

Chapter 8

The Commission's Services

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Summary

The Commission has always been considered the 'engine of Europe.' However, an increasingly sceptical public, the managerial challenge of Eastern enlargement, and allegations of mismanagement have forced ~~the Commission~~ to rethink its role. In 2000, the Commission embarked on an overhaul of its services. We ask how the reform programme has affected the organization, functions, and people of the Commission's services. We conclude that the reforms have probably not weakened the Commission's capacity or will to play a supranational role, though we note distinct changes in appetite: the Commission's leadership has become more managerial, and more wary of bold new initiatives.

Introduction

Commentaries on the European Commission tend to focus more on the College, the political arm of the Commission, than on the services, the Commission's permanent bureaucracy. This is not surprising; commentaries on national political systems also tend to pay more attention to political executives than to bureaucracies. But in the case of the Commission it is unwise to over-focus on the College, for the Commission services are not a normal bureaucracy. They exercise a central role—sometimes in a leading and sometimes in a supporting capacity—in virtually everything the Commission does. Few Commission initiatives are launched, few Commission proposals are made, and few Commission decisions are taken without being extensively examined and approved by the services.

The Commission was initially designed by the founding fathers to be the 'engine of Europe,' and it has generally lived up to this role. But over the past decade European integration has changed dramatically. Three exogenous shocks—a politicized climate, the resignation in 1999 of the Santer College, and the 2004 'big bang' enlargement—have forced the Commission to rethink its role. This rethinking provided the context for a reform programme, launched in 2000 by Commissioner Neil Kinnock, which reshaped the organization and the culture of the Commission services.

This chapter examines how the reform programme has affected the Commission's role as the engine of Europe. Has the institution been weakened, as some anticipated? How have the reforms affected the organization and functions of the services, and how have they influenced the people who work within them?

Origins and evolution

The Commission's services have their origins in the High Authority of the European Coal and Steel Community (ECSC). Jean Monnet, the High Authority's first President, wanted the High Authority to be small and informal. Shortly after becoming President, Monnet remarked to a fellow member of the High Authority, 'If one day there are more than two hundred of us, we shall have failed' (Monnet 1987: 405).

Monnet's hopes were quickly dashed. Following its foundation in 1952, the High Authority rapidly acquired more staff, a more formal organization, and more bureaucratic procedures than Monnet had envisioned. When, in 1957–58, the Commissions of the European Economic Community (EEC) and the European Atomic Energy Community (Euratom) were established, their administrations were built on the High Authority model. With the mergers of the High Authority and the two Commissions in 1967, the single Commission that we know came into existence. Over the intervening years, the Commission's services have expanded their tasks enormously as the Union

has come to touch on many aspects of European citizens' lives. Yet core features of the services have remained durable:

- The services have always been relatively impartial—that is, neutral in their policy stances, save perhaps for a certain pro-integration bias—and independent—that is, autonomous from national and sectoral interference. This impartiality has facilitated close working relationships with a host of governmental and non-governmental organizations. More than ~~any~~ national or international administration, the work of the Commission is intimately interwoven with that of national, regional, and local administrations.
- The administrative structure, organized around Directorates-General (DGs) and services, has remained essentially unchanged, though the number of units has varied. ~~The number of DGs and services~~ increased from fifteen DGs and services in 1958 to forty-five by the late 1990s. Recent Commission Presidents have reduced that number to counter organizational fragmentation, and when José Manuel Barroso took office as Commission President in late 2004 there were 37 DGs and services.
- The services have always been small in size compared with national administrations. There are good reasons for this. National governments have been reluctant to keep the EU's administrative budget in step with the expansion in tasks. Also, the Commission rarely implements EU policies and does not undertake much routine administration—two common bureaucratic activities that require large numbers of civil servants. In 1959 there were just over 1,000 full-time staff in the EEC Commission; in 1970 there were close to 5,300 in the merged Commission; by 1990 the number had increased to 16,000; by 2005 there were just over 24,000 full-time officials.
- Recruitment has been primarily meritocratic. Officials are recruited through competitive procedures, although this has not always been applied strictly at the most senior levels. National governments have often insisted on a broadly proportional representation of their nationals in the top layers of the bureaucracy. Commissioners sometimes violate the rules of competitive recruitment to reward *cabinet* members with a permanent appointment.
- The services have consistently been involved in political as well as administrative activities, with the relative importance of the political being greater than in national administrations. Preparing EU legislation, managing funds, or conducting trade negotiations—tasks undertaken mainly by the services—have significant political ramifications. Monnet intended the Commission to set the agenda for Europe, and the services have generally lived up to his expectations.

What kind of bureaucracy does this make the Commission—or 'the House', in the language of Commission officials? The foundations of most core features can be traced back to three diverse bureaucratic models.

The Monnet model

Jean Monnet had a strong hand in shaping the early years of the Commission services. His vision was to recreate at European level a sort-of Planning Commission,

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based on the *Commissariat de Plan* he had headed after the Second World War in France. The *Commissariat* was composed of a small high-level team of civil servants and experts outside the normal bureaucratic hierarchy, whose main job was to produce five-year national economic plans. In the same vein, Monnet wanted the High Authority to be made up of a small, organizationally flexible and adaptable, multi-national nucleus of individuals. It was to be their role to develop ideas, to stimulate and persuade others, but to leave implementation to national administrations. As François Duchêne put it in his much-admired biography of Monnet, there was ‘a comic incompatibility of humour between Monnet and routine administration’ (Duchêne 1994: 240). Monnet did not want a permanent core of civil servants.

This Monnet spirit is still palpable. By and large, Commission officials focus on designing policies and rely on national or regional administrations to implement most EU legislation. They are an exceptionally diverse and multinational collection of people. And though Commission officials now have career tenure, the Commission is more inclined than national administrations to attract experts from outside.

