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THE POLITICS OF REFORMING THE EUROPEAN COMMISSION ADMINISTRATION

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Chapter 4

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1. Introduction[1]

Compared to the research available about the European Commission no other international organization has received a similar amount of scholarly attention. The academic analyses on the Commission fill libraries (cf. Cini 1996; Edwards/Spence 1997; Nugent 1997, 2001; Spence/Edwards 2006). And yet, it is a recent development that the internal organizational life of the Commission is put centre stage. This new interest in a particular - I suggest to call it - *administrative science* perspective on the Commission correlates with the shock produced by the resignation of the Commission under President Jacques Santer in 1999 (cf. however Metcalfe 1992; Laffan 1997b). Due to its particular role within the institutional set-up of the European Union, there is consensus that the legitimacy of the Commission relies heavily on providing valuable policy output (Bauer 2005a). Its public image as an inefficient, inept and mismanaged bureaucracy, must be seen - and certainly was seen by its top management - as a major threat to its long-term organizational credibility.

Subsequently, the resignation of the Santer Commission was followed by a reform of its financial as well as personnel management. The major part of the 'Kinnock reform' (named after the Vice-President in charge of the administrative modernization) has been conceived and implemented between 2000 and 2004. This reform has been the subject of a number of insightful studies (Bauer 2001, 2002, 2008; Bearfield 2004; Coull/Lewis 2003; Cram 2001; Kassim 2004a, 2004b; Levy 2003a, 2003b; Metcalfe 2000; Spence 2000; Spence/Stevens 2006; Stevens/Stevens 2006).[2] While doubts have been raised whether the reform has been efficiently implemented and, even if so, whether it will boost organizational effectiveness (Levy 2006; Metcalfe 2000), it is fair to say that most observers tend to see the reform as a kind of 'historic' achievement - if compared with the up to then unimpressive reform record of that institution (Kassim 2004a, 2004b; Spence/Stevens 2006; Stevens/Stevens 2006). In the following I do want to explore the *politics* of reforming the European Commission in more detail.

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1   I would like to thank Christoph Knill and Tim Balint for valuable comments and special thanks go to Tim for his research assistance.
2   For comments from 'inside' the Commission cf. Reichenbach (2001) and Kinnock (2002).

Surprisingly, up to now the crucial question why the Kinnock reform has been so much more successful than all prior reform attempts, has not been systematically tackled. To address this question I suggest focusing on various reform features and the crucial 'stakeholders' involved in the Kinnock reform and to compare constellations and characteristics with the prior reform attempts. The hope is that through comparing the various Commission reforms diachronically the most important factors influencing modernization of this international organization can be identified. Pursuing this objective, I follow an exploratory logic using the available scholarly accounts, official documents on the four major reform attempts recorded in the Commission's history and draw on interviews I conducted myself with crucial reform players within the Commission.

I will proceed as follows: in section 2, I develop a tentative analytical frame specifying why and how I will analyze the various attempts to reform the Commission from an actor-centered perspective. I will use the developed scheme to then look at the four major Commission reform attempts in the last 30 years (section 3 to 6). Finally, I will conclude by addressing the utility of the developed politics perspective for understanding the reform and non-reforms of the European Commission (section 7).

2. A stakeholder perspective

For several decades, the modernization of the public sector's management is dominated by academic as well as professional advocates of New Public Management ideas (cf. also chapter 2 in this volume). Given the profound differences in national public sectors and the variety of administrative organizations as well as diverse regional cultures in which these are embedded, it is no surprise that we do not yet have a straight forward model of public sector reform processes. What we do have, however, are empirical-based ideas about the relevance of crucial factors with respect to reform triggers, reform speed and scope of modernization. Somewhat surprisingly, these loose frameworks which emerge from the pertinent literature have not yet been systematically applied to international organizations as such (Pollitt/Bouckaert 2004; Rainey 1998; Wright 1994).[3] But there seem ex-ante and in principle no obvious arguments against using the standard public reform literature as a starting point for comparing national with international reform processes and identifying potential explanatory factors with respect to the reform of international organizations such as the European Commission.

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3 Note that Pollitt and Bouckaert (2004) do include the European Commission as an example in the empirical part of their analysis. While their text on the Commission provides many insights, they do not develop specific hypotheses for the analysis of reforms in international organizations.

In a nutshell, the 'usual factors' seen to influence public sector reforms are socio-economic problem pressure, intellectual trends, isomorphistic processes, party politics, idiosyncratic national political institutions, blockade power of the public service, reform demands from constituents, perceived needs to streamline political responsibility of public entities, catalytic events that point to organizational failures, the provision of political leadership of reform processes, organizational commitment to the reform aims from the organizational top as well as the rank and files, clear and coherent reform agenda and, last but not least, the role of the media.

The various theories behind these factors are well established and need not be discussed here in detail. Each of these factors has a timing, speed and scope dimension, i.e. analytically it is possible to develop particular and competing hypotheses about reform triggers and time of occurrence, about the particularities of reform process and the scope of the reform results - respectively 'anchored' in *one* or *some* of them. Yet the obvious problem is that, first, various factors do occur at the same time but may push a particular reform in different, and sometimes even opposite directions; and, secondly, that these factors tend to occur in various varieties, thus making it rarely possible to disentangle unmistakably the 'specific constellations' of reform x or y; with the implication that predicting reform processes and outcomes is difficult to impossible.

