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***Remuneration and Financial Provision for Members  
of the Civil Service and the Forms of Political Finance  
in the European Union***

***An Account of the Origin and Impact of a  
Research Project***

**by**

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**Speyer, February 2005**

## Preface

Political finance in the European Union, which encompasses especially the financing of delegates and parties, is an element of the constitutional law. Therefore, it should be discussed in connection with the European Constitution. Also the remuneration and provision of the European civil service is topical and of practical relevance.

This research project has yielded numerous academic monographs and articles written in German as well as English. The titles of the publications, the publishers and the journals in which they appeared are listed in the annex. First reviews and other reactions of academics, as far as they are known to us, are also indicated in the text together with the sources. However, it does not make sense to reproduce the scientific output of the research project, which encompasses several hundred pages, in this place. Its contents will merely be outlined. Partly they can be looked up at my homepage: <http://www.arnimvon.de>

In this report, especially the *effects* which our scientific work had in practice will be documented. Therefore, we are concerned with the so-called *impact* of our research, which has been especially pronounced in this project. Thus, our work achieved that the Council of Europe refused, in its meeting on January 26, 2004, to consent to the Statute for Members of the European Parliament, which had already been passed by the European Parliament. Another example: In the course of the public debate there were some court decisions. These were – for the first time in Germany – concerned with the scope of indemnity, i.e. the irresponsibility of European Members of Parliament for their spoken words, and therefore will probably become leading cases.

Since our research findings made such a wide impact, chiefly because of the interest of the press and broadcasters, we have also included reports from foreign and national media, if only by way of example.

Many people have contributed to the success of this research project. I would like to thank the supporting institutions, especially the Research Institute for Public Administration, which made this work possible in the first place, and all of my colleagues, whose commitment far exceeded their obligations and whose names are to be found at the beginning of the following text.

Speyer, February 2005

Hans Herbert von Arnim

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## **I. Overview**

### **1. Duration and Researchers**

The project “Remuneration and Financial Provision for Members of the Civil Service and the Forms of Political Finance in the European Union”, located at the Research Institute for Public Administration, started on November 15, 2001 and ended on May 15, 2004, so the project’s duration was two and a half years. Research was carried out by the political scientist, Martin Schurig and the jurist and economist, professor Hans Herbert von Arnim; the latter also co-ordinated the project. Final publications were preceded by extensive preparatory research which was partly carried out by graduate researcher Daniela Scheidt, who left the institute of research in spring 2003 in order to take a job at the University of Leipzig, and graduate researcher and assistant to Prof. von Arnim’s chair, Stefan Kleb. Christa Betz diligently put the work on paper and Dr. Russell L. Cope, "our man in Sydney", put the finishing idiomatic touches to the English texts. As the former NSW Parliamentary Librarian, he is familiar with the terminology of politic and legal topics. After the project’s termination graduate researchers Regina Heiny and Stefan Ittner provided valuable assistance with the editing of recent publications.

### **2. Transdisciplinary method, readiness for criticism, bilingualism**

The method of working was problem-oriented and transdisciplinary. Apart from interpreting and analysing legal texts, that is, the respective European Primary Law and the Regulations based thereon, establishing the genesis, gathering the relevant material of facts and numbers and evaluating all this with regard to legal policy and constitutional law was required as well. The researchers possessed the necessary legal, economic and political subject expertise which was indispensable for conducting the research.

At the same time, the project was guided by the academic ideal that one of the goals of scholarly research is to pinpoint shortcomings in proposals in the political arena. The further aim is to point out how shortcomings can be avoided and to advise (even if unrequested) the political players and the public how best to avoid pitfalls (see Hans Herbert von Arnim, *Staatslehre der Bundesrepublik Deutschland*, München 1984, p. 417 [423 f.];

ibid., 'Zur normativen Politikwissenschaft. Versuch einer Rehabilitierung', *Der Staat*, 1987, pp. 477 ff.).

Since EU topics affect all 25 Member States and the primary language used is English, the project's findings were published in both English and German.

### **3. Six sub-topics**

The overall topic was divided into six sub-topics which were worked on simultaneously:

- The Statute for Members of the European Parliament
- The system of cost reimbursements and allowances of the European Parliament
- The European Party Regulation
- The financial status of European officials and other public servants in the European Union
- The financial status of Members of the European Commission, the European courts and other public officers,
- General concept.