National bureaucratic models

Monnet was never able to wholly mould the High Authority according to his vision. From the start, the nature and range of its responsibilities and the watchfulness of member states on its functioning meant that it came to have much in common with national bureaucracies. That is to say, from an early stage the services were strongly shaped by Weberian-type principles and modes of operation. As such, hierarchy, formality, and impartiality became key organizational principles.

Particular national bureaucratic traditions and preferences have also fed into the shaping of the services. The strongest national signature remains French, which though weaker now than in the early years of European integration is still apparent in the Commission’s organizational structure and terminology. For example, the terms for senior positions are borrowed from the French model: *directeur-général*, *directeur-général-adjoint*, *directeur conseiller* or *chef de cabinet*.

International organization models

The Commission also echoes features of an international bureaucracy. Indeed, the League of Nations secretariat and the United Nations secretariat were models for the High Authority. The influence of international organization bureaucratic models is evident in the special work conditions of Commission officials, such as their relatively high pay and secure status. Generous terms of employment should help officials resist outside pressures. In return, Commission officials (as well as Commissioners) have to pledge neither to seek nor receive instructions from their home state. Like international civil servants, Commission officials also benefit from tax privileges and from limited immunity against prosecution.

The international legacy is also evident in persistent conundrums the Commission faces: how to wed meritocracy with national representation; how to guarantee officials’ impartiality while recognizing their national allegiances; and how to provide political entrepreneurship in the absence of electoral accountability?

The Commission has always been an amalgam of diverse traditions, but these are now partially under revision. The unstated purpose is to make the Commission services look more like just any other professional administration. However, as we describe the Commission during an age of reform, the threads of continuity appear as strong as those of change.

Powers, structure, and functioning

What is the role of the services in the Commission as a whole? What are their powers and functions, and how are the services organized? As we will see, the basic structural features have remained relatively untouched by the Kinnock reforms launched in 2000. The thrust of the reform pertains to how the services organize their work—both in-house and in relation to member states, third parties and the public—as well as to how they recruit and promote personnel, which we turn to in the next section.

The College and the services

If political and administrative tasks could be disentangled, the College would be responsible for politics and the services for administration. In the wake of the Santer College's resignation, Romano Prodi sought to make the distinction between political and administrative tasks clearer by 'reducing the grey areas which currently tend to blur demarcation lines of autonomy and responsibility between those performing more political tasks and those more involved with administration' (Prodi 1999).

In practice, the role of the services is not easily separated from that of Commissioners and their *cabinets*. There are a number of reasons for this. To begin with, what is 'a political decision,' and what is 'routine' or 'administration?' So, for example, deciding whether a new product is subject to an existing EU law on product standards may appear to be an administrative matter. However, the decision may be contested by important economic or social interests. Second, Commissioners usually rely on the services for information, advice, and the preparation of documentation. The services are the main repository of accumulated wisdom in the Commission. While Commissioners and *cabinets* come and go, the services hold the fort. Third, Commission officials are often the hub of policy networks involving key EU actors, and therefore inevitably influence political choices. And fourthly, and arguably most importantly, Commissioners have to contend with a strong tradition of policy entrepreneurship among Commission officials. Monnet's intent to create a team of creative thinkers still echoes powerfully. This is reinforced by the fact that officials often have career reasons to defend their right to make policy.

Powers and functions

The role of the European Commission is described in the Treaty Establishing the European Community. The Commission has a constitutional obligation to set the legislative agenda in the European Union (Art. 211). It has exclusive formal competence

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to initiate and draft EU legislation. The Council of Ministers and the European Parliament may request the Commission to draft an initiative, but the Commission can, and sometimes does, refuse. The Treaty also instructs the Commission to serve the European interest (Art. 213.2). And it requires the Commission to be independent from any national government (Art. 213.2).

Most powers and functions of the Commission apply to the services as well as to the College, and they combine to put the former in a position that is unparalleled among the administrations of international and national civil services. It is true that ultimate political responsibility for Commission actions lies with the College, but in practice the services have considerable leeway in acting on behalf of the Commission. Commissioners and their *cabinets* usually just do not have the time, information, or political will to monitor their civil servants or fully control their actions.

The Commission's powers and functions can be grouped under six headings: policy initiator, legislative facilitator, executive roles, legal guardian, mediator and broker, and external representative and negotiator.

- **Policy initiator:** The single-most important power of the Commission is its exclusive Treaty right to draft legislative proposals, save for a few exceptions in justice and home affairs and in external relations. This guarantees the Commission pole position in initiating policies, whether this concerns broadly based policy initiatives or proposals to develop/revise narrow 'technical' policies.

Many different actors in addition to the Commission may attempt to initiate EU policy. The European Council and the Council of Ministers regularly request policy papers from the Commission. The European Parliament can prod the Commission to start initiatives. Member states, especially when they occupy the Council presidency, table policy documents and proposals at Council meetings. Interest groups make policy submissions to relevant DGs. However, to be turned into legislation, such proposals must be picked up by the Commission. No other body can draft legislation or direct how the Commission should respond to requests to bring forward legislative drafts.

- **Legislative facilitator:** The Commission also acts as a key legislative facilitator. It is the only institution present throughout the legislative process—at meetings in the Council of Ministers, in the Parliament, and at inter-institutional meetings. This continuing presence gives it knowledge not only of what the legislators in the Council and the European Parliament ideally want, but also what they are prepared to accept.

The Commission's legislative role varies according to the decision-making procedure ~~applying~~. Outside the co-decision procedure its role is pivotal. At any stage, it can withdraw its proposal, thereby aborting the legislative process. The Commission's legislative role is more constrained for matters decided by co-decision, for once the Council and the European Parliament convene in a conciliation meeting the Commission loses the right to withdraw its proposal. At that point, it is merely charged with taking 'all the necessary initiatives with a view to reconciling the positions of the European Parliament and the Council' (Art. 251 TEU). This means that it remains an important actor, but not such a pivotal one.