Given such obstacles, I suggest narrowing the present investigation to focus on the politics dimension of reforming the Commission and to link the politics variables with the observable reform output. That means that to unpack the processes of organizational change the interaction problematic in view of the production and implementation of that organizational change are put centre stage. While it would be foolish to deny that socio-economic, institutional decision-making procedures, media and catalytic events do have an impact, it has likewise to be acknowledged that the impact of any of these factors needs 'agency'. Change is only conceivable as a function of action and changing strategies of the relevant stakeholders within the reform game.

To identify the relevant actors and those crucial dimensions of Commission reform attempts that structure the interaction of these relevant actors I suggest applying loose veto player logic. The crucial questions then are, first, whose 'consent' is needed to device and successfully implement organizational reform? And secondly, how do certain deliberately chosen reform features relate back to the interaction of the actors involved and therefore to the eventual reform output? In view of these questions I see a priori three stakeholders or groups of actors who appear to qualify as veto players by virtue of their formal and informal powers: first, the constituents of the Commission, i.e. the member states in the Council and the European Parliament, secondly, the political leadership of the organization, i.e. the President and the College of Commissioners and third, the staff working within the Commission and their representative bodies who at the end of the day have to accept, implement and sustain organizational change. In the case of this latter interaction - i.e. basically between staff and reform advocates - it is of particular interest whether an inclusive-participatory or exclusive-adversary style of interaction prevails.

As regards the quality of the leadership of organizational change it is crucial whether leadership can be exercised over time in a coherent-systematic or merely disjointed-patchy way. In order to typologize the various Commission reforms as a precondition for explaining their respective success and failure, I argue that it is sensible to pay most attention to the interaction of crucial actors and the patterns or factors which do coin their respective interaction within individual reform processes. In other words, the meaning and consequences of actor interaction have to be appreciated in the light of additional factors - which may be manipulated or are manipulable potentially by the reform advocates. On the basis of the pertinent comparative public sector reform literature (Pollitt/Bouckaert 2004), the proposition is that the following additional factors structure the administrative reform processes inside the Commission - and therefore are important variables as regards the politics of reforming this organization. An overview of the analytical framework to compare the various Commission reform attempts - including the interaction factors - is given in the following table.

Table 2:   Factors structuring Commission reform processes

factors	possible values	
origin of pressure for reform	outside, focal event	inside, profile sharpening of individual Commissioners or Presidents
reform scope	incremental	big bang
quality of reform content	technocratic, i.e. problem-analysis and functional solutions	political, i.e. solutions framed in order to accommodate important interests
style of reform management	exclusive-adversary	inclusive-participatory
provision of organizational leadership	disjointed-patchy	coherent-systematic
use of meta strategic elements	changing rules of the game	not changing rules of the game
successful implementation	yes	no

The major questions are: Where does the pressure for reform come from? Does it stem from outside the institution or from inside? How is the reform aim to be characterized, as a big bang or as an organizational optimization in incremental fashion? What is the style of the suggested measures? Is the content more technocratic, i.e. a rigorous problem-analysis which is followed by the suggestion of functional solutions, or is it political, i.e. the possible solutions are framed in order to accommodate important interests? Furthermore, it appears important whether the reform process is

played by the existing rules, or whether the actors engage in 'meta-strategic' action by attempting to change the rules of the game in their own favor.

All these factors do have an impact on whether reform can be accomplished between the three groups of stakeholders, i.e. whether the proposed reform measures are implemented successfully.[4] If one accepts this framework as a first basis for structuring the politics perspective on Commission administrative reforms, I suggest going ahead in a fairly straightforward manner. I will subsequently discuss the four major administrative reform attempts; regardless whether one deems them successful or unsuccessful, in the history of the European Commission: Spierenburg in the 1970s, Delors in the late 1980s and early 1990s, Santer in the late 1990s and Kinnock from 2000 to 2004. When doing this I try to reveal as much information as possible as regards the identified factors. The stakeholders identified as major veto players (constituents, organizational leadership and staff) remain central for the analysis. Thus, I will concentrate less on the details as regards the content of the individual reforms but rather restrict the analysis to the reconstruction of the underlying action logic of these stakeholders and their role in providing or hampering crucial reform decisions with respect to the identified crucial factors. In the final section, I will use the gathered information to construct a typology of Commission reform politics and draw some tentative conclusions.

3. Roy Jenkins first attempt: Spierenburg 1979

Jean Monnet, shortly after taking office as the first President of the High Authority of the Coal and Steel Community in 1952, believed that 'if one day there are more than two hundreds of us, we shall have failed' (Monnet 1978: 405). Within two years the High Authority's staff numbered almost three times as much. In 1967 the then three 'Commissions' (the High Authority of the Coal and Steel Community, the Commission of the European Economic Community and the Commission of the European Atom Community) were merged into a single Commission of the European Communities. Additionally, the 1960s and early 1970s saw a considerable expansion of tasks and responsibilities as well as the first enlargement 1973 in what was later to become the European Union. The first decades of the Commission's organizational life thus were coined by unstructured, incremental growth and development. By focusing on delivering policy instead of administering or managing, the basic bias characterizing this organization certainly stems from those early days (Ludlow 1991).

Nevertheless, shortcomings of internal organization and management made themselves increasingly felt in the aftermaths of the 1973 enlargement of the United Kingdom, Ireland and Denmark, i.e. countries coined by rather distinct administra-

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4   To be sure, that does not mean that the reform works successfully - not the outcome shall be measured here - but merely whether the measures conceived were formally agreed upon.

tive traditions compared to the original 'continental' six member states. It is therefore probably no coincidence that Roy Jenkins - a former British Labor politician - when appointed President of the Commission identified as a priority to 'improve the efficiency of the Commission […] and to this end one of his first acts was to establish a committee under the chairmanship of the former ECSC High Commissioner, Dirk Spierenburg, to draw up a report on the internal workings of the Commission' (Nugent 2001: 39; Spierenburg 1979).