### **4. Immediate impact and relevance of the topic**

The matter is currently highly relevant:

- The Statute for Members of the European Parliament, which had been discussed for several years, reached a "hot" decision phase in 2003 and at the beginning of 2004. The European Parliament adopted the Statute in June 2003. As the Council was hesitating to give its necessary consent, the Parliament made certain concessions shortly before Christmas 2003. At first, the Council then seemed ready to consent. However, on January 26, 2004 the necessary qualified majority failed to be reached since Germany, Austria, France and Sweden voted against it. The European Parliament and the Council, however, have both already indicated a readiness to put the Statute on the political agenda again after the European elections of June 13, 2004.
- The system of cost reimbursements and allowances, which the Bureau of the Parliament has established for the MEPs during the past two and a half de-cades and has im-

plemented in numerous resolutions, was more and more criticised by the public in spring 2004, especially in Germany and Austria. It became more and more obvious that the regulations are open to misuse. Reforms were demanded. Different groups of MEPs promised changes. In many cases, however, a political linking between the adoption of the MEP Statute and the eradication of fraud in the cost reimbursement system was suggested.

- In June 2003, the European Parliament adopted a regulation for political parties at European level, which was accepted by the Council in September 2003. This regulation entitles “political parties at European level” to public funds from the European budget. The regulation’s parts concerning public funding of political parties entered into force on July 20, 2004; the rest is already in force. In autumn 2004, the first payments were effected on the basis of the regulation.
- The Statute for European officials, which defines their financial status, was reformed with effect from May 1, 2004.
- The financial status of members of the European Commission was publicly criticised in certain respects. In particular, the effects on representatives from those states that joined the EU on May 1 were focused on.

Naturally, the first domains to be dealt with were those that were brand new, that is, those dealing with the status of MEPs and political parties. It seemed possible in this case to have an influence on the political decision - making process, or to produce an initial thorough-going analysis of the recently introduced legislation that might contribute to academic discussions of the issues. Additionally, such an analysis might well serve as a basis for academics wishing to monitor lawsuits that might arise. Other domains, such as the financial status of officials and members of the European Commission, the European Court of Justice and the Court of Auditors were certainly not overlooked and received a comprehensive analysis later on.

## **5. The report's contents**

A series of works emerged from the project, which have already been or will shortly be published as monographs or essays in German as well as in English. It did not seem sensible to give an account of all those works, which are generally accessible.

Therefore, the report merely

- outlines the contents of those works, which have emerged from the project,
- cites all publications, which have resulted or will result from the research project,
- names articles and broadcasts on the radio and on TV, at least exemplarily, which report on the project work or have else been triggered by it, and
- describes reactions from politicians and cites those court decisions that were triggered by these publications.

## **II. The Statute for Members of the European Parliament**

The project activities regarding the Statute for MEPs can be divided into two phases: the year 2003 and the year 2004.

### **1. The year 2003**

#### **a) Own publications**

An analysis of the MEP Statute adopted by the European Parliament in June 2003 was published in September 2003 (von Arnim/Schurig, 'Das Abgeordneten-Statut des Europäischen Parlaments', *Deutsches Verwaltungsblatt* 2003, pp. 1176-1186). In preparation we had collected relevant comparative figures, specifically the income of Members of Parliament, Ministers, Heads of Government and average citizens, in all 25 Member States of the EU. The European Parliament itself had either failed to ascertain those figures or had ascertained them merely in an incomplete form, although they are essential to evaluating the Statute. Additionally, in the course of the project we carried out fiscal model-calculations in order to estimate the effects of the planned statute and to carry out a 'net-comparison' of the existing and future remuneration and financial provision concerning, for example, German MEPs.

The analysis arrived at the conclusion that - contrary to the opinion of legal policy, which had been prevailing so far, - it does not seem sensible to harmonise benefits (remuneration and financial provision) intended for financing subsistence and work of MEPs and their families *in their home country*. (When it comes to benefits intended for MEPs' work and residence *at the seats of the EP*, like daily allowances, all MEPs are entitled to the same amount anyway.) Considering that MEPs are elected by the citizens of their respective home country and considering that economic and social circumstances differ widely from country to country, harmonising remunerations for subsistence in the respective home country would result in treating something unequal equally. Representatives of accession states would have drawn remunerations higher than those of national ministers and much higher than those of national members of Parliament.

A contribution concerning the same topic was published in English as a *FÖV-Discussion Paper* (von Arnim/Schurig, 'The Statute for Members of the European Parliament', *FÖV-Discussion Papers* No. 4, 2003). Publication in a specialised English journal is envisaged.

Accompanying contributions written by von Arnim were placed in the press (e.g. von Arnim, in: *Die Welt*, August 26, 2003).

