, many decisions are considered private and as such are left to individuals, families and associations. Some of these decisions are left to voluntary contractual arrangements between the affected parties, while others are made through more automatic mechanisms of co-ordination such as the market. Moreover, much of the ordinary life of citizens takes place in organisational structures of work, profession, education, worship and recreation, which usually operate according to hierarchical principles of allocation. The reasons these areas of social decision making are insulated from democratic criteria and procedures are linked to privacy, organisational efficiency and/or complex co-ordination. The particular application of these reasons is often disputed, but nonetheless widely accepted as part of democratic life.

However, non-democratic decision making extends to many public institutions such as the legal system, the police, the army and the public administration, which are normally organised according to hierarchical criteria. This is due to functional reasons and to the complex organisational nature of these institutions. Nonetheless public institutions are not entirely autonomous, nor do they operate exclusively according to self-referential rules. In dealing with public matters and when supported by public funding, they need some form of democratic legitimation. This is guaranteed from the outside by their subordination to governments and parliaments.

In the last twenty to thirty years there has been a steady erosion of the scope of democratic decision making. This has happened from the *inside* and the *outside* of politics. Inside, constraints arise due to guardian institutions' addressing policy and regulatory problems by relying on specialised knowledge and on experts who are insulated from partisan competition, public opinion and majoritarian decision making. Outside constraints appear as public policies are increasingly decided through agreements within complex networks of governance, comprising public and private "stakeholders", but not the citizenry as such. As a result, there is a decrease in political responsibility and public accountability.

The general result of these developments has been a shift in the balance of public and collective decision making from politics to administration, from democracy to technocracy, *de facto* if not always *de jure* reducing the space for the voice, influence and control of citizens, whether acting directly or indirectly through their representatives. The shifts have also been promoted or sustained by a number of democracy's intrinsic tendencies, such as oligarchy, functional autonomy, corruption and professionalisation.

Tendency towards oligarchy. The "iron law" of oligarchy clearly favours the ascendancy of guardian institutions. More than political parties and representatives, they are exempt from direct public scrutiny and as such are not publicly accountable.

Tendency towards self-referential autonomy. This tendency concerns politics as much as other areas of social life, since increasingly decision making requires specialised knowledge and expertise. Instead of general rules equally binding on all, the political process becomes more and more fragmented into specific functional tasks, each with its own logic and needs. As a consequence, particular clusters of organised interests become the unique point of reference for guardians appointed to regulate their behaviour and

these private groups tend to "capture" their guardian by manipulating asymmetries in information and power.

Tendency to professionalisation. This is a development that is shared between guardian rulers and the political class. Virtually by definition, guardians owe their role to the need for forms of knowledge produced exclusively within certified professions: lawyers, economists, system theorists, managers, accountants, military officers, social scientists, and so forth. As we have seen in our analysis of trends within parties, politicians are also becoming increasingly specialised or, if not themselves, increasingly dependent on those who are specialists: consultants, public-opinion pollsters, media advisors and so forth. While guardian institutions are supposed to be independent to various degrees, they are also supposed to be subject to governmental control and pressure. When both sides of the equation are more professional, the most obvious result is a tendency to exclude amateurs, that is most of the affected population, on the grounds that they are insufficiently informed or conscious of what is needed to produce "good" functional performance.

Tendency to corruption. Precisely, the fact that guardian institutions are removed from public pressures and insulated by professional expertise makes them unusually vulnerable to the influence of corruption. Some of this is intrinsic to the way in which specialised and segmented decision making is virtually designed to ignore externalities and unintended consequences. What seems rational and functional to those directly involved, seems arbitrary and exploitive to those indirectly affected. More important, however, is the fact that guardians are in the business of deriving rules and handing out licenses. This creates very tempting opportunities for rent-seeking, that is acquiring an advantage over competitors or even a monopoly status that can be converted into exceptional profits – some of which may even be returned to the specialised rule-makers/licensing authorities.

Table 1 below summarises the way in which the ten challenges and opportunities identified in Part I of this Green Paper provide a context for the development of non-democratic forms of governance. It groups the "challenges and opportunities" into four main categories. The first is concerned with the effect of globalisation of governance and the decline in state sovereignty. The second emphasises the increasing porosity between the private and public domains. The third suggests the difficulties for democratic politics when dealing with increasing levels of social differentiation. The fourth and final one describes the effect that new technologies (but also increased risk and insecurity) have on

the relationship between state and private powers, on the one hand, and citizens, on the other.

Table 1: Changes in the external context: impact on governance arrangements and guardian institutions

Challenges and opportunities	Globalisation European integration State capacity	Globalisation European integration State capacity Economic performance	Inter-cultural migration Demographic trends Individuation	Technological change Mediatisation Sense of insecurity
Guardian and governance	Processes of globalisation and internationalisation have contributed to give a greater role to guardian and governance institutions. State power is diminished in so far as it needs to co-ordinate policies with other states and with powerful private corporations at both the national and international level.	The combined effect of these challenges is to alter the relationship between public and private, reducing the steering and sanctioning role of public institutions. To be effective, political institutions need more flexible policy instruments, aimed at changing behavioural patterns where they cannot use command-and-control strategies.	It is more difficult for democratic institutions to address increasingly differentiated needs and attitudes. Problem-solving institutions are considered more effective in dealing with diversity.	Changes in the context of public information and communication provide new opportunities for state and private dominance. But new technology also makes it more difficult for one single power to control the flow of information. New technology lowers transaction costs for obtaining information and for open government.

Analytical overview

Both intrinsic tendencies and external developments tend to favour the proliferation of guardian and governance institutions. The effect that these institutions have on democratic influence and accountability is similar to that produced by traditional administrative and bureaucratic institutions. They extend the chain of delegation, so that the longer the chain, the feebler the voice of the citizens. They tend to control information and act as though they had a monopoly on knowledge and expertise in a

particular area. They are not directly accountable since they are not affected by electoral discipline. However, these new institutions are even more independent from political power than traditional bureaucratic agencies; they are set up to avoid politicisation and, in the case of network governance, the fragmentation of political responsibility makes them less accountable.

In the face of the increasing power of such institutions in public decision making, the future of democracy will depend on the way we deal with issues raised by the following questions:

1. Can the apparent loss of democratic legitimacy be compensated by other forms of legitimacy underlying "guardian" and "governance" institutions?

2. Can non-majoritarian institutions of guardianship/governance be reconciled with and justified by reforms in democratic practices?

a) The role of non-democratic decision making in democratic society

In addressing the first question, we need to identify the justifications normally given for delegating policy making to non-democratic institutions. As in the case of public administration, the legal system and the army, the main justification has been the need for organisational efficiency. But this is a rather broad category, which may not apply to all guardian institutions or to network governance in general.

From an analytic perspective, the reasons given in support of non-majoritarian institutions reflect the *demands* faced by public decision making in developed societies and the *standards* required for public policy making. The main demands are those of complexity and specialised knowledge. The standards are those of feasibility, effectiveness and efficiency, respect for diversity (of needs or identity), respect for diversity (in application), private autonomy and enterprise. These demands and standards shift the balance of political legitimacy from one based on democratic participation, access and accountability to one based on the superior performance of functions and satisfaction with improved output.

Table 2 below identifies the more specific grounds on which the functional and substantive legitimacy of guardian and governance institutions rests. It organises them according to the type of reasons (demands and standards) underlying their functions, and

according to the kind of constraint (from the inside or the outside) that they impose on democratic politics.

This table shows that output and functional legitimacy require institutions to operate in place of citizens instead as representative of citizens. But this seems to imply that modern democracies may be faced with a trade-off between institutions that promote democratic legitimacy and institutions that promote output and functional legitimacy. As a result of this, the balance of power is now decisively tilting on the side of non-democratic (and potentially oligarchic) institutions, eroding citizens' sense that they can influence collective decision making.

Table 2: Reasons supporting non-democratic legitimacy

	Demands *Complexity;* *Specialised knowledge.*	**Standards** *Feasibility;* *Effectiveness/efficiency;* *Diversity (of needs and identity);* *Diversity (in application);* *Private autonomy and enterprise.*
From *inside* the political system	Institutions protecting democracy; Decision making affecting highly specialised areas.	Institutions protecting minorities; Institutions protecting individual citizens.
From *outside* the political system	Impartial decision making; Complex co-ordination; Promoting competition and background conditions; Supranational co-operation.	Impartial decision making; Market control; Promoting competition and background conditions; Supranational co-operation.

   b) Bringing democracy back in

There is another way of looking at guardian and governance institutions, not just from the from the standpoint of their underlying reasons, but from the more specific perspective of the kind of functions they perform in relation to the political system and to citizens' interests and welfare. This is a more promising perspective from which to address our second question, that is whether it is possible to reconcile mechanisms of guardianship and governance with democratic legitimacy by reforming the practices of "real-existing" liberal democracies. Table 3 below is concerned with what these institutions *do* in relation to public decision making.

Table 3: Types of non-democratic decision-making institutions

Institutions *inside* the political system	Institutions *outside* the political system
Institutions for the implementation of public policies	Regulatory institutions
Institutions operating as checks on the political and administrative system	Self-regulatory institutions
Semi-autonomous institutions, operating in sectors of great public concern	Networks of decision making

Table 3 argues that the tendency towards the bureaucratisation and rationalisation of politics identified by Max Weber already at the beginning of the 20th century are no longer exclusively embodied in the traditional ministries and agencies of public administration, but increasingly to be found in the growing number of guardian institutions and the spread of networks of governance. This shift from politics to administration (from the conflict and compromise approach, to the problem-resolution and policy implementation approach) is accentuated by the need to avoid overloading the political system with legislative and regulatory tasks that have become too extensive in modern complex societies. It also reflects the "blame-shirking" attitude of politicians, who tend to delegate policy-making functions to non-democratic institutions in those areas where policy success is difficult to establish and policy results cannot be easily translated into electoral assets.

But if neither the citizens nor their representatives have control over these new institutions, the question is how to ensure that the "guardians" do not overstep their duties by exploiting their privileged position to their own advantage. Who, ultimately, guards the guardians? *Quis custodiet ipsos custodes*? Table 3 implies that there is no "one-best" or "all-encompassing" solution, since different guardian institutions and governance networks perform different functions and, therefore, require different strategies aimed at reconciling democratic and functional legitimacy.

Table 4 below suggests two general strategies that could be used to address this problem. One is more *direct* and is aimed at re-introducing forms of democratic control and accountability; the other is more indirect and works though checks and balances.

Table 4: Strategies to bring democracy back in

	Direct strategies	Indirect strategies
Polity-based	Subjecting guardian institutions to the direct control of democratically elected bodies	Promote a system of *horizontal* checks based on reciprocal vigilance between guardian and democratic institutions
Citizen-based	Devise mechanisms, other than electoral control, which guarantee popular participation and control	Promote institutions that operate a *vertical* check over political institutions by allowing for citizens' voice

Inter-level accountability

Experimentation with multilevel forms of governance is on the rise in Europe – in part, due to the devolution of powers to regional or provincial governments; in part, due to the European Union's demonstration that national sovereignty can be parcelled-out and pooled to the benefit of all levels. Yet democratic ideals are challenged by these experiments in the scale of governance. How can politicians be held accountable? How is it possible to square the norm of one person, one vote with sub-units of different size demanding equal voice? How does one settle the issue of which decisions should be taken by which *demos*, at what geographical level – and who should decide the inevitable conflicts that arise from such a complicated system?

Multi-level governance and decentralisation challenge democratic norms of accountability of politicians and other authorities at various levels because such systems tend to blur the opportunity spaces for political choice enjoyed by each level. Measures for regaining accountability include more transparency and political contestation concerning decision makers, both with regard to their *de jure* powers and their *de facto* ranges of choice.

Analytical overview

    a) On federalism and other multi-level systems of governance

"Multi-level governance" is a term often used to describe the plurality of decision making modes within the European Union. Multi-level may refer to the "vertical" dispersal of political authority from the state upward to a supranational – European Union – level and downward to sub-national/regional levels; and/or the "horizontal" dispersal that is

involved when non-state actors are brought into the process. These raise different normative challenges concerning such issues as democratic representation and accountability, often because the alleged virtues of dispersed governance come at the cost of transparency, circumscribed competencies and accountable authority.

For our purposes, federal political orders can be characterised by a (quasi-) constitutional division of powers between central bodies and sub-units where each level enjoys final authority with regard to some functions and where changes in this distribution of authority requires consent. In contrast, in decentralised systems the central authorities can maintain, modify or abandon lower level authorities at their discretion. In confederal arrangements, sub-units typically can veto decisions and even leave the confederation. Starting with the European Coal and Steel Community, European Union institutions have had both federal and confederal elements.