The major problems Spierenburg and his colleagues identified were: a lack of cohesion within the College, an imbalance between Commissioners portfolios, worrisome organizational fragmentation at College and administrative levels, an inefficient distribution of staff compared with responsibilities, and a problematic career structure. The Spierenburg report recommended a reduction in the number of Commissioners (specially from those member states having 'two' Commissioners) and portfolios, a restructuring of portfolios to make them more equal, re-grouping of Directorate-Generals to make them better correspond to Commissioner portfolios, a reduction of the number of divisions and Specialized Agencies inside the Commission, a strengthening of the presidency of the Commission as regards the coordination of the Commission's activities and measures to improve staff training as well as transparency as regards staff mobility and promotion (Stevens/Stevens 2006: 457).

> In the event, virtually all of the proposals ran into opposition from some quarter: the large member states did not wish to lose one of 'their' Commissioners; some Commissioners were uneasy about the position of the presidency being over-elevated; Jenkins - who did not have a high regard for some of his fellow Commissioners - did not favor 'equalizing' Commissioners' portfolios; and senior Commission officials did not want to see their bureaucratic empires and interests undermined (Nugent 2001: 39).

After having received Spierenburg's recommendations, the College installed another committee to consider their implementation. Given that the Spierenburg recommendations did upset virtually all stakeholders for various reasons, it does not surprise that the reform proposals were left largely unimplemented - except for a minor reduction of the administrative units within the Commission.

What does this story tell us? The Spierenburg blueprint was a commissioned exercise. It was the result of an attempt by Roy Jenkins to sharpen his presidential profile; though it was certainly chosen well, since already in the 1970s the Commission's problems of internal coordination and management were undeniable. However, among major stakeholders - especially among the member states and the other Commissioners - the perceived need for reform was obviously little pronounced. Moreover, many proposals also alienated the senior management where the acceptance of the proposition that some reform was needed was probably even less prominent than at the political level inside the Commission.

Moreover, the fact that the Spierenburg analysis has been coming somewhere from *outside* the Commission appeared to have made it even easier to disregard his recommendations. The unhappiness of Roy Jenkins with the thrust of the proposed reform model probably dealt the major blow to this first reform attempt - since with-

out Jenkins' political backing the reform enterprise virtually lost the indispensable organizational leadership (cf. chapter 12 in this volume).

4.   Neglect of administrative reforms under Jacques Delors 1985 - 1995

The years under the presidency of Jacques Delors have come to be seen as a 'lost decade' in terms of improving the European Commission's internal management (Bauer 2001). In fact, after the publication and discussion of the Spierenburg report, it is difficult to claim that the major management deficits had been unknown. Pointing to the neglect of management issues during the three Delors Commissions, is not to deny that Jacques Delors has been extraordinarily successful in pushing forward grand European integration projects like the completion of the internal market or monetary union. Justified or not, by concentrating organizational capacities on specific policy projects, Delors appears to have deliberately chosen not to emphasize internal managerial deficits - probably fearing that tackling them would hamper him in proceeding with his agenda. It fits this picture that Delors' way of steering institutional policy making was based on his *cabinet* and on personal links and loyalties rather than on sticking to formal organizational procedures (Ross 1994; Cini 1996).

This is not to say that the issue of internal reform and managerial modernization has been completely absent in that period. In fact, Henning Christophersen, Commissioner for Personnel and Administration from 1985 to 1988, and Richard Hay, respective Director General from 1986 to 1991, attempted to raise awareness of managerial deficits and introduced small-scale improvements as regards work organization, interpersonal relations and to strengthen as well as to clarify the management responsibilities of middle management - in particular of the section heads. In addition, regular recruitment procedures have been introduced (to fight irregular back-door recruitment) and finally organizational investments in information technology and training have been made.

> The success of these initiatives was however limited. There were two reasons. First, they depended on the leadership of one or two Commissioners and Directors-General without strong support from all their colleagues, so that when others less committed to administrative reform succeeded Christophersen and Hay, enthusiasm flagged. Second, the program encountered deep-seated cultural resistance. Many officials in the Commission were suspicious of the Nordic approach to management which they identified with the Christophersen/Hay agenda […] (Stevens/Stevens 2006: 458).

The last years of the Delors era have been considerably less successful than its first - also in terms of European policy output. But all in all, as regards the European Commission's institutional reputation the Delors period stands for unprecedented task expansion as well as the successful handling of southern and northern enlargements - while, at the same time, internal procedures and management practices remained largely untouched.

But inside the Commission - in particular as regards the needs of sound financial management - frustration over Delors' management neglect rose in particular against

the end of his last term. A point in case is the Schmidhuber affair. At the very end of the Delors presidency the 'Schmidhuber memorandum' drew attention to management deficiencies in the area of financial management. Schmidhuber, a conservative German politician at the end of his carrier, was in charge of the EU budget during the last years of the Delors Commission. He summarized his experiences and his conclusions about existing deficits and how to improve the management of the Community finances as a sort of political testament to the use of his successor. This text was finally tabled at the very last meeting of the Delors Commission, early January 1995, and accepted by the College 'against the will and vote of Jacques Delors himself' (Laffan 1997a: 181). The main points of criticism of the memorandum were that the Commission departments paid far too little attention to the organization and methods of financial management compared to the contents of policies. According to the memorandum, the individual Commission services were also too dependent on the DG for financial control to detect breaches. Furthermore, the evaluation of the funding programs was judged to be inadequate.