The *DVBl.* contribution was sent to Chancellor Gerhard Schröder; the *FÖV-Discussion Paper* was sent to the Brussels representatives of the other fourteen EU-Members in the Council. Intense contact with the German Chancellor's office, the Austrian Chancellor's Office and with representations of other Member States in Brussels followed.

#### b) Commentary

The renowned commentary by Grabitz/Hilf, *Das Recht der Europäischen Union* (Sven Hölscheidt (ed.), January 2004, Art. 190 EVG, Rn. 52) has - under reference to our *DVBl.* contribution - fully taken over our opinion that it is not sensible to harmonise remuneration and financial provision of MEPs .

#### c) Articles in the media

The texts listed under a) were the basis for numerous articles in the media.

From the following newspapers and journals on the dates noted: *Stuttgarter Zeitung* (July 30, 2003, pp. 1, 3 and 4), *Münchener Merkur* (July 31, 2003, p. 3), *Focus* (August 4, 2003, p. 156), *Financial Times Deutschland* (October 10, 2003, p. 14), *Bild* (October 14, 2003, pp. 1, 2), *Bild* (October 15, 2003, pp. 1, 2), *Bild* (October 16, 2003, pp. 1, 2), *Rheinpfalz* (October 15, 2003 and October 18, 2003), *Rheinpfalz* (October 24, 2003), *Münchener Merkur* (October 18/19, p. 4), *Focus* (October 20, 2003, pp. 240-243).

From the following television programmes: *Monitor* (ARD [Channel 1], July 24, 2003), *Punkt 12* (RTL [independent television], October 14, 2003, 12.03 p.m with a statement by von Arnim ), *Heute Nacht* (ZDF [Channel 2], October 14, 2003, 12. a.m.), *Heute in Europa* (ZDF [Channel 2], October 15, 2003).

Two of the articles in the newspaper *Bild* (October 14, 2003 and October 15, 2003), which were based on our calculations, had an especially strong impact. They focused on the low European tax which was to be applied to European MPs if the Statute had been adopted.

These reports, which were frequently critical, provoked the television programme *Panorama* (ARD [Channel 1]). In a broadcast on October 23, 2003 the position of the EP was defended, however, the only persons to be heard were MEPs and a former public officer of the EU.

#### d) Reactions from politicians

The article by von Arnim, which had appeared in *Die Welt*, August 28, 2003 (mentioned under a)), was replied to extensively by the Rapporteur of the European Parliament for the Statute, Willi Rothley. On September 9, 2003, he handed his response on to Brussels media correspondents as a press release.

The academic publications listed under a) and c) presumably led to certain modifications of the Statute by the European Parliament on December 17, 2003: amongst others, Member States were supposed to be allowed to subject the homogeneous salary of European MPs to a national additional tax.

## 2. The year 2004

As mentioned above, shortly before Christmas 2003, the European Parliament made a new attempt to get the Council to consent to the Statute, which had been adopted by Parliament in June 2003, by making certain concessions. This attempt gained unanimous approval at first. However, it then failed nevertheless after another study, emerging from the research project became public (see briefly under a)): On January 26, 2004, the German, French, Austrian and Swedish governments blocked the qualified majority in the Council by using their power of veto.

### a) Own publications

When the situation got critical around Christmas 2003, von Arnim wrote a study, elaborating on the complexity of the planned MEP Statute and focussing on the changes which had been proposed by Parliament on December 17, 2003. This study, later developing into a monograph (von Arnim, *9.053 Euro Gehalt für Europaabgeordnete? Der Streit um das europäische Abgeordnetenstatut*, Duncker & Humblot, Berlin, April 2004), stressed the lack of rationale in the intention of making the remuneration of MEPs uniform throughout each home country. It pointed out the effects, the statute would have on German MEPs, proved that the European Parliament had used incorrect figures, and showed that the modifications of December 17 were for the sake of appearance only.

At the beginning of January the study was again sent to the German Chancellor and, in its English version, to the Brussels representatives of all other 14 Members of the Council. (The English translation was published, too: von Arnim, 'A salary of 9,053 Euros for Members of the European Parliament?', *FÖV-Discussion Papers* No.7, 2004). One week later, the study was released to German and foreign media. Thereby it became the basis for intense public discussion, particularly in Germany and Austria, and, as will be shown later on, has had an unexpectedly large political impact. To our knowledge this study – and the *DVBl.* contribution mentioned above – represent the first comprehensive analysis of the planned MEP Statute.

In particular, evidence that German MEPs had used incorrect figures when calculating the effects of the planned Statute on their net income, led to heated discussions. Probably as a

reaction to public criticism in autumn 2003, the MEPs had deliberately deducted a too high contribution for old age pension and EU tax. These incorrect calculations were taken over by the Committee on Legal Affairs and the Parliamentary Administration as well. These proceedings have been documented in the above mentioned monograph *9.053 Euro Gehalt für Europaabgeordnete?*, too.