To be sure, the EU may never become a complete federation with a comprehensive division of powers, but one effect of the EU draft Constitution Treaty is that, if ratified, it would add more federal elements to the "mix" since member states will have signed away their right to veto decisions in more policy areas.

b) Subsidiarity

One of the most vexing issues within any federation or quasi-federation involves the formal (usually constitutional) allocation and use of competencies across its multiple levels of political aggregation. The principle of subsidiarity purports to resolve this issue by placing the burden of argument with those who seek to centralise authority. Sovereignty can be pooled in response to the loss of effective governing capacity by smaller sub-units, but higher-order authorities at the national or supranational levels can only act legitimately when they contribute to satisfying the objectives of citizens better than the sub-units. The application of this principle has had many different and competing interpretations, ranging from modern Catholic thought, an ancient tradition associated with Althusius, doctrines of "concurrent majorities" linked to the dispute between the North and South in the United States, to such contemporary sources as fiscal federalism and liberal contractualism. These interpretations differ on such fundamental matters as the proper objectives of the political order, the weighting of sub-units of different size and capability, whether these units should be defined in territorial or functional terms, and what sorts of inter-level protection and subsidisation are most effective against which risks. For example, is tyranny of the central authorities over a

sub-unit worse than that of local authorities over a local minority? At what point does better performance of some functional task outweigh the threat to territorial identity and autonomy? Who should be the ultimate judge when conflicts arise over the application of standards – the rulers of sub-units or those of the central one? Most important for our purposes is the question of who should be held accountable (and how), especially when many decisions may involve more of a sharing of competencies than a separation of them.

Ultimately, much of the appeal of the principle of subsidiarity rests on our shared interest in liberty, that is on the ideal that one should not be subjected to the arbitrary will of others. Giving and protecting the veto right for all sub-units would protect liberty by ensuring that joint gains do not come at the price of despotism, but they would also leave the polity as a whole at the mercy of the single most recalcitrant sub-unit. Others argue that decentralisation to smaller groups that share policy preferences, personal values and/or material circumstances makes for more efficient decision making, but precisely because of this sharing such units may not have the requisite volume or variety of resources to tackle the problem at hand. Devolution of powers can also prevent the decision-making process from becoming overloaded; but it might also make that process more parochial and oligarchic. And for certain public goods with lots of "positive internalities" (also know as "synergies") there may be subsets of individuals who should be allowed to form "clubs" for their provision, provided that they do not exclude minorities from the benefits or pass the costs on to non-members.

c) On accountability in multi-level systems of governance

It is often difficult to determine who bears ultimately the responsibility for a particular policy decision when more than one level is involved in making and implementing that decision and when each level of authority can pass the blame on to the other. Given such a complex structure, no formal system of "multi-level diplomacy" may be capable of satisfying the democratic requisite of "accountability for acts in the public realm" and of bringing the necessary sanctions to bear on those who operate in the interstices of the various levels. Nevertheless, from a normative perspective, it is possible to specify the generic standards for evaluating such complexity.

Transparency vs. opacity. Assisted by public media, citizens and authorities should be able to determine whether institutions and their decisions roughly match whatever normative requirements are appropriate for that complex political order. An added cause

of opacity in the EU is that many of the processes thus far have proceeded without public access to government negotiations in the Council of Ministers. In addition, the shift from unanimity to (qualified) majority voting limits accountability even more, since this enables politicians to say that they were unsuccessful in voting against unpopular decisions. Their claims that "Brussels made me do it" cannot easily be checked.

Security vs. insecurity. Unanimity offers protection to citizens of each member state by ensuring that they would not be forced to take part in arrangements contrary to their own interests, and allows them some protection against one-sided agreements. Yet this decision rule also increases citizens' uncertainty and vulnerability, since each sub-unit may block common decisions. (Qualified) majority voting on the other hand increases the need for trust and trustworthiness among individuals and among their representatives, requiring the latter from time to time to adjust or sacrifice their own interests and those of their voters for the sake of other Europeans. The majority must then be trusted to consider the plight of minorities, and to respect common decisions when they find themselves in the minority.

Autonomy vs. equality. There are tensions between respecting sub-unit autonomy and securing rough equality of living conditions across sub-units – often regarded as a condition and/or an objective of democratic politics. A central issue is therefore what range of outcomes and policies the sub-unit population should be responsible for in the sense that they should bear the full economic burden of their collective choices. The EU is supposed to "promote ... economic and social cohesion and solidarity among member states" – while respecting member state autonomy. But equalisation and solidarity may require centralisation of monetary, social and fiscal policies – *according to* the principle of subsidiarity – leaving little authority to the sub-unit.

One person, one vote vs. one sub-unit, one vote? Attempts to "democratise" federations with sub-units of unequal size can run afoul of democratic ideals: Should one person, one vote or one subunit, one vote prevail? That is, do democratic norms require majoritarianism or can one justify that small sub-units should be over-represented, for instance to reduce the risk that their citizens' interests are regularly overruled? Such overrepresentation often occurs in federations, and might be defended also in EU institutions where less populous states are over-represented or their voting weight is disproportionately high compared to more populous states. It is not obvious that majoritarian decision making is appropriate when segments of the population risk being in a permanent minority, especially if the majority cannot be trusted to always modify

their views in light of the impact on minorities. One person, one vote may not be appropriate under such circumstances.

Mechanisms for direct citizen consultation

Whereas various forms of representative democracy constitute the basic foundation for decision making in all European democracies – old or new – some polities have introduced mechanisms for the direct involvement of citizens into their repertoire of democratic institutions. In almost every European country and at almost every layer of government, citizens can file petitions that neither bind parliaments nor result in popular votes. Such petitions are bottom-up, superficial and non-threatening manifestations of deeper-rooted social dissatisfaction and conflict. They are usually channelled by established political organisations (parties, associations or movements), but they occasionally arise from ad hoc and informal units of collective action. Their primary goals are to attract the attention of rulers and to provoke public debate among citizens. Since the success of such petitions remains entirely at the discretion of those in power, they are merely an upward channel of communication, along with several others offered by modern liberal democracies, such as public opinion polling and public hearings. Presumably, some petitions are more effective than others, but none of them can be described as a regular and effective means for holding rulers accountable.

In the standard version of liberal democratic theory, the device par excellence for ensuring accountability is supposed to be "free and fair", "regular and competitive" elections. Whether periodic elections alone are sufficient for this purpose has long been a matter of dispute – at least, ever since Jean-Jacques Rousseau observed caustically that the English were only free once every few years, on the day they voted. Regardless of the argument in theory, in practice most "real-existing" democracies in Europe have designed and implemented other means for constraining the behaviour (and, occasionally, the tenure) of their rulers. Today, what has come to be called "direct democracy" complements "indirect or representative democracy" in virtually every member state of the Council of Europe.

Direct democratic institutions take two fundamental forms: the referendum and the popular initiative. Both are closely related to each other. The referendum encompasses a process through which proposals by political authorities may be submitted to a popular vote. The popular initiative is a process through which a number of citizens may

formulate a proposal and force the political authorities to submit it to a popular vote. In the latter case, there is a special form of initiative, the recall, that permit it to be applied not to a specific policy proposal, but to the tenure in office of a specific elected official. Thus, it is the originator of the activity that allows us to distinguish between the two basic forms, not its content or purpose.

The virtues and vices of both the referendum and the popular initiative have long been debated by political philosophers and normative democratic theorists. Arguments in favour and against have waxed and waned over the past centuries. Especially controversial has been the notion of the recall – perhaps, since it is by far the strongest in terms of its relation to accountability. As we have just seen in the case of California, it can be employed to remove a perfectly legally elected official who enjoyed majority support in the equally legally-elected parliament. Regardless of who is winning the abstract debate over direct democracy, in concrete terms it has become more and more of a reality in recent decades in Europe.

The main challenge direct democracy presents to representative democracy is that it introduces an additional potential veto to all of the checks and balances that may already be built into the usual indirect system of representation. Decisions made by legitimately elected representatives can be altered or simply abandoned. Moreover, parliament loses (or finds reduced) its traditional sovereignty within the democratic polity since a favourable decision on a popular initiative can produce a generally binding decision or compel the parliament to produce such a decision. If – to use Gordon Smith's terminology – "anti-hegemonic outcomes" of popular votes were to become the rule, democracy would run the risk of deadlock. From a normative perspective, this would certainly be Pareto sub-optimal. Everyone could run the risk of losing or, at least, it would be more likely that very few decisions benefiting everyone would get passed.

The inverse situation is hardly more appealing or likely. If it were the rule that the choices made by representatives and those made by citizens were identical – or, at least, systematically congruent, both the referendum and the initiative would be superfluous. In such an ideal world, where all the principles of democracy would be perfectly respected by all actors and where political deliberation would result in perfect information and shared political competence among all citizens, congruence in policies (and consensus in opinion) would be the natural outcome and, therefore, it would not make much sense to hold popular referendums on topics when rulers and citizens systematically and predictably come to the same conclusions.

In any case, such a perfect democracy remains a chimera. Even finding a stable coincidence between a majority of representatives and a majority of the citizenry can be difficult. Indeed, systematic congruence when it manifests itself formally is less likely to be healthy for democracy and more likely to indicate autocratic control by the ruling elite over "its" compliant and frightened subjects. For example, Ceauşescu's 1986 referendum in Romania produced a perfect 100.0% total of yes-votes with a turnout of 99.99% – and this triumphantly plebiscited ruler was overthrown to the general delight of the Romanian public only three years later.

Despite an ideology that stresses the congruence between ruler choices and citizen preferences, that presumes that elected agents are unambiguous reflections of voting principals, the practice of all "real-existing" democracies suggests that it is normal (or, certainly quite frequent) that the two sets of democratic actors are not in synchrony. Partly, this is a product of differences in time horizon or in the definition of constituencies; mostly, however, it is the result of the inevitable tradeoffs, compromises, "log-rolls" and "package deals" that are an integral part of how representative democracy functions. Moreover, as politicians become more professional and remain in office longer, they are bound to learn better how to make these deals (and to remember more clearly past ones). They are also likely to become more skilled at explaining to their constituents and voters the rationale behind such incongruities.

It seems safe to assume that, between the professionalisation of politicians and the complexity of collective choices in contemporary multi-level democracies, the incongruities have grown and that the sentiment that this generates among citizens is one of the many elements contributing to widespread discontent with rulers and distrust of representatives. Inserting forms of direct democracy as a complement to representative democracy is considered one way – perhaps, the best way – of filling that gap. One of its more subtle virtues is that both the referendum and the initiative can have a considerable impact even when they are not formally utilised. Just the anticipation that either can be initiated – by the government, the opposition or a sufficient number of citizens – may be enough to deter rulers from passing measures that they know to be incongruent with the preferences of a heretofore passive majority.

In many polities around the world, the *initiation* of the referendum process is strictly controlled by the head of state or government and used (and abused) to call voters to the polls when there can be no question of their voting "No" – out of fear or manipulation. In

many post-colonial, single-party African states the referendum has been wielded as a tool by rulers to acquire democratic legitimisation for their decisions – if and when it pleases them. There have even been applications of this "plebiscitary" instrument by governments in Western Europe in the not so distant past. Such an ad hoc (and, at times, *ad hominem)* version of direct democracy is in stark contrast with its more formalised and predictable counterpart elsewhere. In such European countries as Switzerland, Liechtenstein, Italy, Ireland, Denmark, the post-communist democracies of Central and Eastern Europe and most of the former republics of the Soviet Union, the government in office cannot control the initiation of a referendum. For example, if their constitutions are amended or if they decide to join the European Union or other major regional or global organisations, a referendum *has* to take place and the rules for holding it are fixed well in advance. Initiatives require a pre-established number and distribution of signatures by citizens, but this cannot be manipulated *ex ante* or voided *ex post* by those in power.

Even a casual observer of recent European politics is likely to be familiar with several national referendums that had a major impact on such issues as abortion, atomic energy, joining the EU and so forth. What is often overlooked is the crucial political role played by referendums (and, more rarely, initiatives) at the local and regional levels in well-established democracies. The normal pattern in Western Europe has been for direct democratic devices to emerge and be experimented with at these levels and only subsequently to be transposed to the national level. In Central and Eastern Europe and in the republics of the former Soviet Union, however, the abrupt regime change from communist autocracy to liberal democracy brought about an immediate expansion of popular rights at the national level, before any prior experimentation in local or regional governments.

Popular votes in Europe: assessing the evidence

Between 1960 and 2003 in all current Council of Europe member states, citizens at the national level were asked to make 628 direct democratic decisions. These data show that over the past four decades, national referendums and initiatives took place in thirty-nine of the forty-five member states. If we were to include data from the local and regional level, Luxembourg would be the only European country never to have consulted its people directly through these devices. However, even Luxembourg held three national referendums before 1960 and its government has recently announced that that a referendum will be held on the draft EU Constitution Treaty. All European democracies

have been exposed, at least sporadically, to popular votes – even if the frequency, form and effect of these consultations have varied greatly.

More than half of all referendums and initiatives in Europe since 1960 were held in Switzerland. This country is the world's champion par excellence of direct democracy and, in order to acquire this well-deserved reputation, it has followed a very distinctive political trajectory. For these reasons, we have chosen to exclude this outlier from most of the subsequent analysis.

Aside from Switzerland, Liechtenstein and Italy, only five European countries have had ten referendums or more over the period considered. Excluding Switzerland, the average per country has been seven. Only one quarter of all Council of Europe member states have exceeded this average. In other words, most member states have had relatively few referendums at the national level.

Figure 6 below displays the evolution of the frequency of popular consultations since 1960, allowing us to observe their cross-temporal dynamics within Europe. The 2000-09 data point is a linear projection based on the data for 2000-03.