- **Executive role:** In a few policy areas, the Commission has direct implementation responsibilities. By far the most important of these is competition, where it has to decide, for instance, whether state aids and certain types of takeovers or mergers are permissible under EU law. In most policy areas, however, the Commission relies on national or regional governments, or external agencies, to do the work. About 80 per cent of the EU budget is implemented by third parties. The Commission's role ~~in respect of this eighty percent is largely limited~~ to putting an implementation framework in place—that is, rules that tell national or regional governments or agencies how to implement EU legislation.

Such implementation frameworks—for example ~~rules prescribing how to test technical product standards, or~~ how to set prices for agricultural products—must normally be channelled through a so-called comitology committee, of which there are approximately 300. Here member state representatives, sometimes complemented by scientific experts or interest group representatives, watch closely how the Commission monitors the implementation of EU policies by third parties. Comitology is the living embodiment of how different institutions and different levels of governments have become intertwined. Unilateral action by one institution has become virtually impossible.

- **Legal guardian:** The Commission—along with the European Court of Justice (ECJ)—is also charged with ensuring that EU law is applied rigorously and uniformly throughout the member states. The Commission is heavily dependent on ‘whistle blowing’ to be made aware of possible breaches of EU law. Its limited resources mean that only a relatively small number of likely breaches can be pursued all the way to Court. The usual approach is to resolve the matter informally. But from time to time, the Commission organizes dawn raids on suspected firms, which, if found guilty, may end up paying hefty fines. Since the 1993 Maastricht Treaty, the Commission can also take member states to court. The first fine imposed on a member state was in July 2000 when the ECJ ordered the Greek government to pay £20,000 for each day of continued non-compliance with a 1992 Court judgment concerning the disposal of toxic and dangerous waste.
- **Mediator and broker:** EU decision-making involves a multiplicity of actors eager to influence EU policy making. Within this multilevel system there is a strong need for mediation and brokerage, for which the Commission is particularly well placed. The Commission tends to have the best overall understanding of the positions of decision making actors—a knowledge that stems from its contacts across the EU and its extensive involvement in EU policy processes. It is also more likely to be perceived as impartial, in contrast to, say the Council presidency, parliamentary fractions, or interest group representatives.
- **External representative and negotiator:** The Commission is a principal international actor. It negotiates trade matters on behalf of the EU; it takes the lead during enlargement negotiations; and it shares responsibilities with member states in foreign policy, development policy, and the external dimensions of such policies as transport, environment, and competition. The Commission's influence depends on the character of the policy. It is greatest in policy areas that fall under the first (EC) pillar, notably trade; have been subject to extensive transfer of competence, such as enlargement; do not normally raise too much political

sensitivity, such as development; require impartial leadership, such as competition; and need technical expertise, such as agriculture.

Structure

The Commission services are organized into Directorates-General (DGs) and general and internal services. DGs are normally concerned with policy sectors, such as trade, environment or competition. Other services usually handle horizontal tasks. Examples of other services are the Secretariat General, the Legal Service, and the Publications Office.

The Commission's most senior official is the Secretary-General. There have only been ~~four~~ Secretaries General in the history of the Commission: the Frenchman Emile Noël (1958–87), the British David Williamson (1987–97), the Dutchman Carlo Trojan (1997–2000), ~~and, since 2000,~~ the Irishman David O'Sullivan. The Secretary-General is the captain on the ship. ~~He~~ and ~~his~~ service ensure that all parts of the Commission coordinate activities, act in accordance with formal procedures, and liaise properly with other institutions—notably the Council of Ministers and the EP—and outside bodies. Under Emile Noël and to a lesser extent David Williamson the Secretary-General was also a formidable policy shaper. Several important new policy ideas—including cohesion policy, justice and home affairs policy, asylum policy, and foreign policy—were nursed in the Secretariat-General. But the two most recent Secretaries-General ~~have~~ interpreted their role in more strictly managerial terms.

Each Directorate-General or service is headed by a Director-General, who may be assisted by one or more deputies. Directors-General give instructions to Directors, who head a Directorate. An average-sized DG has between three and five directorates, each of which is composed of between three and seven units—the lowest organizational level in the Commission. A typical unit contains between twelve and fourteen officials, of whom, aside from the unit head, four to six work on policy development, two to three are assisting clerks and three to five are mainly involved in secretarial and other administrative work. These people are often supplemented by one or two contractual positions, such as officials from national civil services on secondment to the Commission.

Reforming the Commission

In the 1990s the Commission's services came under intense pressures to reform. This was largely a consequence of three external shocks to the system.

The first shock was the demise of the 'permissive consensus' on European integration. The Danish 'no' and the very narrow French 'yes' in referendum votes on the Maastricht Treaty heralded a new era—a time in which European integration has become more politically contentious. Governments have found it increasingly difficult to control debate on key issues of European integration: should national sovereignty be diluted; should further market integration be implemented; should the EU

be expanded? More people, from political parties to ordinary citizens, have wished to have their say. Just in case this had not quite dawned on the political elites, the 'no' votes in the 2005 referenda on the Constitutional Treaty in France and the Netherlands reinforced the message. Politicization has weakened the Commission's claim to be the primary agenda-setter for Europe. In a polity that struggles to be democratic, decisions by unelected Commission officials have questionable legitimacy. There has therefore been increased pressure on the Commission to justify what it is doing, and to be more deferential to elected politicians.

Second, from the mid-1990s the EU moved towards the most challenging enlargement in its history, to include a swathe of former communist states. With the 2004 enlargement, the EU is facing a policy environment where problems are more diverse across the Union, resources scarcer, decisions more contentious, and implementation more haphazard. No institution has been left unaffected by enlargement, but the impact on the Commission services has been particularly great. For over a decade now, the Commission has invested extensive personnel resources in the accession process and it will continue to do so for some time to come. It has also been overhauling its own organization to make space for new nationals. In all likelihood, enlargement will result in the Commission finding it a taller order to produce effective and efficient policy.