As regards the stakeholder perspective the lack of management reform action during the time of Jacques Delors does not come as a surprise. Neither Delors himself nor the majority of his fellow Commissioners appear to have attributed the management modernization topic major relevance. In addition, the few reform advocates did not or could not hang on long enough to their mandates in order to secure sound implementation. Moreover, the few and small-scale reform initiatives which could be implemented have come to be seen by the staff as attempts of northern newcomers (i.e. from countries known for their reservations against European integration) to change the well-established traditions and culture of an organization which - under the leadership of Jacques Delors - stood under high esteem and was seen as the most successful and pro-active Commission ever. Furthermore, the member states gave no priority to matters of the Commission's internal administration.[5]

5. A second attempt: Jacques Santer and internal reform 1995 - 1999

After Delors, Jacques Santer a former Luxembourg Prime Minister took over the presidency of the Commission. His intention was to mark a difference to his visionary predecessor by promising a period of consolidation - 'less action but better action' was his slogan. Consequentially, the matters of internal administration and management came under scrutiny. Jacques Santer even made internal reform one of the major aims of his presidency. According to Santer, public confidence in the Community institutions had to be re-installed and the Commission's organization

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5   This topic only received attention insofar, as the Commission's requirements of *national* implementation of European funds came to be regularly criticized as overly bureaucratic. The optimization of internal procedures and organizational requirements at supranational level as such was no topic.

had to be prepared for the next century. The Commission shall become a 'modern, efficient institution [...it] must be in a position to manage the high level of integration the Union has achieved: it must be remembered that its responsibility for policy management constitutes a substantial part of its activity and generates high expectations in the eyes of the public' (Santer 1998).

Such statements marked indeed a stark difference to past priorities. The Finnish Personnel and Administration Commissioner Erkki Liikanen - in budgetary matters seconded by the Swedish Commissioner Anita Gradin - took to design and implement the modernization of the European Commission. The first initiative was 'Sound and Efficient Management 2000' (SEM 2000) with a strong focus on improving financial management, i.e. the area where the Schmidhuber memorandum had identified the major deficits. Liikanen developed also a program for the 'Modernization of Administration and Personnel Policy - known under the acronym MAP 2000 (European Commission 1995a, 1995b, 1995c). The aims were simplification and (increasingly) decentralization of procedures associated with the management and organization of staff within and across Directorates-General. In particular, a key problem was seen in the difficulties to balance organizational objectives with the necessary staff - i.e. the virtual impossibility to re-allocate staff inside the Commission where it is most needed in accordance with shifting political priorities. These ongoing modernization initiatives became merged into a multi-faceted reform program, the so called DECODE, Designing the Commission of Tomorrow framework (Bauer 2001, 2002; Stevens/Stevens 2001, 2006). The ambitious plan was to come up with a comprehensive reform proposal as the basis for further consultation sometime in 1998. However, in 1997, the staff and the unions

> [...] were becoming increasingly suspicious of a reform program that was not well understood outside the small circle charged with developing it within the Personnel and Administration DG. The members of this group were conversant with the discussions on administrative reform, which had been going on for some years in the OECD's public management group (PUMA). They assumed a far higher familiarity with, and acceptance of, these ideas within the Commission than was actually the case (Stevens/Stevens 2006:460).

Two major themes can be identified which elicited strong hostility among staff and in particular among the unions. The first was kind of cultural. Many - in particular older staff - placed their professional identity on the model of the Commission as pursuing the integration of Europe, if necessary in opposition to the member states, i.e. largely the 'Jacques Delors model' of the Commission. Focusing on the concept of management - as the reformers around Liikanen did - was thus seen at best as a distraction - especially since reform advocates (as in the in the cases of Jenkins, Christophersen and Hay) came regularly across as 'representatives' from such critical member states bearing deep rooted misgivings about the particular logic of functioning of the Commission and, from this perspective, presumably also about the integration project as the whole. The second major theme of critique came from the unions. Since the Liikanen approach appeared to call for greater decentralization - also and in particular as regards staff management - the unions, which traditionally

are better connected to the top of the Commission's organization, feared the risk of being bypassed and thus becoming the particular losers of such reform initiatives.

Before the Liikanen proposals formally reached the College, the unions started to organize resistance. The unions called for a strike when an internal report itself not part of the core reform strategy - the so called Caston report - leaked containing radical proposals with respect to sensitive career development and personnel management (Coull/Lewis 2003). The subsequent 30 April 1998 strike attracted very wide support from staff - even from senior management. As a result, the College distanced itself from the Caston report and in a 'conciliation act' David Williamson, a retired former Secretary General of the Commission, was to chair a 'group' where management and staff representatives were to check out consensual ground for further internal reform. This put the Liikanen reform project effectively to a halt.

Moreover, the reform issue was soon overshadowed by the struggle of the European Parliament with the Santer Commission over the discharge of the 1996 budget. It is fair to say that the issue of internal optimization, though intertwined with this debate, played only a minor role in this inter-institutional struggle.
This struggle was to lead to the resignation, for the first time ever, of a European Commission on charges of fraud, mismanagement and nepotism.[6]

Within the literature, the assessment of the Liikanen reform attempt under Jacques Santer is ambiguous. While the reform initiative has been criticized for lacking internal cohesion and coordinated action (Kassim 2004b: 36)[7], it is also acknowledged that the Santer Commission took the issue of administrative modernization more seriously than any Commission before (Peterson 1999; Metcalfe 2000). As regards financial management - especially with respect to decentralizing responsibility - even some real progress has been made. However, in the sensitive area of personnel modernization any chances of success have been wasted, by and large by insufficient communication that created the impression of secrecy and fears of a major assault on the rights and independence of the European civil service. These managerial problems of the management reform have been 'exacerbated by a lack of clear leadership from the top' (Stevens/Stevens 2001: 194).