Figure 6: Overall tendency of direct democratic votes in all Council of Europe countries and with Switzerland excluded

Sources: Research and Documentation Centre on Direct Democracy (c2d) at the University of Geneva and "Suchmaschine für direkte Demokratie" developed by Beat Müller at the Swiss Federal Institute of Technology in Zurich.

The two lines in Figure 6 show similar patterns. Including Switzerland merely doubles the numbers without significantly affecting the S-shape of the basic curve. Both show a dramatic increase in direct citizen consultations during the 1990s. The overall frequency tripled during this period. Presumabl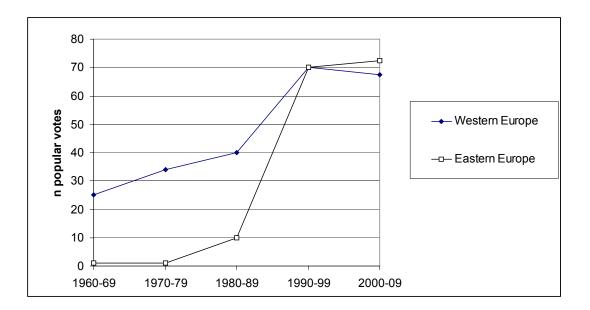y, this captures a critical juncture in European politics, during which referendums and initiatives became especially attractive as a conflict-resolving and legitimating device. Since then, however, the frequency has levelled off and our projections suggest that, for the first decade of the third millennium, their number will probably not increase. One hypothesis is that Europe may have reached a "saturation point" with regard to direct democratic decision-making, at which some equilibrium between it and representative democracy is established.

Figure 7: Overall tendency of direct democratic votes in Western and Eastern and Central Europe (all Council of Europe countries without Switzerland)

Sources: Research and Documentation Centre on Direct Democracy (c2d) at the University of Geneva and "Suchmaschine für direkte Demokratie" developed by Beat Müller at the Swiss Federal Institute of Technology in Zurich.

One potential proof of this concerns the pattern of evolution between the old and new European democracies. In Figure 7 above we can observe a clear convergence in the frequency of holding referendums in Western and Eastern Europe since the end of the Cold War. For the West, the massive increase during the 1990s can be primarily explained by a series of EU integration referendums. In the East, it was popular

consultations with regard to national sovereignty and constitutions that explain the increase. According to our decennial projections, we expect to have about as many referendums during the first decade of the third millennium in both regions of Europe. One reason for this continues to be European integration. As long as its member states continue to agree upon new treaties, their ratification will inexorably promote the referendum experience. For example, the introduction of the euro triggered popular votes in Denmark and Sweden (and may eventually do so in the United Kingdom). In 2003 alone, the enlargement from fifteen to twenty-five members compelled nine out of the ten newcomers to hold referendums, the only exception being Cyprus. Now that the Council of Ministers has agreed upon the text of a new "constitution treaty", it is to be expected that an unknown, but nevertheless large, number of member states will have to allow their respective citizens to vote directly upon its ratification.

But European integration by successive treaties is not the only factor promoting referendums in Europe. Liechtenstein, Italy and Ireland (as well, obviously as Switzerland) continue to hold a large number of popular consultations on non-EU-related issues. They are followed closely by such newcomers as Slovenia, Azerbaijan and Ukraine. The reason for this is more generic. When choosing their institutions after the regime changes in 1989-90, a substantial proportion of the new democracies inserted provisions for direct popular consultations into their constitutions. For example, Hungary, Latvia, Lithuania, Poland, Romania, Slovenia, Slovak Republic and Ukraine have all gone beyond the convocation of referendums by governments and introduced the possibility of consultations provoked by citizens, that is, initiatives. In Western Europe, this form exists only in Switzerland, Liechtenstein and San Marino. Since 1990, popular initiatives – excluding the Swiss case – have accounted for only 13% of all popular consultations held in the "old" democracies; whereas, in the "new" ones of Eastern Europe and the former Soviet Union, the proportion rises significantly to 24%. This reveals that, not only do these countries have the necessary formal provisions for holding initiatives, but their citizens have quickly discovered how to use them. Such bottom-up efforts are almost twice as frequent there as in the old democracies. This clearly marks a difference with Western Europe where most of the experimentation with citizen-initiated votes has come almost exclusively from the local or regional level – if at all.

Finally, in order to measure the impact of direct democracy, we should try to assess how successful popular consultations have been. "Success" can take various forms. The first question to arise concerns *who* is successful. By definition, the authors of referendum texts are the political authorities (whether parliament and/or government). If voters

approve the referendum, the assumption is that these authorities have been successful and that their policy proposal has been democratically legitimised. The opposite is the case for popular initiatives since rulers are usually opposed to them and recommend their rejection. The second question focuses on the aftermath of a popular consultation. Even referendums accepted by a majority of voters may not necessarily be taken into account by the government if they are non-binding in nature (as they usually are). Favourable referendums can also be voided when they fail to reach a sufficient quota of participation by eligible citizens. In both of these cases, the effect will simply be a prolongation of the status quo rather than a change in policy.

From a dataset on direct democratic experiences assembled at the University of Geneva, it is possible to measure the "net effect" of referendums and initiatives, that is, whether they have led to relevant policy changes. With regard to Western Europe, there has been a trend towards higher rates of acceptance. For example, since 1990, roughly three out of four government initiated referendums have passed successfully. One can also observe a relatively consistent (if slightly lower) rate of acceptance with regard to citizen-promoted initiatives. Roughly one out of two of them was accepted by the voters. Most of the popular consultations – referendums and initiatives – were binding and, yet, the rate of referendum-induced policy changes diminished. More recently, only one out of three referendums led to a directly related change in policy, despite an acceptance rate of 74%. This means that only every second proposal accepted by a majority of voters provokes a policy change. This rather surprising finding can be attributed to two factors: first, the rate of non-binding referendums has slightly increased and, second, quorum rules were less and less frequently met, meaning that citizen turnout was insufficient to make the result legally valid. This is a worrisome trend that could lead to a vicious political circle. If popular consultations are held and accepted, but subsequently ignored either because they were non-binding or because they failed to reach a quorum, voter apathy will likely increase when such opportunities arise in the future. Voting in elections is already an irrational act for the individual citizen in so far as the probability of his or her vote changing the outcome is minimal. Despite this, large numbers of people do go out and cast their ballot. But if we add to this the probability that the *results will be ignored or voided* by the rulers, then the conclusion is virtually inescapable that citizens will become increasingly apathetic and not bother to vote – first, in popular consultations and, perhaps, later in regular elections.

The non-binding character of certain referendums does not seem to be the most problematic issue. For example, when in 1994 a majority of Norwegian voters refused

EU membership in a consultative (non-binding) referendum, it was politically inconceivable that the Norwegian government would simply ignore this outcome and proceed with joining the EU. The same political logic applied to the 2003 consultative referendum in Sweden on accepting the euro. From this perspective, there would seem to be little to gain by changing from non-binding to binding consultations – except for their potential impact upon turnout. Presumably, more citizens will vote if they are assured that the collective decision, whatever it is, will be implemented. Which brings us to the real issue: which is that of imposing minimal quorums for referendums and initiatives. Sometimes, the outcome can be determined by a very close margin. For example, in a referendum on 18 April 1999, 91.52% of Italian voters accepted a proposal changing the mode of calculation for attributing parliamentary seats to make them better respect the principle of proportional representation. However, turnout was only 49.58%, missing the 50% quorum by only 0.42% of the eligible voters. This rejected an outcome that was massively approved by Italian citizens on the basis of a more or less arbitrary threshold.

The situation in Eastern Europe since 1990 has been quite different. Here, a very large majority of referendums and popular initiatives have been accepted. Figures prior to the collapse of the Berlin Wall showed an acceptance rate of 100%. However, under communist regimes, referendums were hardly held in a democratic manner and the apparent congruence between rulers and citizens was illusory – as the world discovered after 1989-90. Popular initiatives, of course, did not exist. Since democratisation, not only has the acceptance rate been higher than in the "old" democracies in Western Europe, but they have also resulted in much more reliable and immediate changes in public policy. Over the past few years in Eastern Europe and the former Soviet Union, the ratio between ruler initiated referendums and citizen approval of them has fast been approaching that sustained under communism, that is 100%. One could ask whether, if governments always win, could it be because the process of direct democracy itself is biased in favour of incumbents? Evidence on the fate of citizens' initiatives suggests that this is not the case in these new democracies. Here, when faced with choices that typically oppose existing policies and when urged by their rulers to vote "No", Eastern and Central Europe's newly enfranchised citizens have voted "Yes" – about twice as frequently as in Western Europe.

PART III
RECOMMENDATIONS FOR REFORM

Introduction

In our research on "actors and processes" in relation to the "challenges and opportunities" facing contemporary European democracies, we discovered that politicians and citizens were not only aware of pressing needs for reform, but they were also responding creatively to these needs. Contrary to the prevailing impression that the well-established democracies to the West are too sclerotic to make any substantial changes in their rules and practices and that the neo-democracies to the East are concerned only with mimicking these very same rules and practices, we found lots of examples of innovation and experimentation. Needless to say, these efforts were often scattered and too recent to be able to evaluate their potential contribution. Many were emerging from local levels of government and from specialised arenas of governance. Most often these reforms aimed at greater transparency and participation in decision making by citizens and "stakeholders". Not surprisingly, the growing problems associated with party finance and corruption elicited responses at the national level, although non-governmental organisations, such as Transparency International and international organisations, such as the Council of Europe, have also played an important role in identifying poor quality performance and setting standards. Around the more encompassing issues of globalisation and international migration, reform efforts primarily involved trans-national organisations and international agreements, including Council of Europe framework conventions on such matters as the protection of national minorities, the participation of foreigners in public life and the rules relating to the acquisition of nationality. Although it was not founded for this purpose, the entire "experiment" in European integration could be interpreted today as an attempt to respond regionally to the challenge of globalisation. Given the multiplicity of levels of aggregation and diversity in existing rules and practices among European democracies, it should come as no surprise that these responses have not been uniform and frequently have gone unobserved and under-evaluated.

As we now turn to our recommendations for reform, we should recognise that several of them were inspired by the dispersed efforts that European democracies are already making to meet the challenges and opportunities of the "interesting times" in which we have been condemned to live. Unfortunately, however, many of these are so recent that we cannot be sure that they will succeed in improving the quality of democracy. Moreover, we also have to recognise that there are several problematic areas in which very little has been tried. For example, almost everyone by now recognises that citizens are less and less likely to vote or to join political parties, but no one seems to be seriously trying to do something about this.

When James Madison was trying to convince his fellow American citizens to take the risk of reforming their political institutions in the *Federalist Papers: No. 10*, he articulated a famous dilemma. Democracy did not only resolve problems; it also created them – not the least of which was its tendency to produce "factions". Give citizens the freedom to express their opinions and to act collectively and they will "fall into mutual animosities (over) the most frivolous and fanciful distinctions". His response was brilliant: If "the causes of faction cannot be removed [without destroying democracy itself] … relief is only to be sought in the mean of controlling its effects".

We have tried to take Madison's advice into account. And nowhere is this more evident in the contemporary world than with regard to the effect of the mass media. Newspapers, radio and especially, television, have effectively transformed democracy into a "public spectacle". What is supposed to be a solemn process of collective reflection by virtuous citizens deliberating on and choosing among competing conceptions of the public good has become a much publicised circus of stock speeches, televised sound bites, symbolic invocations, vacuous claims and counter-claims, and choreographed events. And there is no way of eliminating this without harming the basic freedoms upon which liberal democracy rests. The answer, we believe, lies in trying to control its effects. In other words, the best way to do this is to make politics more, not less, entertaining. Several of the reforms recommended below are intended (primarily but never exclusively) to make participation in elections, in political parties or in civil society easier, more interesting, and quite frankly, more fun. As one wise observer put it in response to an earlier draft of this text, "you have taken the Fun Factor, or *Spaßfaktor*, into account".

When recommending specific institutional reforms, we found it imperative to return to our starting point, which is, "democracy is the word for something that does not exist".

First, we recognise that promoting democracy will always be "unfinished business". Successes in coping with particular challenges or seizing particular opportunities will only shift expectations towards new ones in the future. Citizens will focus their demands for equality on new sources of discrimination, for accountability to new relations of domination, for self-respect to new arenas of collective identity. All that we can realistically hope for is that the reform measures we advocate will move the polity in a positive direction – never that they will definitively fill "the democracy deficit".

Second, we reject the notion that there is one ideal type of democracy that all European countries should adopt at once or even converge towards gradually. Therefore, it should not be the task of the Council of Europe to identify and advocate a set of identical reforms that would do this. Each member state will have to find its "proper" way of coping with the unprecedented range of challenges and opportunities that face the region as a whole. They have a lot to learn from each other, and the Council of Europe must play an active role in fostering that process, but the points of departure are different as are the magnitude and mix of challenges and opportunities. Hence, reforms in institutions and rules will not produce the same, positive and intended, effects in all countries that adopt them. Reforms that may be welcomed by the citizens of some member states might be resoundingly rejected by others. One could even argue that such a diversity in meanings and expectations is a healthy thing for the future of democracy in Europe. It ensures a continuous diversity of political experiments within a world region whose units are highly interdependent and capable of learning – positively and negatively – from each other's experiences.