Finally, the EU struggled through a major institutional crisis in 1999 provoked by alleged faulty practices in the Commission services. In March 1999, the Santer College resigned in the face of allegations of nepotism, fraud and mismanagement of funds. The immediate cause was the publication of a report by a Committee of Independent Experts (1999a), which had been established at the European Parliament's insistence, to investigate accusations of mismanagement in the Commission. Most media attention went initially to those parts of the Committee's report that detailed acts of favouritism by some Commissioners, but the real message of the report was that there were numerous performance problems in the Commission services. A second Experts' Report, published in September 1999, exposed in great detail shortcomings in financial management (Committee of Independent Experts 1999b). This provided the immediate context for a comprehensive reorganization of the services.

The reform programme

Aims

Against the backdrop of politicization, enlargement, and the 1999 resignation crisis, a concerted effort has been made to reshape the Commission into a more professional bureaucracy. The incoming Prodi College had no option but to make internal Commission reform a top priority. Accordingly, a Commissioner—Neil Kinnock, former leader of the British Labour Party—was appointed with a specific brief to draft a reform programme. A White Paper on reform was subsequently adopted by the College in May 2000, and largely implemented during the Prodi Commission.

In the introduction to the White Paper, the Commission stated that:

We want the Commission to have a public administration that excels so that it can continue to fulfill its tasks under the Treaties with maximum effectiveness. The citizens of the Union deserve no less, the staff of the Commission want to provide no less. To

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fulfill that objective, we must keep the best of the past and combine it with new systems designed to face the challenges of the future. The world around us is changing fast. The Commission itself, therefore, needs to be independent, accountable, efficient and transparent, and guided by the highest standards of responsibility.

Source: (Commission, 2000, Part I: 3)

These ringing tones have been given effect by aiming to make the Commission more professional, more efficient, and more focused on core tasks.

Content

Exhibit 8.1 outlines the main goals and measures of the reform programme. The Commission's basic organizational structure has not changed much, but some operational principles have been affected.

One set of measures is aimed at making the Commission more 'service-oriented' and more accountable to its principals—the European Parliament, member states, interest groups, and Europe's citizens. Among other things, the Commission has ensured faster payment of invoices, vastly increased electronic access to documents, and adopted guidelines for consultation with civil society.

Perhaps the single most important change is the introduction of a system of centralized strategic policy planning, which is designed to constrain the services' penchant for initiating new policies. The system tries to achieve a sensitive balancing act. On the one hand, the Commission's responsibility to conceptualize policy is reinforced so as to 'fulfil its institutional role as the motor of European integration.' (Commission 2000: 5). On the other hand, the Commission is induced to do less by confining officials' creativity to designated priority areas—so-called 'core tasks.' What is meant by 'core tasks' is left vague, though some observers have interpreted it to mean retrenchment to managing the single market. The first moves of the Barroso Commission seem consistent with such an interpretation. This retrenchment is reinforced by rules that make it easier for the Commission to externalize 'non-core tasks' to national administrations, EU agencies, and private contractors, of which more below.

At first sight, this new system seems at odds with the Monnet tradition of policy activism and political entrepreneurship. But the implications of the new rules are ambivalent. To the extent that the services' energies are refocused on 'core functions such as policy conception, political initiation and enforcing Community law' and 'away from managing programmes and projects and directly controlling the latter' (Commission 2000: 5), the services may end up doing less hands-on routine administration and more policy initiation—and that would be close to Monnet's heart.

There have also been major changes in personnel policy. Meritocracy is now given clear preference over nationality in recruitment and promotion, and that should make it more difficult for national governments to interfere with Commission personnel policy. The Kinnock reforms also encourage mobility throughout the services and make management training mandatory.

Finally, the Commission has rewritten its financial management rules. It has decentralized financial responsibility to units and even to individual officials, separated financial control and auditing, simplified accounting procedures, and

Exhibit 8.1 The Commission's internal reform programme

Principles and goals	Most important measures
<p>Service-oriented Commission culture</p> <p>Five core principles:</p> <ul style="list-style-type: none"> ■ independence from national and sectoral interests; ■ clear division of responsibility; ■ accountability; ■ efficiency; ■ transparency. 	<ul style="list-style-type: none"> ■ New codes of conduct for Commissioners and for relations between Commissioners and departments. ■ Faster payment of invoices: no more than 60 days later. ■ Framework agreement on relations with European Parliament. ■ Whistleblowers' charter. ■ Improved public access to documents. ■ Guidelines for consultation of civil society groups; public listing of interest groups in committees or working groups. ■ E-Commission: electronic accessibility of documents and contacts.
<p>Priority setting, allocation and efficient use of resources</p> <ul style="list-style-type: none"> ■ Strategic planning. ■ Externalization of non-core tasks. 	<p>Introduction of New Public Management</p> <ul style="list-style-type: none"> ■ Activity-based management (ABM): new system that organizes what Commission does in substantive rather than budgetary categories. ■ Annual policy strategy (APS) combined with annual management programme (AMP): Commission sets policy priorities and allocates resources in APS, which provides basis for departments' AMP. Updated every three months. ■ Detailed, regularly updated job descriptions for each official. ■ New rules for externalization of non-core tasks: devolution to executive EU agencies, decentralization to national administrations, and contractual outsourcing to private parties.
<p>Meritocratic human resources</p> <ul style="list-style-type: none"> ■ Merit above nationality. ■ Managerial training. ■ Mobility and flexibility. 	<ul style="list-style-type: none"> ■ Staff reform: two-track career structure, re-organization of non-permanent staff, changes in pay and pension provisions. ■ Training: fourfold increase of budget, management skills criterion for promotion. ■ New statute for seconded national officials. ■ Senior management: open competition, merit and experience, and no national quotas, compulsory mobility. ■ Transitional rules for enlargement candidates.

continues

Exhibit 8.1 continued

Principles and goals	Most important measures
<p>Effective financial management</p> <ul style="list-style-type: none"> ■ Decentralization ■ Faster and simpler procedures 	<ul style="list-style-type: none"> ■ Separation of financial control and internal auditing; creation of two centralized services — one to help DGs manage their finances, the other to conduct internal auditing. ■ Financial accountability decentralized into DGs, if feasible down to official who decides a particular action. ■ Enhanced cooperation with national administrations. ■ Strengthening of OLAF, the anti-fraud office.