> An overview of Santer's reform program suggested that the reasons for Santer's failure to initiate fully-fledged reform within the Commission can be attributed to his failure to win support for his reform agenda within the Commission itself. This failure is attributed both to Santer's lack of credibility as a change initiator and to the rather elitist way in which he oversaw the process of reform (Cini 2000: 22).

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6   The details of the resignation have been described elsewhere (Peterson 1999; MacMullen 1999; Kassim 2004a, 2004b; Stevens/Stevens 2006).
7   'It (the Designing Tomorrow's Commission program) lacked an overall strategy and was not based on a systematic diagnosis. Initiatives were launched piecemeal, with no clear final ambition, proper co-ordination or sufficient forethought. […] There was little attempt to prepare the ground by explaining the purposes of proposed changes to relevant constituencies. A climate of secrecy surrounding the reform enabled the staff unions to exploit anxiety among Commission Personnel' (Kassim 2004b: 36).

From the stakeholder perspective, lacking leadership by Jacques Santer can thus be diagnosed. Although Santer was rhetorically claiming to make his Commission engage in a comprehensive internal reform, when conflict on that issue arose, as the Caston affair suggests, he appears to have been quick in bending to pressure - or, at least, not firm enough in backing his reform Commissioner (Bauer 2001). Liikanen himself, however, committed some grave errors by not communicating enough about process as well as content of the reform project and alienating thus not only unions (what was to be expected) but also moderate staff at all levels. As a result especially the senior management, otherwise probably more open to ideas of organizational modernization, rejected this particular way of conducting the reform project. In addition, neither the College nor senior staff seemed to have been convinced by the necessity of reform or by the advantages of these particular reform initiatives, while also the member states remained largely indifferent.

In sum, Liikanen was unable to muster coherent and sustained organizational leadership in implementing internal reform and obtained no support from political constituents like the European Parliament and the member states. The mishandling of internal communication additionally increased the opposition of staff and staff unions - which would otherwise probably have been less cohesive and less fundamental.

6.   Reform, at last: Kinnock 2000 - 2004

The dramatic resignation of the Santer Commission made the modernization issue a top priority for the succeeding team under President Romano Prodi (Peterson 2004). Neil Kinnock - one of the few 'survivors' of the Santer Commission - became Commissioner in charge of the reform in rank of a Vice-President. Kinnock drew heavily on the blueprints already available upon arrival - but the swiftness of conceptualizing and implementing (formally) the Commission reform in the years 2000 to 2004 justifies that this modernization, as it is usually done, is referred to as the 'Kinnock reform'.

There is broad consensus to conceive of the reform undertaking as guided by New Public Management ideas (Hooghe 2001: 57; Quinlivan/Schön 2001; cf. chapter 2 in this volume). A different matter is the assessment whether the reform may or should not be called a success. I think it is fair to say that there is a group of scholars more interested in processes and in the magnitude of managerial or cultural change who interpret the reform critically but positively - not least when compared to the low level of internal modernization culture in the past (Cini 2000, 2004; Christiansen/Gray 2004; Hine/McMahon 2006; Kassim 2004a, 2004b; Spence/Stevens 2006; Stevens/Stevens 2006). Others more concerned with the (likely) effects of the modernization and with the consistency of the programmatic rhetoric with real action appear to be more doubtful (Bauer 2006; Christiansen 2006; Levy 2003a, 2003b, 2004, 2006; Metcalfe 1999, 2000).

If one measures the success of the modernization attempt counting the initiatives proposed by the White Paper in the year 2000 (as the reform blueprint) and sees what got 'implemented' by 2004, the reform record appears indeed impressive (European Commission 2004).[8] It should be clear that formal implementation is one thing and sustained management improvement as reform outcome something else. However, even on this yardstick the Kinnock reform is definitely much more successful than any Commission reform attempt before. The catchwords are decentralization of financial responsibilities, reformed personnel policy, clearer carrier development, staff descriptions, cross service priority setting and resource re-allocation and activity-based management cycles (for more details cf. the chapter of Schön-Quinlivan). Since this has been done already extensively, I suggest not investigating the content of the Kinnock reform but to accept for the time being that the Kinnock reforms have been by and large a successful undertaking.

The question - with respect to the stakeholder line of argument pursued here - is then in what respects did the process management and the production of collective decisions of the Kinnock reform differ from the three former unsuccessful Commission reform attempts? I will address this question in four steps by focusing on, in turn, the context, the constituents, the College and the staff.

6.1   Context

The first thing to recognize is that when Neil Kinnock took over the reform portfolio the overall context of how the Commission and the Commission's role were perceived had changed - and clearly in favor of some sort of reform. Compared to his reform-minded predecessors Kinnock enjoyed thus clear advantages. First and foremost, Santer's resignation made the reform issue a top priority for the new team under Prodi. The pressure was high, since the assessment of the work of the new Commission - be it from the member states or be it from the European Parliament - would directly depend upon how the reform issue was tackled. Second, Kinnock did not have to start from scratch. Not only could his team build upon the reform dossiers developed by Liikanen and also upon the reports from the Committee of the Independent Experts (especially the second report on improvement of the financial management). Third, the events in the context of the resignation crisis made it very plain to Commission staff that some kind of serious internal modernization was unavoidable and even desirable - if the Commission was to overcome its current state of organizational uncertainty. In sum, the perceived reform need within the organization, among the stakeholders was higher then ever before. Pressure to do something and expectations to come up with results did clearly back the reform advocates.