Summarising *grosso modo*, we can distinguish three "models" of democracy that persist in all member states to varying degrees – numerical, negotiative and deliberative. They are not incompatible with each other, but each places emphasis on different institutions and consequentially on the reform of different institutions. What is especially important now that we are about to advocate specific changes in formal institutions and informal practices is not to limit ourselves to one or another of these models, but to recognise that all three potentially have something to contribute to improving the quality of democracy in Europe.

Numerical. Democracy consists of a process in which citizens with equal rights and obligations participate directly (in elections, primaries, referendums, initiatives, polls and so forth) or indirectly (through representatives in parliaments, legislative committees, investigatory commissions, advisory councils, local governments and so forth) in the

making of binding collective decisions by competition, such that the alternative that receives the most votes (plurality) or more than half the votes (majority) is chosen.

Negotiative. Democracy consists of a process in which citizens with preferences that are of unequal intensity and, at times, of incompatible resolution enter – again, directly or indirectly – into negotiations with each other in order to arrive at a binding collective decision by consensus, that is that is mutually advantageous and, therefore, acceptable to all.

Deliberative. Democracy consists of a process through which citizens agree to exchange information about each other's interests and passions under conditions of honest disclosure, mutual respect and equal power in order to modify these pre-existing preferences, discover shared solutions and arrive at a binding decision by consensus.

Depending on which model one advocates or regards as most appropriate for a given polity, the object of reform is likely to differ. "Numericals" will tend to focus on measures that encourage citizens to vote, extend the sites at which this occurs, improve the process of tallying up electoral choices and enhance the significance of political parties and representative bodies involved in such mechanisms. "Negotiatives" will be more concerned with improving the means for expressing collective interests and passions through associations and movements and for gaining access to channels of policy making outside the classical partisan-parliamentary one. "Deliberatives" are most likely to favour the development of forums, especially at local or issue-specific levels, in which citizens can meet each other directly, without the intervention of organised intermediaries, and attempt to persuade each other about the best course of action.

The recommendations for reform listed below are not guided exclusively by any one of the three models, but by the conviction that all "real-existing" democracies in Europe are based on some mix of all of them – and that this is a good thing. These recommendations are by no means endorsed with equal enthusiasm by all of the authors, but we have all tried to follow the same guidelines, reviewed in what follows, when proposing them.

Guidelines

Impartiality. We intend to propose reforms, hopefully for collective endorsement by the member states of the Council of Europe, that would improve the quality of democracy.

As much as possible, these recommendations should be "neutral" or "ambidextrous" in the sense that they would not be manifestly designed to benefit one party or political tendency (such as left, centre or right) over another. Ideally, the reforms should also be Pareto optimal in that no existing political party or tendency would suffer from their application and all would benefit. This last condition is obviously impossible to satisfy – if only because of the high likelihood of an "anticipated" objection by some party – but it is not impossible that the eventual implementation of the reform would turn out to be Pareto optimal or at least of benefit to such a wide spectrum of interests/passions that the initial minority would come to accept and even endorse it.

Feasibility. Here the primary issue is one of agency, that is what initial combination of political forces operating under the existing rules of the "liberal democratic" game would support and implement such a recommendation. A secondary issue is one of diffusion, namely, how the evaluation of reform measures initiated in one or a group of member states will affect the likelihood of subsequent adoption in others that were initially reluctant to try them out. Proposals were put forward only if we thought there were realistic prospects of both agency and diffusion.

Level of application. The recommended reforms may not produce similar effects (intended/unintended, desired/undesired) at different levels of political aggregation, even within the same polity. Something that has a democracy-enhancing impact at the local level could well have an autocratic impact if adopted nationwide. Therefore, every proposal for reform should specify and justify the appropriate level of its application. In general, the principle of subsidiarity should be applied. Where possible, the initial experimentation with the reform should take place at the lowest level of aggregation and only once it has proven to have democracy-enhancing effects at that level should it be transposed to a higher level – and even then only very cautiously and gradually.

Strategy for implementation. As a rule, the implementation of democratic reforms should be treated as political experiments, that is they should first be introduced into a small number of carefully chosen units, monitored closely for their co-lateral effects and extended to other units at the same or higher level of aggregation only once their positive and negative effects are known. Ideally, the initial units for experimentation should be chosen on the grounds of "most-dissimilar" systems, meaning that one should control for other differences and select units that are as different as possible on the variable or variables that putatively are expected to have the most impact upon success or failure. Often, it is not possible to know beforehand what variable(s) is going to affect

implementation. Therefore, it might be desirable to simulate its effect by trying out the reform on a mixture of largest/smallest, most/least developed, or most central/peripheral units.

Time horizon. We were interested in exploring and advocating reforms that could be adopted more quickly, that is without constitutional or treaty-like ratification, than those that could be adopted only through some much lengthier process. *Nota bene* that it may be possible "on the cheap" to experiment with reforms at a local, less visible level that would have to pass a much higher threshold if they were "nationalised" right away.

Criteria for selection. Only those proposals for reform that generated a consensus among all or most of the authors have been put forth in this Green Paper. If the person most responsible for the substantive aspect of democracy that was directly concerned by the proposed reform was opposed, the reform was not sponsored.

Our "wish list" of recommended reforms

1. Universal citizenship

This proposal would grant full rights of membership in the political community from the moment of birth to all persons born within its territory or to all of its citizens living abroad, as well as to those children who are subsequently naturalised. Recognising the manifest incapacity of children to exercise their formal rights directly and independently, this reform further proposes that the parents of each child be empowered to exercise the right to vote until such time as the child reaches the age of maturity established by national law. Each child would be issued a voting registration card or whatever device is already in use to identify legitimate voters and would be informed of his or her (deferred) right to vote. The decision as to exactly which parent would actually exercise this right for their children, prior to their reaching the age of 16 or 18, would be determined by agreement between the eligible parents. In the case of one parent or a guardian, that person would vote.

This reform should make the local, regional or national democracy more "future-oriented". Not only would allowing children the vote constitute a symbolic recognition that the polity has a responsibility for its future generations, but it should also provide a real incentive for the young to develop an early interest in politics and to do so through

an awareness of the importance of whatever level of political aggregation granted them this right. Precisely because of this incentive, it is to be expected that children – once they become aware of the right that their parents are exercising in their name in parliamentary or presidential elections – will increasingly hold their parents accountable for the way in which they distribute their electoral preferences. This also suggests that the reform measure should increase various forms of inter-generational discussion about political issues and partisan orientations in general – strengthening channels of political socialisation and improving the elements of citizen training within the family that seem to have considerably diminished in recent decades. It may even compensate for the prodigious decline in a sense of party identification and probably would exert pressure on politicians to lower the age of political maturity from 18 to 16, if not even younger.

Universal citizenship should also serve as a double stimulus to encourage voting among young parents since their children would probably put pressure on them to vote and the weight of their vote once cast would be increased according to the number of children they had. Moreover, politicians would recognise this fact and orient their appeals and policies more towards this (often neglected) segment of the population.

Finally, enfranchising young children and adolescents should contribute to a greater equilibrium of the political process over the life cycle. With increasing life spans and a stable age of retirement, older persons have become an increasingly large component of the total citizenry. They have both the time and financial resources to participate disproportionately in the electoral and policy processes – with the result that an increasing proportion of public funds are being spent on the health and welfare of the aged, and a decreasing sum on the education and training of the young. In the longer run, this is bound to be a self-defeating process as a smaller and less productive set of active workers must pay for an increasingly larger set of retired workers.

2. Discretionary voting

Traditional liberal democratic theory stresses not only one person, one vote, but also that this vote be indivisible – cast for a single party list or candidate. Some systems allow for a limited degree of "transferability" by giving the voter the right to indicate a second preference or the possibility of changing the order of preference in a party listing. More recently, a few polities have expanded the choice of electors by allowing them to vote for "none of the above" (NOTA). In general, we are convinced that such "discretionary"

extensions of the voting process are desirable. They make elections more interesting, they treat the citizen with greater respect and they promote more political competition, not just between parties and candidates, but also with unusual combinations and prospective alternatives.

Historically, the use of discretion was limited by practical considerations, such as the amount of time and attention that one could expect from the average voter during the time that he or she spent in the voting booth. If, as we advocate, European democracies were to switch gradually to postal or electronic voting, the potentiality for providing more information and exercising more discretion could be greatly expanded. The citizen would have a long period in which to express his or her choices – say, a week or more – and one can, therefore, imagine offering a wider range of choices. For example, a citizen could be given not just one vote but a number of "voting points", – say, one hundred – to distribute across candidates or voting lists, as well as to allocate to "none of the above", if the preceding choices were unappealing. Voters would have a chance to record the intensity of their preference for a specific party or candidate and that, itself, would become a part of the public record. For example, winners with a higher proportion of 100% preferences could rightly claim greater public support than those who won by the same aggregate margin but with more mitigated patterns of voter support. A growing number of "none of the above" votes would provide a much clearer signal of dissatisfaction than the alternative, which is usually higher electoral abstention. One might even stipulate that, in constituencies in which "none of the above" gained a relative majority, a special by-election should be held and, if that continued to be the case, no representative from that district would be elected.

3. Lotteries for electors

We have repeatedly stressed the need for improving voter turnout at all levels of electoral competition. Some of the above-mentioned reform proposals might have this as an indirect effect. For example, universal citizenship, by giving additional votes to families with children, might increase electoral participation among young citizens. Discretionary voting should make the act of voting more interesting and expressive of individual preferences, which might also appeal to previously alienated citizens. But we should still be concerned with providing direct and positive incentives for electoral participation. Compulsory voting has had such an effect in the past, but seems to be waning as individuals learn that public authorities are reluctant or incapable of sanctioning non-

compliance. The ancient Greeks considered simply paying eligible citizens to spend a day listening to speeches in the Àgora, but in the contemporary world that seems unacceptably commercial in a political process that is already excessively impregnated with financial concerns.

So we propose a lottery – or, better, three lotteries – for voters. Each person who votes would receive one of three special lottery tickets: one ticket for first time voters; one for regular voters (for example those who have voted in all previous elections for which they were eligible or during the last three times); and one for all other voters. The winning numbers would be drawn at the same time that election results were announced and the names of the eventual winners would be publicised and fêted. The prizes should not be sums of money for private purchases, but portions of the public budget for distribution to state programmes or non-profit associations and movements in civil society. The winners would be given a period, say, a month, to decide what organisation or programme they would give their respective sums to, during which time they would receive diverse proposals from public and semi-public agents. Indeed, when publicised, the decisions that these randomly selected citizens made could have a significant impact on determining public policy priorities and/or on encouraging voluntary support for organisations in civil society.

4. Shared mandates

Normal practice in all existing democracies is for citizens to choose a deputy to represent them – either from a party list or in a single-member constituency. What if parties were required to nominate "pairs" of candidates for each position? One of the two would be the *primus inter pares*; the other would be his or her deputy. The first would receive a full salary; the second a half salary. Parties would be free to decide how these pairs should be balanced – by gender, age, religion or social origin – but the voter would have to choose both of them together. It would be understood that the first of the two would be "senior" in the sense that he or she could exercise the mandate for the full period and be singularly responsible for all of its obligations, or they could divide up the task according to time period or legislative function. Parties might wish to indicate beforehand what the division of labour would be in the forthcoming legislature – or they could simply leave it to the discretion of the pair once elected. The advantages of such an arrangement are multiple: (1) it should allow persons to participate actively in legislative politics while also pursuing their own careers; (2) it would encourage a parity in representation across

gender, age or other sources of social discrimination; (3) it could provide a useful supplement of expertise for the legislative process as a whole; (4) it could serve as a device for gradually inserting young people into the competitive political process; and (5) it would ensure that a larger proportion of the population would share in the direct experience of governing.

5. Specialised elected councils

Modern European democracies are already surrounded by a multiplicity of advisory committees, "functional assemblies" and consultative councils – many of which are intended to provide guaranteed access for organisations of civil society to state agencies and decision-making bodies. The expertise and information that they provide are an important complement to the deliberations of legislative assemblies, and essential for coping with the increasing complexities of public policy. Their democratic status, however, has often been questioned since they provide privileged access to those interests and passions that are best organised and not necessarily to those that are most concerned with the public interest. Usually, the participants in these councils are selected either by politicians or civil servants according to some principle such as "the most representative association" or "the most insistent movement".

We propose that governments at various levels – local, regional and national – consider holding periodic, specialised elections for membership in councils that provide them with advice on matters affecting such social groups as young people, the elderly, the unemployed, ethnic or religious minorities, people with disabilities, or foreign residents. The winners of these elections should be paid a modest sum for their participation. Obviously, the nature of these councils would vary with the national or sub-national context. In all likelihood, pre-existing associations and movements (and, in some cases, political parties) will be more successful in these contests than newly created ones, but their legitimacy as representatives will be enhanced by winning and they will be more inclined to develop broader programmes in order to attract votes from a wider public. Moreover, one could also envisage delegating control over specific budgetary assets to such councils. We believe that an especially compelling case can be made for the creation of a Council of Denizens and will make a specific proposal to that end, but the practice could be extended to cover other social groups – such as young people and the elderly – where appropriate conditions exist. Needless to say, this is a reform that would be easier both to implement and to monitor if initially applied at the local or municipal level and,

only if successful there, might it be advisable to shift upwards to the regional or national level.