Source: Commission website: http://europa.eu.int/comm/reform/index_en.htm (and links); Kassim (2004).

reorganized and intensified cooperation with national administrations, which are often the culprits of mismanaging EU funds.

The thrust of the reform reflects the new public management (NPM) philosophy, which applies principles and practices from the private sector such as competition, cost effectiveness, outsourcing, and customer satisfaction to public service. Therefore many reforms look very much like what has been happening in national bureaucracies like those in Britain, Scandinavia and Spain (Levy 2003; Suleiman 2003). So the Commission still seeks to emulate best practices from Europe's national administrations, though the models are no longer so much Franco-German as Anglo-Scandinavian.

Externalizing Commission work

A particularly contentious aspect of the reform programme concerns the externalization of financial, administrative and support tasks to agencies outside the Commission. Externalization is not a new phenomenon; many subsidy programmes in agricultural or regional policy have been managed by contractors, who organize (but do not decide on) project selection and administer funds. The main purpose of externalization is to allow Commission staff to concentrate on policy making, and to save money. However, the Commission is walking a fine line between economizing on the one hand and ensuring accountability on the other. This was the flashpoint in the 1999 crisis when the Commission was accused of having encouraged mismanagement in outsourced offices because it did not have proper supervision in place.

The reform package distinguishes between three kinds of externalization: devolution to executive EU agencies, decentralization to national administrations, and outsourcing through contracts with private parties. For each category, rules of engagement and oversight have been standardized and tightened. The basic principle is that the Commission remains responsible for making policy, but external agents take on implementation. By streamlining the rules, Kinnock paved the way for a substantial increase of externalization, even over and beyond substantive policy

programmes and into administration. For example, in January 2003, the DG for Personnel spun off part of its tasks to three offices, one for the payment of all Commission staff, and the other two for managing Commission buildings and infrastructure in Brussels and Luxembourg. The Commission justified the decision by pointing out that externalizing these tasks should shave 18 per cent off operational costs.

Streamlining personnel policy

Contrary to popular myth, the Commission services are small in size. In 2005, the Commission's core of full-time employees consisted of about 7,400 policy-making officials—the so-called *fonctionnaires* who make policy, negotiate with other EU institutions and outside bodies, and represent the European Union abroad. Prior to the reforms, these officials were known as 'A-category officials' in what was a four category personnel career structure. Now they are described as 'Administrators'—a misnomer if there ever was one—in what is a two-track system. There are also about 600 to 700 temporary appointments at *fonctionnaire* level. Members of Commission *cabinets* fall into this category, as do individuals attracted to meet temporary staff shortages or to provide short-term expertise (for example, to evaluate Commission-funded research programmes).

Fonctionnaires are assisted by administrative assistants, clerks and translators, of which there are about 10,600 in total. Before the personnel reforms, these people populated B and C grades; they are now called 'Assistants', and constitute the second track of the new two-track system. There are also some 3,700 researchers, mostly employed in the Ispra/Varese facilities of the Commission in northern Italy on fixed-term contracts. And there are a further 2,500 posts in various EU agencies and offices, such as the fraud-prevention office OLAF, the Translation Centre, the Publications Office, and the Plant Variety Office. A solid 70 per cent of Commission staff reside in Brussels; the other 30 per cent work in Luxembourg (such as for the Statistical Office), in Italy, in one of sixteen EU agencies across the European Union, or in the 120 Commission delegations in third countries.

One goal of the reform programme is to scale down non-*fonctionnaire* numbers by reducing temporary staff, and by off-loading non-core tasks to national administrations or to contract staff. Conversely, two important categories outside the core are set to grow: seconded national officials, and contract agents. *Seconded national officials* are usually sent from national or regional civil services to work in the Commission for up to four years (until the Kinnock reform, up to three years). Exceptionally they may be detached from the private sector or from non-profit organizations. New rules make it easier for DGs to attract national officials, though the number is not to rise above 30 per cent of a DG's permanent policy-making staff. Secondment allows the Commission to attract specialist expertise from the national administration or from the private sector. It also gives national, regional or local civil servants the opportunity to gain experience with EU programmes. That is particularly important for new member states. Precise numbers on seconded officials are not easy to come by, but according to the European Ombudsman, there were about 900 seconded national officials in the Commission in 2004.

The second category to expand consists of *contract agents*. Most of these agents work in the outsourced agencies, some are temporarily employed as in-house 'consultants',

'experts', or 'advisers' (previously called auxiliary staff), whilst others are locals working in the various Commission offices and delegations in and outside the EU. Before the reforms began to take effect, the Commission employed about 1,250 contract agents.

Seconded national officials and contract agents are cheaper for the Commission than permanent staff. Seconded national officials are almost 'freebies' they receive their salary from their national employer, and only a top-up for daily living expenses from the Commission. Contract staff usually are paid 10 to 15 per cent less than comparable Commission staff.

The Commission also hosts about 1,200 trainees per year—known as *stagiaires*. These are usually graduate students, who spend up to five months in the Commission gaining work experience. Competition for these jobs is cut-throat, especially for popular DGs such as external relations or press and communication. To be appointed, it can help to know someone in the services who can make a recommendation from the long list of candidates. *Stagiaires* perform supportive tasks, which can range from copying, to researching background information, to assisting discussions in Commission committees.