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8   The question, of course, is: What does 'implemented' mean? For a critical review cf. Levy (2006).

6.2   Constituents

For the European Parliament and even more so for the member states in the Council the resignation of the Santer Commission opened an opportunity to demonstrate publicly their crisis management capacity. A successor was installed in record time and Romano Prodi made internal reform a top priority. During the subsequent reform process the Council and Parliament did express few positions on details of reform. In fact, once the new Commission was sworn in, it was by and large left alone to work out and implement the administrative reform. Only when the reform of the personnel policy had to be agreed upon by the Council due to the necessity to change formally 'the statute', i.e. the staff regulation, the member states showed interest in some details.

In the event, the major line of conflict in the Council was whether and how to save costs by making the 'overpaid' Commission staff contribute to the 'consolidation' of future civil service pension expenses (at that time as regards reforming national civil services a major topic of discussion in a variety of member states). As regards the European Parliament, its two major concerns in this matter were, first, how to secure exceptional treatment for recruitment and promotion of its own officials (close to the political parties). And, second, given that the Parliament was formally only to be 'consulted' in the formal procedure of changing the statute, the Parliament's other concern was how to increase its formal decisional powers in the direction of co-decision. Apart from these issues neither the member states nor the European Parliament appeared particularly interested in the minutiae of the Commission's reform process. Nevertheless, it was a clear political expectation that the Commission under Prodi would sort out the modernization issue in some way or another.

6.3   Committing the College

Neil Kinnock was charged with the task of designing and managing the reform. He was appointed Vice-President and he did not have any other portfolio than that of the administrative modernization of the Commission. As a Vice-President Kinnock's position within the College of Commissioners was comparatively strong; much stronger than that of any of his predecessors such as reform advocates like Liikanen, Christophersen or - let alone as an outsider - Spierenburg. Not being the Commission President himself might be seen as a disadvantage (cf. chapter 12 in this volume). On the other hand, with no other responsibility than administrative modernization and given that even the Commission President is little more than a primus inter pares inside the College, Kinnock's institutional position was definitely powerful. In addition, Kinnock introduced some procedural innovations in order to formally and informally involve his Commissioner colleagues in the modernization exercise. It is probably less astonishing that among cabinet members some special working groups have been installed to assure the circulation of information on the

issue on a weekly basis. Kinnock's 'decisive tactical innovation on the 'home front' with his fellow Commissioners was to channel all proposals formally through the College. Without this formal approval of the various reform initiatives by the College, the solidarity of the other Commissioners in times of conflict would have almost certainly been much lower. And there have been difficult times, where the mood in the College was very bad'.[9]

The details of Kinnock's policy as regards involving, informing and committing the College are well described elsewhere (Kassim 2004a, 2004b).[10] The point is that this sort of process management was an innovation and appears to have safeguarded the coherence of the Commission's political leadership with view to advancing administrative reform. The commitment held even in such critical times where at least some Commissioners would have preferred to back the particular interests of 'their DGs' staff' thus gaining in profile for 'defending' their staff's interests than to remain loyal to 'Neil Kinnock's reform initiatives'.

6.4 Unions and staff: divide et impera

As clarified above, the Liikanen reform did not come to a halt because of the rising conflict over alleged fraud and mismanagement with the European Parliament. It was the well-attended strike - organized by the unions - as the visible reaction of the Commission staff to the leaking of the Caston report (perceived as too radical) in a context of insufficient information about the ongoing reform project that dealt the major blow to the project. The unions claimed this as their success - but the reality was probably more complicated. The 'unionization' of Commission staff has three basic features: membership and election turnout are low and competition between the various - and sometimes very small - unions is high. There are three main unions or, more precisely, groups of unions: Union Syndicale Fédérale (USF), Confédération Syndicale Européenne (CSE) and 'Alliance confédérale des syndicats libres' (l'Alliance[11]). It is obvious that this structure of staff interest organization tends to lead to a certain radicalization of demands while it is not always clear   how unions'

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9   Interview, 16 March 2005.

10   For example, Kinnock insisted in the case of some crucial steering groups that they would come from different Directorates-General of the Commission in order to avoid the dominance of special interests - for example as regards budgetary or personnel services - but also to prevent reform critiques of the reform from exploiting potential cleavages by claiming the proposals would benefit some parts of the Commission at the detriment of others.

11   The Alliance is a rather loose pact consisting of formerly independent unions like R&D (Renouveau et Démocratie), FFPE (European Civil Service Foundation), SFIE (Syndicat des fonctionnaires internationaux et européens), TAO-AFI (Association of Independent Officials), SE (Solidarité Européenne) and A&D (Action et Défense). The Alliance was founded itself only in 2002 as a reaction to Kinnock's change of the staff representation rules.

claims connect to the 'silent majority' of staff - in particular at middle and higher management echelons (Spence/Stevens 2006: 191).[12]

Early on in the reform process, when the initiatives to be included into Kinnock's reform White Paper became first public (March 2000), the unions called for a strike attempting to emulate their successful strike action on 30 April 1998 against the Liikanen proposals. That time, however, only few staff participated and the strike had to be called off (Stevens/Stevens 2006: 475). In response, the moderate unions like the USF (nearly 50 per cent of seats in the staff representation structures) and the SFE (around 10 per cent) decided for a strategy of constructive negotiation instead of sticking to fundamental opposition. To have the modest unions cooperating was an immense success for the reform advocates around Kinnock. Two crucial maneuvers of Kinnock helped to convince the moderate unions to sit on the table together with the reformers.