6. Democracy kiosks

One of the universal complaints one hears about contemporary democracies is that they are "remote". Their operations are so complex and take place through the intercession of so many layers of decision making and policy implementation that the ordinary citizen feels incapable of reaching those responsible – even when he or she is sufficiently motivated to do so. Moreover, the sheer volume of information that governments put out has increased to such a degree that no one can be expected to keep up unless they make an extraordinary effort.

What if democratic governments – through co-operation between all levels, up to and including the European – were to create a comprehensive system of public kiosks in visible and accessible places in every urban quarter, town and village? Whether standing alone or placed inside sites such as local government offices, public libraries or even police stations, they could serve as distribution points for official publications, allow citizens to make routine transactions such as paying fees/taxes or notarising documents, provide free Internet access for receiving and sending messages from/to public agencies and offer personalised, face-to-face advice from local functionaries about laws and regulations. Eventually, if and when the polity moved towards electronic voting (see No. 28 below), these kiosks could help to fill the "digital divide" by providing dedicated electronic access for those without home or office computers, as well as instruction for its use. In order not to unfairly burden local governments with this additional expense and to ensure an even distribution across the national territory, this system should be funded from central government revenue. The expense could even be amortised over time by a corresponding reduction in the cost of conducting elections, sending official notices and responding to mailed or telephoned inquiries.

7. Citizenship mentors

A "citizenship mentor" programme could be an effective way to introduce migrants to the culture of the receiving society, as well as to acquaint "native" citizens with foreign cultures. The mentors would be volunteers, for example students, who would take on

tasks such as assisting migrants to register into the health-care system, participate in the activities of various civic associations, and who would explain to them the basics of the existing political system, such as its political rights, voting procedures, registering to vote. They could also be "conscripts" from the civic service, proposed in No.10. The mentors and migrants should meet periodically, if possible, during the first six months after entry into the receiving country. Mentors would have previously received formal training in multicultural awareness and civic participation through standardised programmes. A common e-book should be made available in all member states of the Council of Europe with a complete listing of online resources for the use of training staff and mentors. Each Citizenship Mentor Centre would supplement this with specific information according to local, regional or national needs. The Council of Europe could serve as a regional co-ordinator of these experiences and diffuse information on those that have proven most promising. In order to encourage both citizens and migrants to participate voluntarily in this program, non-monetary compensation could be offered to them in the form of free tickets to cultural or sporting events or vouchers to be spent for additional schooling or language courses. Alternatively, where the use of volunteers or conscripts relieved local administrative staff from tasks with respect to migrants, they should be paid a modest (minimum) hourly wage. NGOs in some countries already provide analogous forms of mentorship as well as cultural mediators and they could be subsidised for extending and systematising these practices which could be institutionalised and improved through international co-operation.

8. Council of Denizens

Every political unit in the European Union that has more than a pre-designated proportion (say, 10%) of its total population consisting of "denizens" – legally resident citizens from non-EU member states – should create a council for their political representation. This should be a forum for regular deliberation among denizens and for periodic exchanges of opinion with existing councils composed of citizens at the municipal, regional or national levels. Denizens should also be free to invite politicians, academics and policy practitioners to their meetings, as well as to engage in a broader dialogue with the public on whatever matters they choose to place on their agenda. The size, competencies, and resources of this council would vary according to the social and legal context of the unit.

Representatives to this council should be chosen in a special election (but, ideally, one coincident with the normal citizen election at this level) by competition among political

parties (presumably, in the proportional representation system, with closed lists of nominees). These parties could consist either of "denizen" sections of pre-existing citizen-based parties or of parties specifically created for these elections. Each candidate should be identified by name, profession and nationality and, where possible, information should be provided about the programme of the party that has nominated him or her. The parties specifically created for these elections may be formed of "national" lists (for example, Albanians, Chinese, Senegalese, Ukrainians), of "continental" lists (for example, Africans, Latin Americans, South Asians), of "religious" lists (such as Muslims, Confucians, Protestants) or of "cosmopolitan" lists that cut across these categories.

Such a competitive political process within the denizen community would avoid the need for setting specific quotas and would not certify publicly (and, therefore, reify) any specific institution (association, movement or party) or identity (nation, region or religion). It would be up to the denizens themselves to establish parties according to their own perception of common interest or identity – and the competitive process would determine which of these are entitled to representation on the Council of Denizens. Ideally, the "aggregative dynamics" of the electoral process would tend to reward those parties that represent broader categories of interest or identity and, in so doing, contribute to the formation of cross-cutting affiliations and alliances.

The competencies of the Council of Denizens should vary according to national legislation and constitutional provisions, but at a minimum, it would have the right to be consulted on all matters relevant to the interests of denizens resident in that polity. At a maximum, it could be accorded a veto power with regard to all decisions affecting the vital interests of denizens as such. In between, the council could play an important "mediating" role on such issues as the conditions for expelling undocumented and illegally resident foreigners and for legalising the status of such persons. In other words, it could function as a sort of "popular court" composed of "denizen peers" for handling such contentious issues on a case-by-case basis. Also, the council could be given a formal role in assessing and/or approving public funding for associations that provide services directly and specifically to denizens as well as to illegally resident aliens.

Its resources should also vary from polity to polity, presumably according to its size and competencies. One possible idea that might make for greater fiscal responsibility would be to fund the activities of the council and any subsidies or grants that it might approve from an ear-marked quota of taxes paid by denizens in a particular unit. For example, one-third of the income taxes or of the estimated VAT paid by denizens could be

allocated for such purposes. Councils should have an independent source of revenue that is not contingent upon the budget of the polity as a whole or upon the whims of whatever coalition of citizens currently forms its government.

Given the present distribution of denizens in member states, it should be presumed that such a reform would begin at the municipal level in those cities with the highest proportional concentration of legally resident foreigners. If, as expected, these councils prove to be useful in resolving (even in pre-empting) conflicts between citizens and non-citizens and to be capable of stimulating the active participation of denizens, then, these inevitably dispersed local experiments could lead to their replication at the provincial, national and even supranational levels. Why not, eventually, an European Union Council of Denizens?

9. Voting rights for denizens

Some national states, cantons and municipalities have successfully introduced voting rights for denizens. This practice should be encouraged and improved. In particular, measures to make registration and subsequent access to voting (and hence participation) easier for long-term foreign residents should be introduced. Normally states and municipalities grant voting rights after a fixed number of years of residence in a country (this normally varies between two and eight years). A proposal could be that denizens who participate in programmes of citizen mentorship (see No. 8) or demonstrate a proficiency in civic education, constitutional matters and political history of the receiving country could be rewarded by gaining access to the vote after a shorter period of residence.

10. Civic service

European countries have been gradually phasing out their systems of military conscription. Many of them have provisions for an alternative civic service that has been increasing used by conscientious objectors and has become an important source of supplementary support for organisations in civil society. Not only would the abolition of compulsory military service deprive them of this support, but there are also other good "democratic" reasons why an alternative civic service would be a desirable replacement. It would provide a common experience for all young people regardless of social

distinctions (class, gender, religion, region and so forth) in the larger national community. It would introduce them to the value of working in political and community organisations and offer a unique period of exposure to civic practice and democratic equality. Needless to say, it would quickly become a major source of support for the organisations of civil society involved in the production and distribution of public goods.

Such a service would be compulsory for all citizens and all denizens (who have lived in the country for more than three years) between the ages of 17 and 23. It would last for a short period, to be followed by the possibility of a voluntary extension. Exceptions could be permitted for health- or family-related reasons, but the obligation should be as general and non-discriminatory as possible. The experience should, however, be as flexible and accommodating to individual needs as possible. To accomplish this, it should be divided into three stages, one compulsory and the other two voluntary.

Stage 1 (compulsory). At a time of their choice between the ages of 17 and 23, all citizens would be required to spend four months fulfilling their civic service. The first month would be dedicated to general civic education and would be provided by a dispersed set of recognised institutions: secondary schools, professional institutes, universities, NGOs and other non-profit organisations or firms that would bid for competitive contracts and be paid accordingly from public funds. During the subsequent three months, the "civic draftees" would be assigned to work in organisations of civil society or agencies of public service such as fire brigades, hospitals, homes for the aged, local governments and so forth. During this entire four-month period, the draftees would be paid the same modest salary (say, the minimum wage if it exists) to cover their living expenses (food and housing).

Stage 2 (optional). After this short compulsory period, those who chose to do so could extend their commitment for a further year in the same or another organisation. In addition to the modest salary, they would become entitled to vouchers that could be used only for educational purposes (tuition, fees, housing or other expenses) during a subsequent three year period. These vouchers could be spent at a time of their convenience during the following ten years.

Stage 3 (optional and dependent upon matching funds from eligible organisations). Those who wish and had already completed stages 1 and 2 could opt for spending another twelve months in civic service, provided that an organisation in civil society or agency of public service would agree to pay them a salary equivalent to the modest one they would

continue to receive from public sources. This extra year would then entitle them to an additional two years of educational vouchers.

11. Education for political participation

Traditionally, proponents of democracy have complained that citizens were inadequately educated for bearing the complex responsibilities required of them when voting for representatives or participating directly in decision making. On these grounds, the electoral franchise was often competence-based, meaning that it was denied to those without formal education or those who were illiterate. Ironically, in contemporary democracies, the level of general education has risen so much that some observers complain that citizens have become excessively critical and demanding of their politicians. No one seems to believe that the population has ever received the "correct" political education. People tend to have a limited view of "political" objects, to reduce political affairs to "politicking", not to be aware of policies, programmes, ideas, principles, issues, debates on issues and ways of facing current problems and, consequently, to have a pejorative vision of politics.

Everyone agrees that today's democracies need better politically informed and, therefore, better politically educated citizens. But how can this be accomplished and, more specifically, what should be the role of public policy in this effort? Most "real existing" programmes for civic education focus on a description of formal institutions and a recitation of normative principles. They are far from providing the knowledge and skills demanded by a more politically aware citizenry. Indeed, much of this effort can be counter-productive – helping to breed cynicism when the observed practices fail to match up to the exalted ideals.

We believe that a better approach would be to educate citizens for actual participation in politics – as it exists rather than as it is supposed to exist. This would require that students at various moments during their education be placed in direct contact with representatives and rulers acting in their usual governing roles. The emphasis should be placed on "learning by experience", rather than "learning from manuals". The proposal for a civic service (No. 10) based on internships in government and civil society institutions is one such effort aimed at those who are finishing secondary school. Younger students might be assigned to serve for a day or two as "assistants" to local politicians or activists in parties, associations or movements. One could even imagine a competition about politics

and history among pupils in different schools with the winners spending a limited period of time as surrogate "ministers" or "state secretaries" in the regional or even national government. If millions of Europeans watch the Euro-Song Fest and participate in its ingenious voting system, why not try the same thing for a Euro-Politics Fest? Two or three controversial topics of major importance for Europe as a whole could be selected in advance for debate and students could prepare "briefs" arguing different points of view and proposing different solutions. "National champions" could then face each other off on live television.

12. Guardians to watch the guardians

The purpose of establishing "guardian" agencies and boards is precisely to remove them from "politics" and to insure that their specialised expertise can be brought to bear to solve problems without the "costly" interference of partisan disputes. Unfortunately, this also serves to disconnect them from the circuits of democratic accountability. Elected representatives may have some say in their initial nomination, but little control beyond erratic legislative hearings once they are in office. We propose that all guardian institutions – central banks, general staffs of the military, regulatory agencies for a wide range of purposes, all sorts of autonomous boards and managerial public commissions – be recognised as such and each be assigned a "guardian" chosen by the parliamentary committee most relevant in their field of activity. This person would be a member of the permanent staff, paid by and responsible only to the parliament, and would have the same right to information and presence as a member of the directorate of the guardian institution. His or her primary responsibility would be to report regularly on the performance of the respective agency or board and to evaluate its compatibility with democratic principles – that is to say, a sort of permanent whistleblower with privileged access to internal documents and discussions. This should serve to strengthen the general role of parliament within the usual system of inter-agency checks and balances.

A potentially significant secondary responsibility would be to serve as a specialised ombudsperson *vis-à-vis* the public at large and its exchanges with the guardian institution to which he or she is attached. Virtually all European democracies have general ombudspersons responsible for hearing and acting on citizens' complaints. They have become an important resource in changing and adapting policy making to the needs of the citizens. So much so that they are frequently over-burdened with a variety of complaints and, hence, suffer from a lengthy investigation procedure. Having a number of

specialised ombudspersons covering the guardian institutions would not only diminish the burden on general ombudspersons, but it would also bring more specialised knowledge to bear that should make it easier to discriminate between serious and trivial cases.

13. Special guardians for media guardians

No one questions that the media – press, radio, television and, increasingly, Internet – play a highly significant role in determining the quality of democracy in Europe. They provide most of the information that the public uses to make judgments about candidates and policies; they tend to set the agenda for political debates; they can have an important direct impact upon voter behaviour. And yet, neither democratic theory nor practice knows how to treat the media so that they do not systematically distort the outcome of political competition. Repeatedly, it is said that the net effect of the press, radio, television and Internet should be "neutral", "balanced" and "fair" – but how to ensure that this is so?