A pro-and-contra dispute between MEP Klaus-Heiner Lehne, responsible for legal policy in the EPP group in the European Parliament and the project co-ordinator von Arnim concerning the same topic was published in April 2004 (Lehne/von Arnim, '9053 Euro Gehalt für EU-Abgeordnete', *Zeitschrift für Rechtspolitik* 2004, p. 95).

#### b) Reviews

A first review of the monograph *9.053 Euro Gehalt für EU-Abgeordnete?* by Hendrik Wasserman can be found in the journal *Recht und Politik* 2004, pp. 190-191. The reviewer fully agrees with the basic messages of the monograph. An announcement of the book was made in *Zeitschrift für Politikwissenschaft* 2004, p. 1519. Initial newspaper reviews were published in *Stuttgarter Nachrichten* of June 17, 2004, p. 17; *Junge Freiheit* of July 2, 2004, p. 18; *Die Rheinpfalz* of December 11, 2004.

#### c) Reports in the media

The media reported on this topic in hundreds of articles and broadcasts. In so doing they referred to the FÖV studies. Three kinds of contributions need to be differentiated:

- contributions accepting the project's criticism (under aa),
- contributions sceptical about the criticism or even taking over the incorrect figures (bb),
- contributions commenting on the process of employing the incorrect figures by the EP (cc).

aa) Numerous contributions reported on the draft version of the study *9,053 Euros salary for European MPs?*. From the following newspapers and journals on the dates noted: *Der*

*Spiegel* (January 12, 2004, pp. 28, 29; this report, which also referred to the full wording of the study in German and English available on the Internet, would turn out to be an especially effective multiplier when it came to spreading the study's contents), *Bild am Sonntag*, (January 11, 2004), *Bild* (January 12, 2004, p. 2), *The Times* (London) (January 12, 2004), *Irish Times* (January 12, 2004), *Deutsche Presse Agentur* message (January 12, 2004), *Bild* (January 15, 2004, pp. 1 and 2; this report, too, referred to the internet address, where one could find the study's exact wording), *The Economist* (January 15, 2004), *Die Welt* (January 16, 2004, p. 5), *Handelsblatt* (January 19, 2004), *European Voice* (January 22, 2004), *Die Welt* (January 24, 2004, pp. 5, 8), *Berliner Zeitung* (January 24/25, 2004). From the following television programme: *heute journal* (ZDF [Channel 2], January 12, 2004; the statements von Arnim made with regard to this report were taken over by Swedish television, which had become aware of this topic due to the *Spiegel* report).

The Austrian media, too, reported very intensely in the week following January 12, 2004. However, they focussed their criticism on the basic income of Austrian ministers, which *Der Spiegel* had published in the form of a comparative chart based on our statistics and which proved to be very high compared to international standards.

bb) Other media ignored these impediments against the Statute or even took on the incorrect data which had been published by German MEPs, as explained under a).

From the following newspapers, respectively the following information company, on the dates noted: *Frankfurter Allgemeine Zeitung* (January 16, 2004 and January 27, 2004, pp.2, 10), *Süddeutsche Zeitung* (January 27, 2004, p. 4), *Reuters* (January 26, 2004).

From the following television programmes: *Bericht aus Brüssel* (WDR [Channel 3], March 9, 2004), *Europamagazin* (ARD [Channel 1], March 13, 2004).

cc) Other reports focused on the process of employing the incorrect data by German MEPs for example

From the following newspapers and journals on the dates noted: *Focus* (February 9, 2004, p. 26), *Bild* (April 28, 2004, p. 2).

d) Reactions from politicians

At the height of public discussion regarding the basic income of Austrian ministers, the State Chancellery in Vienna requested us to inform them about the amount of remuneration German Federal ministers, who are also MEPs, receive additionally due to their mandate. Those statements were immediately published by the State Chancellery.