Recruitment and training

The reform programme leaves existing recruitment policy basically intact, but upgrades training. Nearly all new officials in policy-making positions are recruited by written and oral examination—the *concours*. Competition is intense, and usually there are, for each vacancy, well over a hundred qualified candidates—that is, people with a good academic qualification and high proficiency in at least one language in addition to their mother tongue. Candidates who pass the *concours* are placed on a reserve list from which they may be cherry-picked by an interested DG. Nationality is in principle not a criterion, but overrepresented nationalities, such as Belgians and Italians, find it difficult to jump from the reserve list to a permanent job.

A minority of middle- and higher-level officials are recruited directly. The rules for recruitment from outside have been tightened, and as a result there are fewer external appointments: between 2000 and 2002 the figure was about 20 per cent among the most senior level (Directors-General) and about 8 per cent among Directors, which is down from about 50 per cent in the mid-1990s. All vacancies need to be posted publicly and require a competitive process.

There are good reasons for maintaining flexibility at senior levels. For one thing, recent member states would otherwise have to wait a very long time before they would have nationals in the senior ranks. Lateral appointments also make it possible to attract scientific or managerial talent to take on specialist jobs.

The biggest change in personnel policy is the virtual elimination of nationality as a criterion for the Commission's top management. National quotas used to be quite strict at the most senior level, and this included informal country flags for some key positions. For example, Germans were usually in strategic positions in the Competition DG, French officials were prominent in the Agriculture DG, Italians in economic and monetary affairs posts, and British in external affairs positions. However, rules now explicitly state that merit and experience should prevail over nationality: 'The nationality of the outgoing post holder is not a factor in the

appointment of the new occupant' (Commission 2002a). The only nod to nationality is that 'each nationality should have at least one post as Director General, Deputy Director General or equivalent.' In its first senior appointments the Prodi Commission demonstrated that the practice of national quotas and informal country flags had indeed ended.

New personnel policy also places a much greater emphasis on mobility. All officials have a non-binding benchmark of staying between two to five years in the same post. Mobility is compulsory for sensitive posts, such as those awarding contracts, determining rights and obligations, and awarding grants, and for top managers. As a rule, senior officials normally do not stay in a post for longer than seven years, and they may even be asked to move after five years. Mobility within five years is compulsory for Directors General.

When new members join the EU, special derogations are made from the rule that 'no posts shall be reserved for nationals of any specific member state' (Art. 27 of the new Staff Regulations 2005) to facilitate recruitment from those countries. For the ten countries that acceded in 2004, some 3,400 permanent new posts are budgeted for by the Commission, plus some 1,000 contract staff, which the Commission seeks to fill by 2010. These posts are distributed across all levels in the Commission, and are allocated to each of the new members according to population size, weighting of votes in the Council and seats in the EP. The most detailed provisions are at the senior level, with forty-one positions at Director-level and ten positions at the level of Director-General or equivalent to be distributed among the ten countries. The objective is that at least one national from each member state holds a Director-General, Deputy Director-General, Head of Department or similar function. So the effects of enlargement on Commission personnel will be phased in over a seven-year period. Except for the most senior posts recruitment is based on competitive exams.

The budget for training tripled between 2000 and 2004. Much attention is given to enhancing managerial skills, with candidates for senior posts now needing to demonstrate solid management experience. The development of financial reporting and accounting skills has also been prioritized.

The 2004 enlargement has presented an unusually tough linguistic challenge, with the number of official EU languages jumping from eleven to twenty. This is deeply affecting the Council and the European Parliament, which are legally bound to conduct much of their work in all official languages. The Commission's working environment is simpler in that it conducts its internal business in English, French or German. This means that all Commission officials—be they from Latvia, Slovakia, or Cyprus—are required to master at least one, and preferably two or all three, of these working languages. However, all official documents and many Commission working documents—and this number has increased dramatically under the EU's new rules on transparent governance—have to be available in all official languages. To meet this challenge, the Commission has been actively involved in recruiting and training translators and interpreters, but has found it difficult to keep up with rising demand. This has led to processing delays, and to officials being encouraged to produce shorter documents whenever possible. Europe's multilingual pluralism does not come cheap: linguistic training and recruitment have absorbed more than a third of the additional administrative expenditure connected with enlargement. However, the Commission is confident it can deliver language convertibility at a cost of just

over £2 per citizen per year. This economy notwithstanding, it comes as no surprise that the EU has been at the forefront of language computerization!

A decade of turmoil

The Treaty creates clear expectations for Commission officials. It prescribes them to put the Union interest first, to set the agenda for the Union, and to promote the Union interest independently from national pressures. The Commission's internal staff regulations reinforce these prescriptions by instructing that 'an official shall carry out his duties and conduct himself *solely with the interests of the Communities in mind*; he shall neither seek nor take instructions from any government, authority, organization or person outside his institution. . . . *He shall carry out the duties assigned to him objectively, impartially and in keeping with his duty of loyalty to the Communities*'.¹

These norms have roots in the pioneering days. The Commission's autonomy, pro-European bias, and its exclusive power of initiative were crucial to Monnet's supranational conception of the Commission as the engine of Europe, and he persuaded member states to enshrine them in the Treaty. In the early 1960s, Emile Noël, the Commission's first Secretary-General, institutionalized them in Commission staff rules and practices. No other national or international organization, with the partial exception of the ECJ, represents so patently the notion that supranational interest is irreducible to national interests. These norms have been reinforced by the Kincock reforms. Thus the 2000 Commission White Paper on reforming the Commission states that, 'the original and essential source of the success of European integration is that the EU's executive body, the Commission, is supranational and independent from national, sectoral or other influences. This is at the heart of its ability to advance the interests of the European Union' (Commission 2000: 7).

How widespread is support for these norms in the Commission? A solid half century later, do Commission officials still subscribe to Monnet's core philosophy? Are they—as Monnet wished them to be—true Europeans with a continental loyalty that transcends national loyalties? And has the most challenging decade in the Commission's existence weakened the core norms, or have Commission officials weathered the storm? We bring to bear evidence from two surveys of senior Commission officials—one collected in 1996, before the external shocks, and the other in 2002, after the shocks. The surveys were conducted with Directors-General, Deputy Directors-General, Directors, and Principal Advisers, that is to say, the people who hold the reins of the Commission administration (Hooghe 2002; 2005).