By and large, the situation in Europe is relatively pluralistic "at the base" – compared, for example, to that of the United States. Different forms of ownership – public as well as private – prevail and there are usually prohibitions on too great a concentration of market share in the hands of a single firm or consortium. Television stations are required as a condition for their licensing to provide free time to the candidates of competing parties during electoral campaigns. Moreover, many countries have set up independent regulatory agencies ("guardians") to verify that radio and television stations cover political events and personalities in an equitable fashion. They monitor to ensure that the time and attention devoted to government and opposition is not disproportionate. Some of them are even empowered to deliver mandatory injunctions and to impose sanctions on those that violate regulations. These are practices that should be encouraged in all member states of the Council of Europe.

But, who regulates the regulators? Who ensures that they actually do their job and are not "captured" by those they are supposed to regulate? It is one thing to legislate that media treatment is supposed to be "fair and equitable", quite another to prevent the natural tendency to seek to expand market share by simplifying, personalising, and dramatising the "spectacular" aspects of political events. Such regulatory agencies may have the authority to levy fines or even impose injunctions during campaigns, but do they dare to

do so when the winning party can subsequently dismiss their officials or grant themselves an amnesty?

We are convinced not only that the competencies of these agencies should be strengthened so that they can intervene rapidly and effectively – up to and including the power to revoke the broadcasting licenses of egregious offenders – but also that their officials should be both encouraged to act and protected against retaliation. This means insulating them from governmental and partisan reprisals. Not only should they be appointed for long terms with the approval of a parliamentary supermajority, but also their subsequent renewal of contract or removal from office should be the exclusive responsibility of an especially convoked independent commission. How its members should be picked is a matter best left in the hands of each national polity, but we would favour random selection from members of the professional associations involved in the different media – where these exist and have a significant density of membership.

14. Freedom of information

In this Green Paper, we have refrained from advocating new rights and concentrated on innovative reforms in rules and institutions. However, there is one basic right that seems to be particularly crucial in order to meet the challenges and seize the opportunities of today's rapidly changing world. The increase in complexity due to global and regional interdependences and the formidable pace of technological change have made information an increasingly valuable commodity and a fundamental instrument of power. The present distribution of it, however, is asymmetric and becoming more so. Agencies of government and corporations in the private economy have much more access to it than do individual citizens or organisations in civil society. Moreover, they also have the capability to gather even more information in a surreptitious fashion on these same individuals and organisations.

This, in turn, affects the practice of democracy since the ability to receive and process information is a major determinant of choice – individual and collective. Without equal access to information, the citizen can neither form his or her preferences accurately nor decide reliably what course of action to take. Citizens do not know which policies to accept or reject; they cannot reasonably choose which ruler to support or oppose. Negotiation and, even more, deliberation about the public use of legitimate authority are subject to manipulation by those who have privileged access to information. It seems

likely that the rising tide of distrust in democratic institutions is due, in part, to the culture of secrecy that tends to surround agents of public and private power and the suspicion that these agents are distorting information for their own purposes.

A formal declaration of equal freedom of information should be a component of all democracies in Europe – whether as part of a constitutional specification of basic rights or as an independent legislative act.

In principle, this freedom should be two-sided: first, it should guarantee equal access by all citizens to sources of information needed to form their preferences and make their choices; and second, it should obligate all rulers to disclose the information that they have used to make their decisions and that they have gathered on citizens. There are obviously cases in which such transparency and full disclosure would endanger the security of the polity, but the onus of proof for withholding information would always be with its "owner". For example, data on public opinion, however anonymously gathered and privately funded, should be made available to all citizens during electoral campaigns – except during the concluding days of the campaign when all polling should be prohibited.

In practice, however, the effective implementation of this freedom would require that training be widely available (and subsidised for those that cannot afford it) in the technical skills needed to process information; that the equipment necessary for capturing and using information be widely distributed to all social groups or accessible through public kiosks; and that the costs of access be kept as low as possible or subsidised with public funds.

15. A "yellow card" provision for legislatures

Representative bodies at the municipal, local and regional levels should be granted the power to issue "yellow cards" – explicit warning notices – when they judge that their formal rights or informal prerogatives are being infringed upon by drafts of prospective legislation coming from a higher level body. This would allow them to question such infringements without taking the more legalistic (and lengthy and uncertain) step of appealing to a higher court for a judgment on the matter after a decision has been made. Moreover, since in many cases the legal status of such an action is unclear, it would emphasise the strictly "political" nature of many of these inter-level infringements. When given a yellow card, the alleged offending body would have to suspend further action on

its initiative until it had provided additional justifications for its action, including a formal declaration of subsidiarity, that is why its objectives could not be better accomplished at a lower level of aggregation.

An article in the draft EU Constitution exemplifies this mechanism. It would give national parliaments a direct role in monitoring the application of the subsidiarity principle. If and when the Commission fails to consult widely, does not provide sufficient reasons for acting or has not demonstrated that a given proposal respects subsidiarity, it would have to furnish the "yellow-carding" assemblies with a satisfactory justification before proceeding further.

While the prospective EU mechanism is limited in scope, there is no reason that we can see why it could not be extended to cover all future drafts of legislation affecting inter-level relations, or why it should not be put into practice at all sub-national levels as well as at the supranational one. Indeed, this early warning device could be of very considerable value in avoiding unnecessary litigation within national governments and preserving the political component of democratic politics from excessive juridification.

One could even imagine extending this "yellow carding" mechanism in the inverse direction. Higher-level legislative bodies could be given the right to issue explicit warnings when they believe that lower level ones are violating previous commitments, whether formal or informal, constitutional or prudential.

16. Incompatibility of mandates

The clarity of relations between levels of government – local, regional, national and supranational – is enhanced by prohibiting politicians from either simultaneously holding or even competing for (and subsequently renouncing) elected offices at more than one level. Whatever the benefits may be for specific political parties from having "notables" placed on multiple lists or eventually serving at multiple levels, the deficits in terms of unambiguous relations with constituents and accountability in the exercise of authority are much greater. In line with the previous proposal, we are convinced that it is desirable to draw clear lines of competencies, personal as well as institutional, between democratic institutions. Citizens should be able to calculate before casting their vote exactly who will represent them in each specific legislative body and they should not have to rely on complex, multi-faceted chains of personal influence in order to accomplish their political

purposes. Moreover, the fact that almost inevitably politicians running in multiple constituencies in the same election subsequently renounce their winning positions in those at lower levels tends to undermine the status and legitimacy of these local and regional assemblies or executive agencies.[2]

17. Framework legislation

Where multiple levels of decision making exist and where each of these levels has a substantial degree of autonomy within its own sphere, it is nonetheless common that more encompassing governments – national and supranational – pass laws that require the active compliance of less encompassing ones. Moreover, as noted above, there has tended to be a drift in this direction due to the alleged necessity for comprehensive and unified responses to such challenges as globalisation and insecurity. Historically, it was the imperative of national defence or offence in inter-state war that justified most of this impetus towards centralisation. Today, a similar situation seems to be arising from "the War on Terrorism".

Whatever the ostensible justification for centralised action, the principle of subsidiarity would require that any such legislation be of a "framework" nature, that is to respect as much as possible the existing autonomy of lower-level units and leave to them the choice of methods and solutions adapted to their specific circumstances. At most, the central decision should fix the generic goals to be accomplished and the general guidelines for action, leaving the rest of the implementation process to existing local and regional authorities.

Especially destructive of more dispersed forms of state authority are so-called "unfunded mandates", or requirements by central governments not only that lower level governments conform to invariant norms, but also that they fund this compliance themselves without any downward transfer of financial support. No democracy based on multi-level government should tolerate such mandates and, as far as is possible and compatible with the general objective of providing uniform access to public goods, each level should be empowered to raise sufficient "own" resources to produce the public goods that its citizens and their representatives deem adequate.

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2. A recent directive of the European Union has declared that the mandates in national parliaments and the European Parliament are incompatible, but it does not prohibit candidates from running in both contests and subsequently renouncing one of the mandates.

18. Participatory budgeting by citizens

Much of the activity under this heading has been inspired by reforms introduced at the municipal level in Porto Alegre, Brazil over thirteen years ago. In addition to spreading to other cities in that country and elsewhere in Latin America, there have been several experiments with "participatory budgeting" in European cities. The formula differs from site to site but usually involves the earmarking of some proportion of the municipal budget for distribution according to categories of service provision and, especially, projects of investment to be decided by an assembly of citizens at the level of specific neighbourhoods. In some cases, these decentralised assemblies in turn select representatives that meet at the level of the municipality in order to determine (along with regularly elected city councillors) the priorities of the budget as a whole. In other words, this process of transparent and open deliberation among the most directly affected citizens supplements, but does not replace, the usual channels of representative democracy.

We are convinced that this is a democratic reform worth pursuing within Europe, although a good deal of evaluation of the many experiments that have already been conducted will be necessary before settling on the details of its implementation. In the case of Porto Alegre, it was introduced by a specific party, *O Partido dos Trabalhadores* (PT), and it has been advocated exclusively by political forces on the Left ever since. We, however, see no reason why such a reform would not be supported by a broader partisan range in Europe since its outcome could just as well be conservative as progressive – depending on the preferences of the neighbourhood community involved. Moreover, there are evident problems with the actual participation of citizens in such a reform – such as their skewedness with regard to education and social status, their manipulation by organised interests, their affiliation to existing political parties – and there are serious questions about how such a micro-level application might fit within Europe's "multi-layered polity". Clearly, it is a measure that is very sensitive to the scale at which it is conducted and cannot simply be aggregated upwards to the regional, national or supranational level.

Which leads us to advocate a related but more "generic" reform that could be applied at virtually all levels of government. What if citizens could determine, presumably by referendum or initiative, their preferred distribution of total public expenditures

according to level of government? Suppose that they were offered at some point in time the choice of how much they wished to be spent proportionately and within a certain range of variation by municipal, local, regional and national governments. Persistent deviation above or below this distribution would eventually have to be explicitly authorised by these same citizens. Obviously, some flexibility would have to built in for situations of natural disaster or emergencies in national insecurity, but in an accountable fashion citizens would determine *grosso modo* how increases or decreases in general revenue should be allocated according to a pre-established formula.

Note that this would not give them the direct authority to determine exactly how these funds would be spent on competing services or investment projects – that is a job for politicians much more familiar with the details of tradeoffs and relative needs. Nor would it fix the specific means for generating revenue or the degree of transfers from one taxation source to another – just the overall distribution of expenditure by level of government.

Something similar already exists with regard to the European Union where a ceiling has been place by its member governments on the proportion of total VAT collection in Europe that it can spend in a given year. Admittedly, this is set by national governments and not their respective citizenries, but why not practise almost the same thing with regard to their own national territorial constituencies?

19. A Citizens' Assembly

This assembly would be composed of a randomly selected sample of the entire age-eligible citizenry, that is both registered and unregistered voters. Its number (initially) should be twice that of the present lower chamber of the legislature. The selection of "Citizens' Deputies" (CDs) would be in accordance with the existing system of constituencies in the lower house, that is two CDs would be drawn randomly from each district – if a single-member district – or double the number of existing deputies – if a multi-member district. The Citizens' Assembly should be considered as a "committee of the whole" empowered by the normally elected assembly to assist it with legislative review – in other words, it should be regarded as a measure to strengthen not weaken the legitimacy of the regular parliament.

Each Citizens' Deputy would be paid one-half the salary of a deputy in the lower house for the two- or three-month period of his or her civic service. Each CD would be assigned a legislative assistant who would be responsible for ensuring that he or she receives all relevant documentation, respond to requests for further information and help in their interactions with the public.

This assembly would meet once a year for one month at a site to be determined, perhaps even in the lower house of the national parliament. Its unique purpose would be to review and vote on one or at most two bills passed by the regular parliament during the previous year for which at least one-third of the deputies in the lower house have explicitly requested a stay of implementation.

Future Citizens' Deputies should be chosen two months prior to the meeting of the Citizens' Assembly. During this period, they would be provided with the necessary documentation, including the transcript of previous parliamentary debates on the relevant bills and contemporary press commentaries. They could also request any additional information within the limits of national security. Needless to say, arrangements would have to be made to ensure that CDs would be relieved from their regular occupations during their period of civic service and guarantee that they could return to their pre-existing jobs without penalty.

The names of those chosen to be future Citizens' Deputies would be made public and citizens encouraged to contact them – through their respective legislative assistants. Adequate means for communication, for example online computers, photocopying facilities, franking privileges and so forth, should be put at the disposition of all CDs and special arrangements, such as setting-up websites, should be made to make it easy to contact them and protect their privacy.

Citizens' Deputies actually participating in the assembly should be chosen at the end of an initial two month period by coin-toss between the two CDs selected for each single member district or between pairs of CDs from multi-member districts. In the event of illness or other impediment, the "substitute" would become the deputy. Here, the intent is to make it more difficult for CDs to be influenced or even suborned by external influences, since the identity of those participating in the assembly would not be known until the last minute.