The first was Kinnock's insistence to communicate directly with staff on issues of the internal modernization (later implemented with web pages, possibilities of direct complaints to Kinnock via internal mail and a regular reform letter to inform staff about the developments as regards the implementation of the reform).

> Kinnock had a better understanding of the importance of good internal communications to the management of change. At his first meeting with the unions, he insisted on his right to communicate directly with all staff […]. This left the unions much less room to exploit the climate of uncertainty and suspicion which had undermined reform in the past. Given the support of the leadership and the high profile of reform, the sheer pace and openness of these procedures enabled Kinnock to re-establish the control of the agenda which the Commission had lost to the unions in 1998 (Stevens/Stevens 2006: 473).

The second was a pitiless change of the institutional game of staff representation inside the Commission. First, Kinnock reduced the union's resources by diminishing the ratio of staff being exempted from normal service to work exclusively on behalf of unions. Second, Kinnock changed the rules of representation of the unions within the staff representation committee, i.e. the central body of formal staff representation inside the Commission. A union would only be eligible for membership in the representation committee, if it reached 5 per cent of votes of the various localities of the Commission (Brussels, Luxembourg, Ispra, Karlsruhe etc.) or 10 per cent of the total votes and if the unions would have at least 500 members.[13]

In effect, these measures divided the unions into moderates (and rather big) and radicals (usually small unions). Hence, this considerably reduced the influence of the smaller and typically more radical unions (Kassim 2004b: 44); and was probably part of a deal between Kinnock and the more moderate unions: the moderates got   a

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12 Voter turnout in votes for staff representation in the Commission is notoriously low.
13 To change this was not easy. In a first attempt, Kinnock only changed the underlying regulation, but this was declared void by the Court. Only a complete new accord with the unions - based on the agreement of management with the larger unions - brought the desired result.

say - and thus concessions[14] - in the modernization process in exchange for bringing the consent of more than 50 per cent of the formal union votes to the negotiation table. Additionally, the structure of representation was changed to the benefit of the bigger and more established forces.[15]

In the event, the unions negotiating with the Kinnock team were able to secure some crucial concessions while having to embrace the general thrust of the reform. In a nutshell, the concessions were mainly in favor of the staff already inside the Commission, i.e. before the change of the statute went into force in May 2004 (for details cf. Bauer 2006). In any case, by dividing the unions, by weakening their monopoly on direct communication with staff and by making concessions to appease the established and moderate staff unions, resistance to the reform was effectively diminished. Himself puzzled about the modest staff reaction to the relatively radical changes inflicted by the Kinnock reform, a union activist commented that 'it has been a small wonder that with kind of two days of some strike action the resistance already got used up'.[16]

Focusing on the stakeholder constellations, there are striking differences between the Kinnock reform and the former unsuccessful attempts to reform the Commission administration. First, for the constituents, i.e. the member states and the European Parliament, the achievement of some kind of administrative reform would be an essential yardstick to measure the success of the College in general, as well as Romano Prodi and Neil Kinnock in particular. That does not mean that the member states and the Parliament engaged in overall micromanaging of the administrative modernization process; actually where they did - like in the case of formally changing the statute - the effects were rather counterproductive. Nevertheless, they provided political pressure for results that played into the hands of the reformers inside the Commission. Second, as regards the political leadership of the Commission, i.e. the College, coherent positions within the reform process were secured by regular and comprehensive information and by putting as much as possible and this as early as possible to formal votes. Thus, early in the process a sense of ownership evolved and for the single Commissioner outright defection from the reform course became costly. Thirdly, Kinnock provoked and exploited incoherence among the unions, weakened their institutional resource base and provided for direct communication between reform-minded management and staff. As a result, compared to the magnitude of organizational change, staff resistance was all but negligible.

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14   Given that the concessions are only valid for the old staff, the achievement of the moderate staff union will become very relative as times goes by. The Commission staff appears to have realized this and has strengthened the more radical parts in the staff elections following the Kinnock reform: 'Depuis 2003, lors des élections de tous les comités du personnel l'USF et le SFE ont été lourdement sanctionnés par l'ensemble du personnel de la Commission, puisqu'ils ne recueillent plus que 40 pour cent de représentativité globale. Lors des dernières élections du comité du personnel de Bruxelles (mai 2006), R&D et le SFIE sont sortis grands vainqueurs de ces élections' (Interview, 3 November 2006).

15   Interview, 19 October 2006; Interview, 3 November 2006.

16   Interview, 16 March 2005.

7. The politics of reforming the European Commission: towards a comparative perspective

Comparing the central stakeholders and their respective positions throughout the past attempts to modernize the European Commission's administration bears some clear messages. For example, the role of its constituents, i.e. its political principals, in the reforming game is important as a source of 'outside demand' for reform. However, the constituents' influence remains indirect and as such rather a resource to call other actors to joint action in view of accomplishing *some* reform than a source of targeted micromanagement towards *a particular* reform. In other words, the influence of the constituents is much more restricted than one would have expected on the basis of experience with normal, read: national public sector reforms. From the three groups of stakeholders - constituents, College and staff - constituents appear to be of least importance for the management minutiae of the reform process - although their unspecified demand for organizational change should be considered as having a strong impact on the success chances of reform on the whole.

On the basis of the investigation into the four different Commission reform attempts as conducted in the previous sections, I propose to classify the patterns of the individual cases of organizational change (cf. table 3).