The public image of Commission officials usually takes on one of two caricatures, neither of them particularly flattering. The favourite is to portray Commission officials as Euro-centralizers, keen on maximizing power in Brussels and in their hands. The other caricature is to suspect Commission officials of currying favours for their nationals while short-changing other nationalities. The two caricatures are difficult to combine logically, though it is not uncommon for the popular press to accuse the Commission of both sins in the same breath.

The Commission and theory

The caricatures reflect contrasting expectations generated by the two classical theories of European integration. Neofunctionalist theory emphasizes that supranational organizations set the pace of European integration. These organizations identify functional needs for regional cooperation, translate these needs into supranational policy, and mobilize support among transnational interest groups to persuade national governments to shift authority. As supranational organizations gain power, so more interests are drawn to them, and this in turn strengthens their resolve to shift authority to the European level (Haas 1958; Lindberg and Scheingold 1970; Stone Sweet and Sandholtz 1998). The Commission is the most powerful supranational organization, and it is expected to identify with Europe first and foremost.

This view is contested by liberal intergovernmentalism. The thrust of this theory is that European integration, and the Commission in particular, is an instrument for national governments to maximize national economic benefits of international cooperation while minimizing the loss of national sovereignty (Hoffmann 1966; Moravcsik 1998). So national governments—not supranational actors—call the shots. Liberal intergovernmentalists conceive of the Commission as a servant of national interests, not an independent actor. They expect Commission officials to reflect the interests of their country. Commission officials should not differ substantially in their views or identities from ~~comparable~~ national actors.

More recently, theorists have emphasized that the EU is a multilevel polity where shared authority is a vital feature of decision-making; in few policy areas can one institution, national or European, take authoritative decisions unilaterally (Hooghe and Marks 2001; Pollack 2000; Sbragia 1993; Scharpf 1994). Multilevel governance plugs top Commission officials into diverse institutional contexts, where they interact with national governments, political parties, public opinion, and other EU institutions, as well as cope with the internal demands of the Commission. Multilevel governance scholars, then, expect the attitudes of Commission officials to vary depending on the relative importance of these multiple influences on their lives.

If Commission officials were to project Monnet's supranational legacy, they would favour increasing the authority of the Commission to enhance its role, would advocate a policy-initiating role for the Commission to maximize its agenda-setting powers, and would champion autonomy from national interests to minimize interference. In the 1996 and 2002 surveys, senior Commission officials were asked where they stood on these matters, and Table 8.1 reports what they said.

An absolute majority of senior officials subscribe to all of the supranationalist norms bar one. This would appear to give support to neofunctionalist expectations and to undermine intergovernmentalist theory. However, except for the broad norm that the Commission should speak for the European interest, there is no consensus amongst the officials. Sizeable minorities reject the supranationalist stance. There is, then, considerable disagreement within the Commission about its proper role—a variation that is consistent with multilevel governance.

Note the upward trend in supranational support from 1996 to 2002. Contrary to what many pundits claim, politicization, enlargement, and the Commission crisis

Table 8.1 Senior Commission officials and supranationalist support

Supranationalist norms	1996	2002
Political authority for Commission		
Member states should not be the central pillars of the EU	65.0	83.7
Commission should be the government of the European Union	51.0	60.2
Agenda-setting by Commission		
Commission needs a vision for European integration/Commission should speak for European public interest	94.3	93.5
Commission should not give up sole right of initiative to European Parliament	62.1	83.7
Administration, management should not be a Commission priority	42.9	36.6
Autonomy from national interests in Commission		
Qualifications should prevail over national quotas/posts should not be distributed according to national quotas	74.7	62.4

Note: Percentage supporting a statement: N = 105 in 1996; N = 93 in 2002. For details on the surveys, see: <http://www.unc.edu/~hooghe>.

have (thus far) not weakened supranationalism. There is significantly *more* support for the idea that member states should not run the European Union (from 65 per cent in 1996 to 84 per cent in 2002), that the Commission should become the embryonic European government (from 51 to 60 per cent), and that the Commission's sole right of initiative should be defended (from 62 to 84 per cent). On basic issues of EU governance, supranationalism has gained ground in the Commission.

Most Commission officials explain this deepening supranationalism in pragmatic terms. They argue that Commission leadership tends to produce better outcomes than member state guidance. Time and again during interviews, officials contrasted the relatively smooth handling of enlargement, where the Commission took the lead, with well-documented examples of inefficient or botched member state guidance, such as the failure to manage the break-up of Yugoslavia, the failed attempt to negotiate external trade in services, and deadlocks in immigration and asylum policy. Furthermore, many top officials warn that enlargement will grind EU decision making to a halt unless the Commission gains more power and can preserve its right of initiative. Monnet could not have formulated it better. Significantly, this support is consistent with one of the key objectives of the reform programme—to concentrate Commission personnel resources on the Union's 'core tasks directly linked to the two main Commission remits, i.e. *right of initiative and guardian of the Treaties*' (Commission 2002b, our emphasis).

Two areas buck the trend of rising supranational support, and both are directly related to the Kinnock reforms. The first concerns the reform programme's objective to strengthen Commission attention to administrative management. Monnet saw a basic contradiction between the need to provide political leadership and the urge to engage in administration. He downplayed the Commission's administrative and managerial tasks—a choice not always appreciated by his colleagues. But the

Commission's senior officials are more with Kinnock than with Monnet. As Table 8.1 shows, even in 1996—before the resignation crisis broke—a majority of senior Commission officials wanted management and administration to be a priority. By 2002, support for this view had grown, with only 37 per cent of officials agreeing with the statement that administrative management should *not* be a priority. Thus by 2002, fewer shared Monnet's view that attention to management saps policy initiative, with more having come to share Kinnock's views that an effective Commission needs to get its books in order first.