The Citizens' Assembly after due deliberation would vote on each of the bills submitted to it. Only those drafts receiving a simple majority of the votes would be passed. No legislation rejected by the assembly could become the law of the land. If the regular legislature failed to assign any bills to the assembly, it would nevertheless meet to review the year's production of laws and issue a statement on their quality by majority vote with minorities expressing their dissent if necessary. In polities that already have referendum or initiative provisions, the Citizen Assembly could replace such arrangements – at lower cost and greater visibility, and with more opportunity for deliberation.

20. Variable thresholds for election

We discussed the currently fashionable proposal for democratic reform in the United States concerning "term limits" for elected representative and concluded that they were not desirable. Contemporary politics requires professional expertise that can be acquired only over several terms. Otherwise, amateur and *pro tempore* representatives could be too easily manipulated by well-staffed and powerful interests. Moreover, Europe's more disciplined political parties might be undermined when large numbers of their candidates with no long-term future as elected representatives might be tempted to vote in erratic or idiosyncratic ways.

What might be appealing, however, as a counterweight to "the iron law of oligarchy" (under which the longer a politician remains in office, the more he or she tends to accumulate incumbency resources and becomes difficult to remove from office by electoral means) would be a system of moving thresholds. Incumbents, after serving two terms, would still be eligible for re-election, but would have to win a higher proportion of votes in order to stay in office. For example, if in the last election he or she had won by 55%, in the next one the threshold would be raised by 2.5%, or to 57.5% – and by the same increasing margin for each successive one. The same system could be applied in proportional representation systems, either to the incumbent candidate's placement on the list or to the number of votes required to meet the quota. Citizens satisfied with their representatives could continue to re-elect them for as long as they wished – but only provided that more and more of them expressed this satisfaction in successive elections.

21. Intra-party democracy

All students of democracy agree that it is desirable that political parties themselves be democratic in their internal operation. Most of these same students would also agree that such a condition cannot be "legislated" – least of all, by some set of binding national or supranational norms. By their very nature parties represent "parts of the polity and society" and, therefore, should have the autonomy to determine who they accept as members and how they govern themselves. In their competition with each other, they may be compelled to widen their respective programmes in order to appeal to voters outside their core membership and they may even be obliged to hold some sort of internal *simulacre* of a democratic process, but they often show little enthusiasm for recruiting new members or for holding genuinely competitive internal elections if this threatens to upset established patterns of leadership. They may also show little or no interest in increasing subsequent electoral turnout if the additional voters do not manifestly benefit their candidates.

So, parties are a necessary component of liberal democracy as currently practiced, but they can also be an impediment to its legitimacy and, certainly, to the reform of its institutions and practices. Nowhere can the response to this paradox be seen more clearly than in the persistent decline in public trust in them. As we have seen, the answer cannot lie in obliging them to behave more democratically; it can only lie in rewarding them for doing so. One could imagine granting free access to the media for publicising their internal democratic processes – elections, hearings, public dialogues, and so forth – but this presumes that citizens wish to listen, watch or read about such events.

An alternative might be to set aside a proportion of the public funds budgeted for supporting political parties for distribution to those parties that hold competitive internal elections for the nomination of candidates or establish regular forums for the discussion of issues with the general public. As for rewarding them for encouraging voter participation, this could be helped by the system of vouchers for party funding (No. 23), since only those who actually vote could distribute these vouchers.

22. Vouchers for funding organisations in civil society

All liberal democracies in which membership and financial support of associations and movements is voluntary suffer from systematic under- and over-representation. Putting it

bluntly, those small, compact and privileged groups that have less need for collective representation get the most of it. Those large, diffuse and underprivileged groups that most need the public goods that only a strong and well-funded collective action can ensure get much less of it. As the German-American political scientist, E. E. Schattschneider, put it, "the trouble with the interest group chorus is that it sings in an upper-class accent" and Europe is no exception – regardless of level or location.

Our proposal is to provide an alternative source of funding for civil society organisations. This could be accomplished in a democratic manner through three, closely related, measures: first, the establishment of a *semi-public status* for interest associations and social movements; second, the financing of these associations through compulsory contributions; and third, the distribution of these funds by means of citizen vouchers.

This reform in the way civil society organisations are funded would deliberately avoid the specification by political authorities of any fixed category of representation based on class, status, sector, profession or cause – unlike contemporary chamber or corporatist systems. It would leave the task of determining the organisations to be funded to the competition for vouchers from individual citizens. In many cases, the reform would be costless – provided governments could be persuaded to eliminate all existing subsidies distributed by administrative agencies and allow citizens to choose which associations and movements deserve financial support.

The central purpose behind the development of a semi-public status for associations and movements is to encourage them to become better "citizens", that is to treat each other on the basis of greater equality and mutual respect, and to dedicate greater attention to the interests and passions of the public as a whole. This would involve nothing less that an attempt to establish a charter of rights and obligations for civil society organisations. It would be naive to suppose that merely imposing certain rules would *eo ipso* make them into more "fact-regarding, other-regarding and future-regarding" actors. The legislation of most national democracies is strewn with unsuccessful attempts to regulate lobbies and pressure groups. What is distinctive about this approach is the coupling of respect for certain conditions of self-organisation and management with quite concrete incentives for support and a competitive process of allocation.

This reform recommendation rests squarely on the need to develop a new method for financing civil society that is independent of the ability and willingness of individual citizens to pay – which means extracting resources involuntarily from all those who

ultimately will benefit. The contribution should be collected equally from all persons resident in a given territory. Persons who wished could also give voluntarily to various causes, but this would not exempt them from the general "representative donation". Note that, by tolerating such a freedom, small and compact "privileged groups" would still be more likely to attract disproportionate resources, since their members would continue to have greater incentives to give voluntarily in addition to the general levy. Nevertheless, given the large numbers involved, a very considerable harmonisation of resources across interest categories and passionate causes would be likely.

The most feasible manner for doing this would be to attach this obligation (and the voucher system) to the annual filing of the personal income tax – at least in those countries where virtually all adult residents are required to file, if not to pay such taxes. Indeed, in the interest of equity, those who are tax exempt because of low revenue, should be exempted from the representation levy, but they would still be empowered to distribute vouchers which would count towards determining which specific associations received money from the common fund. What is important is to retain the low level of individual payments – say, €100 per person – in order not to scare away potential supporters of the reform, but to make the aggregate level of resources provided sufficient to compensate for persistent inequalities between interests. It would also be essential to convince the public that such an arrangement would constitute an important extension of democratic rights – analogous to the previous extension of the franchise.

What pulls this entire scheme together is the mechanism of vouchers. These specially designated, non-transferable units of account could be assigned only to those interest associations and social movements with a semi-public status, in proportions chosen by individual citizens. The only "cost" involved in spending them would be the individual's time and effort in getting acquainted with alternative recipients, plus the time needed to check off boxes or fill in blanks.

Vouchers have many attractive features that would benefit the domain of specialised representation.. They would permit a relatively free expression of the multiplicity of each citizen's preferences – rather than confine he or she to a single-party list or a single candidate as do most territorially-based voting systems. They would allow for an easy resolution of the "intensity problem" that has long plagued democratic theory, since their proportional distribution by individuals across associations should reflect how strongly the citizenry "really" feels about various interests and passions. They equalise the amount paid by each person, thereby, severing the decision to contribute from the unequal

command over resources that unavoidably stems from on the unequal distribution of property and wealth. They offer no rational motive for waste or corruption since they cannot provide a direct or tangible benefit to the donor and can be spent only by certified associations for designated public purposes. Moreover, they should provide a very important incentive for reflecting on the nature of one's interests, thereby, encouraging the opening-up of a new public space. Since they would be repeated over time, the distribution of these vouchers would present a virtually unique opportunity to evaluate the consequences of one's past choices.

Vouchers would, therefore, become a powerful mechanism for enforcing the accountability of existing associations and movements since if the behaviour of their leaders differs too remarkably from the preferences of those who spent their vouchers on them, citizens could presumably transfer their vouchers elsewhere. They would also make it relatively easy to bring forth previously latent groups unable to make it over the initial organisational threshold, instead of using vouchers to switch back and forth among existing rival conceptions of one's interests. And finally, vouchers offer a means of extending the principle of citizenship and the competitive core of democracy in a way that neither makes immediate and strong demands on individuals, nor directly threatens the entrenched position of elites.

Borrowing (but inverting) a slogan from an earlier struggle for democracy, one could say that what we are advocating is "No Representation Without Taxation!"

23. Vouchers for financing political parties

Financing political parties is a delicate issue. In most polities, political parties tend to be chronically underfinanced, and, therefore, they seek to raise money in dubious, non-transparent ways that risk being perceived as corrupt. The accusation of corruption hovering over their finances reinforces the negative popular image of political parties, creating a vicious circle that makes normal citizens less likely to contribute voluntarily to their support, and undermines not only the prestige of democratic institutions and politicians but also public trust in them. As a consequence, political parties do not feel they have enough popular legitimacy to ask for more financial support from the public budget. This keeps them in a perpetual grey zone, on the borderline between legal and illegal means of financing their activities.

One solution for this problem could be a system of vouchers for the specific purpose of distributing public funds to parties. When people vote in general elections, they would also be able to vote a "second time", that is to vote on the distribution of a fixed sum to the party or parties of their choice. In order not to risk too great an initial impact, only 50% of the total public funding for parties would be distributed in this fashion. The other 50% would be determined by the proportional results in the previous elections – as tends to be the practice today. Eventually, this pre-allocation could be abolished and all such funds would be distributed directly by citizens – regardless of how well the respective parties performed in past elections. What is important, however, is that the aggregate sum to be distributed should be higher than is presently the case and sufficient enough not to be overwhelmed by the efforts of individual parties to extract resources from private sources. Presumably, if citizens are convinced that they personally determine which party will be rewarded with their tax money, they will be willing to devote more resources to that purpose.

It should be noted that this second vote would be independent of their vote for political parties or their candidates in that election. Citizens could decide to split their voucher across different parties or allocate them to a minor party that had no immediate prospect of winning. In the more extreme version of this reform measure, voters could even choose to reward "none of the above", that is withhold their financial support to all the existing parties. Such funds would accumulate from election to election and groups of citizens with a minimum number of signatures distributed across a range of constituencies would become eligible for seed money to fund new parties.

We would expect that in most cases the voter would support his or her preferred party, both electorally and financially. Nevertheless, we can also assume that a significant number would divide their vote. First, they would support a party that they prefer most in the electoral race, but secondly they might invest in another party that they would like to see gain more influence in the future. This would enhance the strategic calculations of voters (and might make it more fun to vote) and it should also help minor parties to organise in a more competitive fashion. Another desirable effect of such a reform would be to encourage all parties, major as well as minor, to campaign vigorously for a higher turnout since only those vouchers distributed by actual voters would generate income for them.

24. Referendums and initiatives

The overall trend towards greater direct participation of citizens in decision-making processes at all levels should be given support by the Council of Europe. Both the governmental referendum and the popular initiative are devices that uniquely allow citizens to hold their representatives and rulers accountable. They also tend to increase citizens' interest and expertise in political issues and, therefore, complement other reform efforts aimed at improving levels of civic competence in politics. Finally, such devices should enhance the democratic legitimacy of political decisions.

We recommend that institutions of direct democracy be added to the set of representative democratic mechanisms on all levels of government, including the supranational or European level, with the local level offering the most appropriate starting point for experimentation and evaluation processes in those polities that are not already using them. The European Union should be encouraged to go further than the right to petition proposed in its draft Constitution and introduce both a European initiative and a European referendum. In political systems where such mechanisms are still unknown, priority should be given to the requirement to approve constitutional amendments and ratify major international treaties of major importance by the citizenry as a whole. While there is no ideal type of direct democratic institution, we recommend that both referendums and initiatives be binding rather than consultative. This guarantees the electorate that its decisions will be implemented and this, in turn, may encourage a higher voter turnout. We advise against the use of quorums on the grounds that collective decisions by the citizenry should produce policy effects independently of turnout levels. In federal systems, as well as the European Union, we suggest a Swiss-style design based on a double-majority – one based on numerical criterion and the other based on negotiative criterion that is sensitive to variation in the size of member units. Both the drafting and eventual approval of popular consultations should be subject to judicial review by national constitutional courts and, in the case of eventual EU referendums, by the European Court of Justice.

Similar to the Venice Commission's *Code of good practice in electoral matters*, we recommend that the Council of Europe draft a handbook on referendums and initiatives. A code of good practice of this sort would be useful in both the conduct of popular consultations and their subsequent evaluation.

25. Electronic support for candidates and parliaments ("smart voting")

We recommend that the Council of Europe actively support efforts at developing electronic support systems which would offer citizens – in conjunction with eventual online voting or e-voting (see below) – new sources of information designed to improve the quality, if not also the quantity, of their participation in elections at all levels of government. At the core of this recommendation lies a set of technological arrangements that would allow citizens to match their political opinions with those of specific parties and candidates during electoral campaigns, as well as eventually to engage in e-deliberation with these very same parties and candidates.