Germany's and Austria's "No" in the Council's session of January 26, 2004, which stopped the Statute, at least for the time being, was generally judged to have resulted from the FÖV-study *9.053 Euro Gehalt für Europaabgeordnete?* mentioned under a) (including its English version) and the large response they had, particularly in the German and Austrian media (with regard to these interrelations see for example *Handelsblatt*, January 19, 2004; *Süddeutsche Zeitung*, January 26, 2004; *Frankfurter Allgemeine Zeitung*, January 27, 2004, p. 10; *Focus*, February 9, 2004). The Swedish "No", too, might likely have been caused partly by the study and the report on Swedish television. In any case, the Swedish Parliament concluded, that due to the Statute MEPs would receive one and half as much income as members of the national Parliament and called upon the Swedish government to vote against it in the European Council.

e) Court decisions

Reacting to the *Bild* reports from January 12 and 15, 2004, cited above under c) aa), two exposed MEPs publically reproached the newspaper *Bild* and the project co-ordinator by referring to the already mentioned incorrect figures. (*Der Spiegel*, which used our figures, too, was, however, spared). In court proceedings initiated by the Springer press, both MEPs were subsequently enjoined from repeating those allegations by means of temporary injunctions of the County Court in Hamburg. The court upheld all injunctions by judgements passed on April 16, 2004, although the MEPs had objected and an oral hearing had taken place. Earlier, one of the MEPs had sought a temporary injunction against the project co-ordinator's statement that the MEPs had used incorrect figures (*Focus*, February 9, 2004). Eventually, he backed down since von Arnim had demonstrated the course of calculation point by point yet again. This again shows the correctness of the project's conclusions.

Both verdicts of the Hamburg County Court are particularly interesting for yet another reason. They do not accept indemnity (parliamentary irresponsibility), which the MEPs had referred to, although the respective EU provision (statements by MEPs “in the exercise of their office”<sup>1</sup>) goes further than the respective provision concerning German MPs (statements “in the Bundestag or one of its committees”<sup>2</sup>). By invoking indemnity, the MEPs wanted to escape legal responsibility for even verifiably incorrect and libellous statements. The court did not comply in order, amongst other things, to secure a minimum of parity in public arguments. To our knowledge, these decisions are as yet the only ones by German courts concerning the question of indemnity of MEPs.

### **III. Regulation on cost reimbursements and allowances of the European Parliament**

#### **1. Own publications**

The regulation concerning cost reimbursements and allowances of the European Parliament were extensively analysed by the project co-ordinator. This analysis was published in an abbreviated version (von Arnim, ‘Diätenwildwuchs im Europäischen Parlament’, *Neue Juristische Wochenschrift* 2004, pp. 1422-1427). The article challenges the legitimacy of the unreleased “Regulation on cost reimbursements and allowances for Members of the European Parliament” (63 pages) under EU law. This regulation concerns the reimbursement of costs arising from holding a parliamentary seat and establishes a system of pensions. It is based upon resolutions of the Bureau of the Parliament, which is a procedure hardly compatible with Art. 190.5 EC. According to this, the financial status of MEPs is regulated by the Parliament’s plenum after the Commission has been heard and the Council has given its assent. In addition to that, the regulation violates further provisions of the EU treaty. Reimbursements often far exceed the actual costs. The pension systems may lead to dual payments.

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<sup>1</sup> Art. 9, Transcript on Prerogatives and Exemptions of the European Communities, Appendix of the Treaty on the Appointment of a Common Council and a Common Commission of the European Communities, April 8, 1965 (*BGBI.* 1965 II p. 1453 [1482]).

<sup>2</sup> Art. 46, 1 Basic Constitutional Law.

An English article concerning the same topic (von Arnim, 'Fraudulent and unacceptable? The uncontrolled growth in allowances in the European Parliament') was published in the *European Law Review* 2004, pp. 698-710. Another article is going to be published in a Spanish specialised journal. Additionally, a couple of articles by the project co-ordinator were placed in the German-language press, for example: *Format* (Austria) (No.14, May 7, 2004, p. 28), *Frankfurter Neue Presse* (May 21, 2004, p. 4), *Stuttgarter Zeitung* (June 7, 2004, p. 8); *Rheinische Post* (June 10, 2004).

## **2. Expertise**

At the request of the TV-magazine *sternTV* von Arnim wrote a detailed expert opinion on the legitimacy of certain forms of daily allowance. Its results were referred to in the broadcast on June 9, 2004.

## **3. Reports in the media**

Beforehand, a preliminary elaboration on the cost reimbursement regulation concerning the MEPs had been put at a magazine's disposal (*Stern*, No.16, April 7, 2004, pp. 60-62). On the basis of its English version foreign media published reports, too, e.g. *International Herald Tribune* (May 24, 2004, pp. 1 and 4), *The New York Times International* (May 24, 2004, pp. 1, 10). See also, for example, *News* (Austria) (No.15/2004, p. 30), *Format* (Austria) (No.15/2004, p. 26).