Table 3: Patterns of reforming the European Commission

factors	values	Spieren-burg	Delors[17]	Santer	Kinnock
origin of pressure for reform	outside				X
	inside	X	X	X	
reform scope	incremental		X		
	big bang	X		X	X
quality of reform content	technocratic	X	X	X	
	political				X
style of reform management	exclusive-adversary	X	X	X	
	inclusive-participatory				X
provision of organizational leadership	disjointed-patchy	X	X	X	
	coherent-systematic				X
use of meta strategic elements	changing rules				X
	not changing rules	X	X	X	
successful implementation	yes				X
	no	X	X	X	

17 The period of the Delors presidencies stands for a neglect of internal reform; the Christophersen and Hay reforms were initiatives of a very small scale.

It is clear that each case of assigning a particular value to one of the reforms under study is open to critical discussion. The point is that for the explorative purpose of this article I did not operationalize the factor values ex-ante and I did not specify where and how exactly lies the threshold for deciding whether a particular case is subsumed as one or the other factor value. However, this table should be read rather in a gradual way, i.e. that given the information I could bring to bear an individual reform as regards a particular factor dimension, it indeed appears to go in the indicated direction than in any other.

With this caveat in mind, the table still displays some interesting patterns. There is first the 'origin of the pressure for reform'. In case of the Commission, inside pressure alone was not enough. Only when the focal event of the resignation crisis shattered the actors' perceptions of the need of reform, a positive reform outcome was subsequently reached. Although the mechanism as regards this factor are not quite clear, it appears very likely that such a focal event made it harder for reform-averse actors to keep their position. Additionally, the focal event certainly increased the readiness of the constituents to call upon the Commission for resolving the managerial deficiencies - thus putting a threat of sanctions on the no-reform camp.

The question whether it is better to implement a reform as a big bang or in a purely incremental manner remains inconclusive. Although the Kinnock reform was a big bang with considerable costs for many important groups of actors inside the organization and one should have therefore expected rather high resistance, it could be successfully implemented. 'Muddling through' as such appears no promising reform strategy. Since one cannot exclude an 'accumulation' effect, i.e. reform attempts increase over time the respective success chances for the next reform attempt, as regards the factor 'reform scope' no clear message can be identified from the present analysis.

As regards the 'quality of the reform content' and the 'style of reform management' a very clear correlation to reform success appears possible: technocratic reforms in a top-down manner that are process managed in an exclusive-adversary style have been so far unsuccessful. By contrast, the Kinnock reform which can be classified as a political reform, since many solutions were framed in order to accommodate particular interests of important stakeholders and which has been managed in a inclusive-participatory style was highly successful.

In this respect it is revealing to focus the inclusive-participatory style of Kinnock's reform management. It is little surprise for those familiar with national public sector reforms that the politics of staff inclusion are of crucial importance. Two times, once under Delors and once under Santer, the implementation of reform was hampered by unnecessary high resistance among staff convinced that reform went against the thrust of the organization's (and thus their individual) professional identity. The point here is not to refute or prove the underlying claims. Rather such resistance is the sign of underdeveloped understanding of the necessity and the implications of organizational change. Granted, the particular situation within the Commission, i.e. cultural heterogeneous staff, a proliferation of politically very different staff unions (in particular with small and radical elements) certainly aggravated the

problem. Nevertheless, the duty for an inclusive-participatory management style was to convince stakeholders (in particular staff at middle and lower levels) of the need as well as the potential benefits of organizational change lies with the reform advocates.

The factor 'provision of organizational leadership' points in an equally clear direction. Against indifference or outright resistance at the top of the Commission - i.e. by the Commission President or by the majority of colleague Commissioners - internal modernization looks impossible. How to provide top level solidarity and backing is another matter, however. Kinnock appears to have succeeded in providing coherent and systematic political reform leadership in a reliable way. First, by creating coherent ownership by comprehensively informing and debating within top level circles the reform blueprints and, second, by bringing forth ostentative commitment by letting the College vote as often as possible on critical issues. Liikanen appears to have failed on both these issues. Christophersen, as an 'ordinary' Commissioner could not advocate such a wide-ranging project of administrative modernization in order to justify comprehensive and on-going process monitoring and discussion. Spierenburg as an outside expert gravely misjudged the political repercussions his proposals would have with different players. Thus, instead of uniting the College and the President behind a convincing reform strategy he united them for very different reasons against the thrust of his reform blueprint.

Finally, whether the reform advocates (cf. chapter 12 in this volume) successfully attempt to manipulate the institutional rules to their favor also appears to be of crucial importance. Kinnock's skilful manipulation of the rules of the system of staff representation and the decision to keep 50 per cent plus x of the moderate staff unions at all costs at the negotiation table shows that staff inclusion does not mean to convince each and everybody - but it does suggest remaining conscious of what are understandable reservations and legitimate claims of those rank and file who will literally implement and sustain change.

As regards the three prior reform attempts no involved actor is reported to have tried to change procedural or institutional rules in his favor. Kinnock did, and it cannot be denied that in successfully changing the rules of the game, he considerably increased the adoption chances of his reform.

The essence of the politics of potentially successful Commission reform patterns may thus be summarized the following: the reform should be backed by some outside pressure stemming from a focal event that shows the impossibility of going ahead without major changes. Reform should be seen as a political exercise, the various (and often diverging) interests of all stakeholders have to be taken into due consideration. The reform process should be as inclusive as possible giving all interested parties the feeling of ownership and participation. At the same time, it is crucial that the organizational leadership does rally behind the particular concept of change. Moreover, this support has to be secured over a longer time period. Finally, the reform advocates should not hesitate to fiddle with procedures or rules in order to secure institutional advantages over status-quo oriented actors.