The second area where supranational support has weakened relates to personnel policy. Monnet emphasized the need for officials to be independent from national interests. The reform programme reinvigorates this principle by asserting that merit, not nationality, should determine promotion and recruitment, especially at the highest ranks. In Table 8.1, support among senior officials for this principle is considerable, but it softened from 75 per cent in 1996 to 62 per cent in 2002.

Interviews reveal that many top officials take a more nuanced view than either Monnet or Kinnock on national representation in the Commission. Geographical variation among senior Commission officials ensures a range of views in policy making and bestows greater legitimacy on EU policy. Many believe that a policy blind to the realities of a diverse multilevel polity could do more harm than good. Senior officials' instincts about how to balance national sensitivities and impartiality have been honed by experiences over the last decade. A Commission that appears to speak in a foreign tongue is vulnerable to Euroskeptic rhetoric, and a Commission perceived to be the handmaiden of particular national interests loses credibility. That is why officials make a sharp distinction between communicating with compatriots and making policy for compatriots. While the former finds broad approval, the latter meets wide-spread condemnation. When asked in 2002, only 12 per cent believed that Commission autonomy would be better served if officials avoided contact with compatriots, but eighty per cent agreed that national policy dossiers should not be handled by officials of the same nationality.

So Monnet's vision is alive and well in the Commission. His views seem to have remarkable resilience. But some of his principles have received a blow. While there appears to be firm supranational support on the basic choice between an intergovernmental or supranational/federal European Union and wide approval of the Commission's right of initiative, fewer officials now support Monnet's singular focus on creative policy entrepreneurship. Most senior officials—like Kinnock—believe that creativity and managerial savvy-ness must go hand in hand.

Do Commission officials identify with Europe?

Monnet thought of his team as the 'first Europeans' in a Europe where destructive nationalisms give way to a common European identity. As supranational institutions deepened integration, they would help convert national into European allegiances. To what extent do the people in the Commission identify with Europe, and how does this affect their national identities?

Table 8.2 compares feelings of national and European identity among senior officials with those of 'ordinary' European citizens in 2002. It reveals stark differences. While 42.4 per cent of citizens describe their identity as exclusively

Table 8.2 Identity perceptions — top Commission officials versus EU citizens

'In the near future, do you see yourself as . . . '	Top Commission officials	Public
National only	0.0%	42.4%
National and European	38.7%	45.3%
European and National	43.0%	5.8%
European only	2.2%	3.4%
Don't know/refuse	16.1%	3.1%

Note: Commission (N = 93 in 2002); public opinion.
Source: Eurobarometer 54.1, 2001.

national, not a single top Commission official does. Conversely, only 9.2 per cent of citizens give European identity priority over national identity, while 45.2 per cent of top Commission officials do. Thus the people who work in the Commission have decidedly stronger European loyalties than Europe's citizens. But top Commission officials do not abandon national identities for a European identity. Rather, they embrace inclusive, multiple identities. Only 2.2 per cent describe themselves as exclusively European, while 81.7 per cent feel both European and national. Commission officials do not perceive a conflict between being national and being European. Some even object strenuously to the idea that one or the other could be more important: 16 per cent of officials refused to answer the survey question because it compelled them to rank-order national and European identity!

The notion that national and European identities are compatible is deeply engrained among senior Commission officials, and this notion is also growing amongst citizens. Analyzing perceptions of identities over more than a decade, Citrin and Sides find that 'while the nation retains primacy in most people's minds, the growing sense of Europeanness implies that more people are integrating a sense of belonging to two overlapping polities' (2004: 170). For both Commission officials and citizens, multiple identities are consistent with life and work in a multilevel polity.

Conclusion

After an eventful decade—shaped by the triple shocks of politicization, enlargement, and the resignation of the Santer Commission—the Commission services have been reformed. The reforms have put the organization on a more professional footing, most particularly by upgrading on-the-job training, focusing more on managerial skills, scrapping national quotas and country flags, and decentralizing accountability. However, contrary to what pundits had thought, there are few signs that these changes have weakened the Commission's traditional role of being the engine of Europe. A central purpose of the reforms has been to free the 7,000 to

8,000 Commission administrators from routine administration and implementation so that they can focus on initiating policy—in the spirit of Jean Monnet's original ideas.

The many changes in staff policy and work practices seem to re-affirm, not weaken, the special role of the Commission in the EU architecture. And thus organizational change paves the way for institutional continuity. Surveys of the Commission's senior officials before and after the reform corroborate this conclusion. Support for supranationalism—understood here as a preference for a privileged role for the Commission in setting Europe's agenda—has grown among the Commission's senior management.

Does this suggest that more policy may flow from the services? This is unlikely since a major goal of the reform programme has been to constrain the Commission's penchant for policy entrepreneurship. Measures such as the introduction of the Commission's Annual Policy Strategy and its associated Annual Management Programme are designed to achieve this, by compelling Commission officials to pursue initiatives within the guidelines set by the College. Combined with the increasing 'completion' of the internal market and a market-liberal turn in the College and among top Commission officials, these measures may well keep the Commission services' entrepreneurship on a short leash.

Notes

- 1 Art. 11 Commission Staff Regulations 2005 (emphasis added).

Further reading

The academic literature on the Commission has grown considerably in recent years. However, most it remains generally unconcerned with the distinction between the college and the services within the Commission, and focuses on the roles and influence of the Commission as a whole. The list of references provided here concentrates on sources that include extensive discussions and analyses of the services.

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- Commission (2004) *Reforming the Commission: Reform of Europe's Public Services*: http://europa.eu.int/comm/reform/index_en.htm.
- Commission (2005) *Staff Regulations of Officials of the European Communities. Conditions of Employment of Others Servants of the European Communities*: http://europa.eu.int/comm/dgs/personnel_administration/statut/tocen100.pdf.