## **4. Reactions from politicians**

The European Parliament's Director-General for Finances wrote, in co-operation with the EP's legal service, an aide mémoire entitled *Base juridique des indemnités parlementaires* (April 7, 2004) as a response to the contributions mentioned under 1 and 3. Apparently, it was supposed to serve as a legal defence of the regulation on cost reimbursements and allowances. Its contents, however, are not entirely clear.

Various MEPs and groups of MEPs demanded a reform of the regulation concerning cost reimbursements and allowances. At the end of April, German MEPs signed a political declaration, in which they committed themselves to refrain from making use of certain

forms of expense-account fiddling permitted by the regulation. Austrian MEPs did the same.

## **IV. The European Party Regulation**

### **1. Own publications**

The new European Party Regulation is actually a sub-topic of the widely discussed European Constitution, but officials have so far been rather quiet in this regard. The Regulation declares European party alliances as political parties and grants them subsidies from the EU budget. The Regulation, which became effective in the summer of 2004, was analysed thoroughly under the aspect of European law and political and economic aspects by appraising the respective legal texts, literature and our own extensive surveys. This work resulted in a monograph: von Arnim/Schurig, *Die EU-Parteienfinanzierung*, LIT Verlag, October 2004, 142 pages. It concludes that the Regulation violates several principles of appropriate public funding of political parties which have, for instance, already been drawn up by the German Constitutional Court and the Council of Europe. This small volume, which is also available in English (von Arnim/Schurig, *The European Party Financing Regulation*, LIT Verlag, October 2004, 132 pages), apparently represents the first comprehensive scholarly study on the new Party Regulation. ∴ The book was also sent to the European Court of Justice, where a lawsuit concerning that topic is already pending. A first review can be found in Transparency International, *Rundbrief* 30 (3/2004), p. 5.

Publications of abstracts by the project's co-ordinator concerning the same topic will appear in German- as well as English-language law journals and are already accepted for publication. A decision by the Federal Constitutional Court on October 26, 2004, which contains fundamental statements regarding the equality of opportunity of political parties in Germany, might well have certain indirect effects on the European Court of Justice. (The decision was attained by von Arnim, who acted as an attorney for the applying party.)

## 2. Reports in the media

An early draft of the project concerning the contents of the Regulation and the evolving problems served as a basis for a report of the newsmagazine *Der Spiegel* on October 27, 2003, pp. 52 ff. *Stern*, another magazine, reported on the completed book on October 7, 2004, p. 220. A corresponding article by von Arnim was published in the weekly magazine *Die Zeit* on October 28, 2004. The Brussels online-service *EUobserver* published an interview with von Arnim concerning the same topic on October 14, 2004; in that interview the link with the decision of the Federal Constitutional Court on October 26, 2004 was established.

## V. The financial status of European officials and other public servants

With regard to this topic a manuscript of 50 pages was produced (von Arnim/Schurig, *Die Bezahlung, Versorgung und Besteuerung von EU-Beamten*, May 2004). To our knowledge it represents the first comprehensive analysis of this topic. Publication in German and English is envisaged.

## VI. The financial status of Members of the European Commission and the European Courts

A manuscript of 30 pages is at hand (von Arnim/Schurig, *Der finanzielle Status von Mitgliedern der Kommission und anderen Amtsträgern der Europäischen Union*, May 2004). Publication in German and English is envisaged.

## VII. General concept

An overview on problems of political finance at large is given in the contribution of von Arnim, 'Parteienfinanzierung: Zwischen Notwendigkeit und Missbrauch', *Neue Zeitschrift für Verwaltungsrecht* 2003, pp. 1076-1080, which was also published in a revised English version as a *FÖV-Discussion paper* (von Arnim, 'Political Finance: Checks and abuses. Current problems and new developments', *FÖV-Discussion Papers* No.6, 2003). A contribution concerning the same topic is also published in a specialised English journal. Also to be cited in this context is another contribution: von Arnim, 'Institutionalized Political

Unaccountability and Political Corruption in Germany’, in: Eberhard Bohne/Charles F. Bonser/Kenneth M. Spencer (eds.), *Transatlantic Perspectives on Liberalization and Democratic Governments*, LIT publishers 2004, pp. 460-488.

## **VIII. Presentations and panel discussions**

### **1. Presentation in Athens, June 13, 2002**

At the Centre for European Constitutional Law’s international conference on ‘Political Parties in the 21<sup>st</sup> century’ (Athens, June 13 and 14, 2002), von Arnim gave a presentation on ‘Political Finance: Between Need and Fraud. Old problems and new developments’ (published in the conference transcript Tsatsos/Venizelos/Contiades [eds.], *Political Parties in the 21<sup>st</sup> Century*, Athens/Brussels/Berlin 2004, pp. 79-94). As already mentioned, this presentation was preprinted in *Neue Zeitschrift für Verwaltungsrecht* 2003, pp. 1076-1080 and was published in a revised English version as *FÖV-Discussion Papers* No.6, 2003. It has been accepted for publication in a specialised English journal.