These "smart voting" technologies already exist in some Council of Europe member states, although they are not in widespread use. They encourage all candidates to fill in an online questionnaire containing an extensive set of policy questions. Candidates would answer questions such as: "Are you in favour of licensing atomic energy plants?" by clicking on their preference ("very much in favour", "rather in favour", "rather against", "very much against", "neutral" or "undecided"). In addition, candidates would be able to give weight to their preference ("high importance", "medium importance", "unimportant"). The questionnaire would be designed by an official non-partisan commission that, after hearings with civil society organisations and experts from academia, would determine which questions to include and which format to use.

Citizens would then be able to fill in the same questionnaire online and at no cost, either in its full version or in a shorter one that takes up less time. They would instantly be provided with a relative measure of their preferences on specific issues of public concern compared to other citizens who filled out the questionnaires and the distribution of candidates' answers. Virtually instantaneously, they could discover which candidates and parties have preferences similar to their own. They could also choose to fill in the questionnaire anonymously or to register as "smart voters", so their political profile could be stored not only for their personal future reference, but also made accessible to candidates and parties as an alternative to their reliance on public-opinion polling. This would be analogous to the personal customer profiles used in e-banking technologies and could even become an important source of knowledgeable interaction between representatives and citizens. Politicians or parties might even use the (voluntary) system of registration as a way of contacting or recruiting "sympathetic" citizens in the course of future elections.

After filing the citizen's online questionnaire, the system would automatically match his or her preferences with data coming from all the candidates in order to produce a "virtual substantive ballot", ranking them according to the proportional overlap between the candidates' and the citizen's answers. Obviously, the more questions answered by the citizens, the more detailed and accurate their profiles will be. Clicking on candidates' names would also provide the citizen with detailed information about their party affiliation, political profile, previous voting record (if incumbent), links to their personal website, e-mail and other contact information. Candidates could provide smart-voting citizens with detailed justifications for their choice on each item of the questionnaire in order to explain why tradeoffs and compromises were made.

The virtual ballot filled out by the "smart voter" server could even be printed out for use at the polling station, especially in those cases of open-list systems that allow the voter to register a preference for individual candidates. In the future, should e-voting become widespread, an electronic version of the "virtual substantive ballot" could be filed directly over the Internet.

26. Electronic monitoring and online deliberation systems

Between elections, electronic online platforms should be set up to monitor and map roll-call votes of all representative bodies. By accessing this platform, citizens would be able to continually evaluate the political behaviour of their representatives during their mandate. For every roll-call vote in Parliament, every vote would be immediately fed into an online database that would generate an objective profile of the voting choices of all MPs. The same should be done for all lower-level representative bodies. Voters could therefore obtain detailed information on their representatives' political activity easily and at virtually no cost.

A similar system already exists in many member states, but it is provided by organisations in their respective civil societies that generate scales for rating the extent to which voting by representatives conforms to standards of environmentalism, feminism, liberalism, and so forth. These can be quite useful, but they can also be subject to manipulation since the citizen-consumer may not be familiar with the criteria embedded in scoring votes on individual bills. The reform we are proposing makes this transparent and allows the individual the freedom of making up his or her own set of priorities and weights.

Citizens could also be enabled to simulate online the votes they might have cast on past bills, as if they themselves were elected representatives. The aim of this would be to produce a virtual profile that would fit the citizen's individual combination of interests and passions. One's own simulated, "virtual" voting profile could then be matched with the profiles generated by "real" representatives, providing voters with yet another possibility to evaluate incumbent candidates. The matching-technique would be analogous to that used by the "smart voting" technology discussed above in Proposal No. 25. Candidates running for the first time in a local, provincial or national election should be invited to fill out one of these virtual profiles and enabled to give detailed arguments for their real or virtual choices on specific measures.

In addition, online tools could be developed and made widely available that would encourage political deliberation among citizens – and not just between them and their representatives. Of course, so-called chat rooms already exist in very large numbers for a seemingly infinite variety of issues. The contribution of publicly promoted tools of this sort would largely be to systematize and publicise their existence, connect them to representatives at all levels and, perhaps through "democracy kiosks", encourage and equalise access to such forums of discussion. There are also a number of delicate political and ethical issues involved in monitoring such sites. Here, again, is an opportunity for the Council of Europe to investigate "good practice" among its member states and publicise relevant standards.

27. Postal and electronic voting

In a recent report, the Venice Commission concluded that both remote and electronic voting are, in principle, compatible with the standards of democracy in Europe. We believe that the Council of Europe should encourage the introduction of remote voting – be it postal or electronic or both – in elections and referendums. Until the means for remote voting are universally accepted, they should be introduced as *supplementary* channels for political participation. In general, we would recommend that postal voting be introduced before e-voting, and that for an interim period alternative means of site and non-site voting be made available to all citizens. Experience has shown that, once offered the choice, non-site voting quickly becomes the norm, eventually making it easier to switch to a policy of exclusive non-site voting.

Remote voting procedures enhance two elements of the voting process. First, they are more convenient and second, they give the citizen more time to make his or her choice. There is usually a period of one or several weeks during which voters can cast their ballot. Studies show that these two factors tend to lead to higher turnout rates and do not seem to advantage or disadvantage specific groups of voters.

In analogy to the exercise of political rights in Europe, postal voting can be designed according to three basic types. The first, multiple request, requires voters to request formally the ballot forms with which to vote by mail for each election/popular consultation. Once received, they return the ballot by mail as well. This type of postal voting seems best suited for electoral systems that require voter registration for each election. In the second type, single request, voters need only request that their voting ballot be sent to them once. Citizens will thereafter – for the rest of their lifetime – automatically receive ballots and, therefore, the possibility to vote by mail. This type of "single request postal voting" is best suited to an electoral system where voters are required to register only once for all elections. Finally, the third type, fully automatic, refers to systems where the electoral roll is produced from census and/or housing registration without any need for prior action by citizens. In this case, all relevant voting materials are sent automatically to all voters who can then cast their ballots by mail.

Studies have shown that the fully automatic version of postal voting produces has the most impact on improving electoral participation. As with voter registration, the more automatic and open the system, the more convenient voting becomes, and greater is the expected increase in turnout.

In the case of remote electronic voting over the Internet, the procedure could be embedded in an extensive "virtual" election site containing modules that would allow citizens to deliberate among themselves before casting their ballots, to access political information provided by parties and candidates but also by associations and movements in civil society, to evaluate the congruence between their own political stances and the choices of the candidates and incumbent representatives (see Nos. 25 and 26), as well as to vote at a convenient moment from home, office or "democracy kiosk". Not only should this increase the quantity of voting, but also the quality of the voters. The additional information and time to assimilate and evaluate it should contribute to a more reasoned exercise of the franchise. There are still many issues to be resolved before citizens (and politicians) will feel secure in using this technology, but experimentation is currently underway in many member states – mainly, at the local level. The Council of

Europe is an apposite international institution for evaluating the alternatives involved and the lessons learned, and to produce a code of good practice with regard to such electronic voting procedures.

28. An agent for the promotion of democratic reform

The Council of Europe has established itself as the most significant agency for monitoring the practice of human rights in Europe and already plays a significant role in "certifying" the existence of democracy in those countries that have recently emerged from autocracy. Its Venice Commission has carved out a creative role in supplying disinterested legal and constitutional expertise to newly founded democracies in Central and Eastern Europe.

We propose that the Council of Europe should extend its role into the systematic improvement of the quality of democracy in both its actual and its prospective member states. This would involve the creation of a permanent body composed – as is the group of experts who have written this paper – of both academics from several disciplines and politicians with experience at different levels of government and in civil society who would monitor the nature and pace of reforms, evaluate their consequences and, where appropriate, advocate their extension to other governments or countries. This should be done periodically, say, every five years, and make extensive use of data gathered by a regular reporting system in which the member states would be asked to provide information on the reforms that they have undertaken, as well as on the normal performance of their democratic institutions– much as the Organisation for Economic Co-operation and Development (OECD) has done in the field of economic performance. It would not be asked to issue "score cards" comparing the quality of democracy across member states, so much as to identify emerging "good practices" and promote their diffusion to other polities. This requires an initial conceptual framework – such as is provided by this Green Paper – that would identify the key institutional dimensions of contemporary liberal democracy and the standards for evaluating its performance. Needless to say, as we have noted repeatedly, these standards are not uniform throughout the region but vary over a considerable (but not infinite) range.

The mandate of this group of experts should include the possibility of reporting when the quality of democracy in a member state has significantly declined and descended below the European minimum. In which case, it could issue an "orange card**",** more serious than

a yellow one in the sense that it would recommend that the Council of Europe consider suspending the membership of that country until improvements are effected. Needless to say, the final decision to suspend (that is the "red card**")** would remain with the members of the Council.

CONCLUSIONS

Liberal political democracy, as presently practised in Europe, is not "the end of history". Not only can it be improved, it must be – if it is to retain the legitimate respect of its citizens. It has done this several times in the past in response to emerging challenges and opportunities, and there is no reason to believe that it cannot do so in the present.

In this Green Paper, we have tried to use our collective imagination as theorists and practitioners of politics to come up with suggestions for reforms that could improve the quality of democracy in Europe and make it more legitimate in the future. Some of these have already been introduced – usually on an experimental basis – in a few polities; most, however, have never been tried. We would be the first to admit that not all of these reforms are equally urgent or feasible or even desirable. It is the task of democratic politicians to decide which are best and which deserve priority treatment.

We can, however, offer some concluding thoughts on those reforms that we are convinced should be considered most urgently. It is our collective judgement that the major generic problem of contemporary European democracy concerns declining citizen trust in political institutions and participation in democratic processes. Therefore, those reforms that promise to increase voter turnout, stimulate membership in political parties, associations and movements and improve citizen confidence in the role of politicians as representatives and legislators deserve prior consideration, especially in those cases where they also make politics more entertaining. The second most important problem concerns the increasing number of foreign residents and the political status of denizens in almost all European democracies. Measures to incorporate these non-citizens within the political process should also be given a high priority.

We believe that the following reforms could be introduced in most member states by ordinary legislation, are not likely to entail high budgetary costs and should produce immediate, if marginal, improvements in the quality of democracy:

– Lotteries for electors
– Specialised elected councils
– Democracy kiosks
– Education for political participation
– Voting rights for denizens

– Council of Denizens
– Incompatibility of mandates
– Electronic support for candidates and parliament ("smart voting")
– Electronic monitoring and online deliberation systems
– An agent for promotion of democratic reform

These reform below would probably meet with greater political opposition both because they are more innovative and because they are more likely to affect prevailing balances of power between parties, organised interests and government agencies. Perhaps, for that reason, they are likely to have a greater long-run impact on the quality of democracy and the legitimacy of institutions, but they are also more subject to problems of "transversality" in that their indirect effects should be more substantial and, therefore, require corresponding adjustments via other reform measures.

– Discretionary voting
– Universal citizenship
– Shared mandates
– Citizenship mentors
– Participatory budgeting
– Guardians to watch the guardians
– A "yellow card" provision for legislatures
– Framework legislation
– Variable thresholds for election
– Vouchers for financing political parties
– Vouchers for funding organisations in civil society
– Referendums and initiatives
– Postal and electronic voting
– Intra-party democracy

Finally, we acknowledge that the proposals listed below are especially difficult to approve and to implement. They are unprecedented in substance, come with a higher price tag, and would probably require "super-majorities" or even constitutional revision to pass. This does not mean that they should be discarded – only that they require much more deliberation among politicians and preparation of the citizenry before being introduced.

– Civic service
– Special guardians for media guardians
– Freedom of information
– Earmarked distribution of funds
– A Citizens' Assembly

We also wish to conclude by introducing a note of caution. Single reforms in the rules of the democratic game have rarely been efficacious "on their own". It has been packages of interrelated reforms that have been most successful in improving performance and legitimacy. Sometimes this was the result of an explicit and rational calculation of the interdependencies involved; most often however it was the product of the political process itself with its inevitable need for legislative alliances, compromises among competing forces and side payments to recalcitrant groups. In other words, in "real-existing" democracies, the design of reform measures is almost always imperfect, all the more so when the intent is to change the future rules of competition and co-operation between political forces.

Moreover, reformers have usually not been successful in predicting all of the consequences of the measures they have introduced. Almost always, these changes have generated unintended consequences – some good, some not so good. One should never forget that in a free society and democratic polity the individuals and organisations affected by political innovations will react to them and quite often in unpredictable ways. Most significantly, they will try to "game them", that is to exploit them in ways that benefit them in particular and, not infrequently, distort their intent in order to protect established interests.

All of this pleads for caution – especially, when introducing reforms that are genuinely innovative. Ideally, such measures should initially be treated as political experiments and conducted in specially selected sites – normally, at the local or regional level. Only after their effects have been systematically monitored and evaluated, hopefully by an impartial and multinational agency such as the Council of Europe, should they be transposed to other levels within the same polity or to other member states.

We repeat: our democracies in Europe can be reformed. They can be made to conform more closely to that "word that has never existed" and, in so doing, they can regain the trust in institutions and the legitimacy in processes that they seem to have lost over recent decades. But it will not be easy and it will take the collective wisdom of political theorists

and practitioners in all of the forty-five member states of the Council of Europe to identify which reforms seem to be the most desirable, to evaluate what their consequences have been and, finally, to share the lessons from these experiences among each other. With this Green Paper to the Council of Europe, we hope that we have made a contribution to initiating this process**.**

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