### **2. Presentation by Volker Heydt, January 8, 2004**

Within the context of the research colloquium of the Research Institute for Public Administration (FÖV) Volker Heydt, senior member of the governing board at the European Commission, Directorate General Taxes (TAXUD), Brussels, Taxation of European Civil Service, gave an academic presentation on ‘Taxation of European officials’ on January 8, 2004. This presentation will also be published.

### **3. Panel discussion on ‘Political Finance at European Level’, May 5, 2004**

A FÖV panel discussion on ‘Political Finance at European Level - The Financing of Parties and MEPs as elements of the European Constitution’ took place on May 5, 2004, the “Day of Europe”. Participants were Prof. Martin Morlock, Director of the Institute for German and European Party Law, University of Düsseldorf, political scientist Prof. Karl-Heinz Nassmacher, the former chairman of the committee ‘Political Finance and Corruption’ of the International Association of Political Science, University of Oldenburg, and Hans Herbert von Arnim. The discussion was opened by the director of the Research Institute for Public Administration (FÖV), Prof. Dr. Jan Ziekow, and with commentary by Prof. Siegfried Magiera, holder of the chair of public law, especially public international

law and European Union law. The event was supported by the county of Rheinland-Pfalz. The discussion will be published as a *FÖV Discussion Paper*.

#### **4. Participation at a panel discussion of Netzwerk Recherche in Hamburg, June 5, 2004**

On June 5, 2004, von Arnim participated in a panel discussion organised by Netzwerk Recherche within the context of its annual general assembly. The conference title was ‘Space-shuttle European Union – Difficulties of the media and European Bureaucracy’. There, von Arnim referred to the contents and results of the research project.

#### **5. Presentation at the University of Konstanz, July 14, 2004**

At the invitation of the ‘Konstanzer Seminar zur Rechtsentwicklung’ by the University of Konstanz, von Arnim gave a presentation on ‘Aloof? The EU-financing of parties, MEPs and officials’ on July 14, 2004.

### **IX. Dissertation emerging from the project**

From this project the dissertation *Politikfinanzierung in Frankreich* by Martin Schurig has emerged, which is currently subject to the process of assessment by the German University of Administrative Sciences Speyer.

### **X. Conclusion**

We were extremely lucky in choosing this topic for our research project. Project activities coincided with a phase of change. The European Party Regulation was enacted, the Statute for Members of the European Parliament was brought to discussion, the Regulation on cost reimbursement and allowances of the European Parliament was widely criticised and the Statute for European officials was reformed. On the one hand, the researchers were academic analysers at a remove from these planned or enacted regulations. On the other hand, the publication of their analyses affected the European decision process in an intense form no one would have thought possible. The project team thus became part of this process to a certain degree. Being in the position of partaking observers, we focused on

additional special characteristics of the European political process. These include, for example, the role of the media, the attitudes of Brussels press corps, the possible undermining of fair public comment by the irresponsible action of MEPs using their parliamentary indemnity, and the attempt to re-establish equality of opportunity by the use of temporary injunctions.

The special stroke of luck in choosing this project's topic is reflected not only in its fruitfulness for scholarly research, publishing and political concerns, but also in the rich experiences gained through the public debates, and from numerous personal and institutional contacts within the European Union, its Member States and with European researchers.

## Appendix: List of publications and other activities

### A. Monographs

1. von Arnim  
*9.035 Euros für EU-Abgeordnete?*, Duncker und Humblot, Berlin 2004, 125 pages  
(This book also contains a summary of four pages in English.)
2. von Arnim/Schurig  
*Die EU-Verordnung über die Parteienfinanzierung*, LIT, Hamburg 2004, 142 pages
3. von Arnim/Schurig  
*The European Party Financing Regulation*, LIT, Hamburg 2004, 132 pages

### B. Articles in Academic and Specialist Journals and Miscellanies

4. von Arnim/Schurig  
'Das Abgeordnetenstatut des Europäischen Parlaments', *Deutsches Verwaltungsblatt* 2003, pp. 1176-1186
5. von Arnim  
'Politikfinanzierung: Zwischen Notwendigkeit und Missbrauch', *Neue Zeitschrift für Verwaltungsrecht* 2003, pp. 1076-1080
6. von Arnim  
'Diätenwildwuchs im Europäischen Parlament', *Neue Juristische Wochenschrift* 2004, pp. 1422-1427
7. von Arnim  
'Fraudulent and unacceptable? The uncontrolled growth in allowances in the European Parliament', *European Law Review* 2004, pp. 698-710
8. von Arnim  
'Institutionalized Political Unaccountability and Political Corruption in Germany', in: Eberhard Bohne/Charles F. Bonser/Kenneth M. Spencer (eds.), *Transatlantic Perspectives on Liberalization and Democratic Governance*, LIT, Hamburg 2004, pp. 460-488
9. von Arnim  
'Parteienfinanzierung: Zwischen Notwendigkeit und Missbrauch', in: D. Th. Tsatsos/Ev. Venizelos/X.J.Contiades (eds.), *Political Parties in the 21<sup>st</sup> Century*, Ant. W. Sakkoulas Publishers, Athens 2004, pp. 79-94

10. von Arnim  
‘Die neue EU-Parteienfinanzierung’, *Neue Juristische Wochenschrift* 2005, pp. 247-253

### **C. FÖV Discussion Papers**

11. von Arnim/Schurig  
‘The Statute for Members of the European Parliament’, *FÖV Discussion Papers* No.4 (2003)
12. von Arnim  
‘Political Finance: Checks and Abuses. Current Problems and New Developments’, *FÖV Discussion Papers* No.6 (2003)
13. von Arnim  
‘A Salary of 9,053 Euros for Members of the European Parliament’, *FÖV Discussion Papers* No.7 (2004)

### **D. Public Controversy**

14. von Arnim/Lehne  
‘9.053 Euro für EU-Abgeordnete? (ZRP-Public Controversy)’, *Zeitschrift für Rechtspolitik* 2004, p. 95

### **E. Forthcoming Articles in Academic and Specialist Journals**

15. von Arnim/Schurig  
‘The Statute for Members of the European Parliament’, handed in for publication by an English academic journal
16. von Arnim  
‘Political Finance: Checks and Abuses. Current Problems and New Developments’, accepted for publication by an English academic journal
17. von Arnim/Schurig  
‘Die Bezahlung, Versorgung und Besteuerung von Beamten der EU’, publication in German and English in preparation
18. von Arnim/Schurig  
‘Der finanzielle Status von Mitgliedern der Kommission und anderen Amtsträgern der Europäischen Union’, publication in German and English in preparation
19. von Arnim  
‘Proliferación incontrolada de retribuciones en el Parlamento Europeo’, will be published in a Spanish academic journal

## F. Presentations and Discussions

20. von Arnim  
‘Parteienfinanzierung: Zwischen Notwendigkeit und Missbrauch. Alte Probleme und neue Entwicklungen’, presentation at the International Conference of the Center for European Constitutional Law, June 14, 2004 in Athens, published in the conference transcript Tsatsos/Venizelos/Contiades [eds.], *Political Parties in the 21<sup>st</sup> Century*, Berliner Wissenschafts-Verlag, Athens/Brussels/Berlin 2004, pp.70-94 (see Nr. 9)
21. von Arnim (ed.)  
‘Politikfinanzierung in der Europäischen Union. Die Finanzierung von Parteien und Abgeordneten als Elemente der Europäischen Verfassung’, *Speyerer Forschungsberichte* Nr. 236 (2005).
- 22.. Volker Heydt  
‘Die Besteuerung des europäischen öffentlichen Dienstes’, publication in preparation
23. von Arnim  
Presentation at the University of Konstanz, July 14, 2004 on the topic ‘Aloof? The EU-financing of parties, MEPs and officials’

## G. Dissertation

24. Martin Schurig, *Politikfinanzierung in Frankreich*, Doctoral dissertation, German University of Administrative Sciences Speyer, presented 2004

## H. Articles in the Media (selection)

25. von Arnim  
‘Sollen Abgeordnete leben wie im Schlaraffenland’ (wording by the editorial office of the newspaper), *Die Welt*, March 26, 2003, p.5
26. von Arnim (interview)  
‘Getrickst und vernebelt’ (wording by the editorial office of the magazine), *Focus*, February 9, 2004, p.26
27. von Arnim  
‘Manipulierte Zahlen sollen höhere Beträge begründen’ (wording by the newspapers’ editorial office ), *Stuttgarter Zeitung*, June 7, 2004, p. 8
28. von Arnim  
‘Meister der Raffgier’ (wording by the editorial office of the newspaper), *Die Zeit*, October 28, 2004, p.8

29. von Arnim  
'Party Time in Brussels' (wording by the editorial office of the newspaper), *The Wall Street Journal Europe*, February 3, 2005, p. 9A.