



Articles on the European elections



The European Parliament: More powerful than its reputation

April 29, 2009

DB Research is covering the European elections with a series of Talking Points. In this way, DB Research would like to pay tribute to the significance of the European Parliament, assess its performance over the past five years and preview the tasks facing it in the upcoming legislative period. The first part of the series will focus on the European Parliament as an underrated political actor.

Europe is going to the polls. From June 4 through June 7 over 375 million EU citizens from 27 member states will be called upon to cast their vote. 736 members of the European Parliament will be directly elected for a legislative period lasting five years. These elections are being held for a parliament which is often unjustly labelled as insignificant and underestimated. For since its first constituent sitting in 1958 the European Parliament has steadily gained significance and competences.

The Parliament is a major agenda-setter in the area of European policy. Over 40% of the national legislation passed in Germany is triggered by EU initiatives. In areas such as agriculture or environmental policy the share is close to 80%. Over 75% of all European legislative processes are now covered by the so-called co-decision procedure. This enables the European Parliament to have a decisive impact on legislation initiated by the European Commission and to wield almost the same influence as the Commission. This trend will continue: the Treaty of Lisbon will even further expand the range of issues covered by the co-decision procedure.

In addition, the European Parliament's influence stems from political independence: unlike the national parliaments, the European Parliament is not dominated by one ruling coalition or party. This allows autonomous, strategic decisions to be made on relevant issues according to specific principles rather than being dictated by the strictures of partisan politics. However, this opportunity is not always seized. Influence through independence manifests itself partly also in the powers of control of the European Parliament vis-à-vis the European Commission: the Parliament has the right to reject candidates put forward by the Council for the office of Commission President and the Commission itself. Moreover, the European Parliament's assent is required for the Commission's budget proposals.

The public at large is not sufficiently aware of the European Parliament's influence, however. What is more: public interest in the European Parliament has fallen over the past few years. According to a fairly recent Eurobarometer survey only 42% of all citizens in Europe believe that the European Parliament has gained in significance. Over 53% of the European electorate say they are not interested in the European elections. What this means for Germany is that only 41% of those surveyed and entitled to participate (EU: 34%) intend to cast their ballot. It is to be feared that voter turnout, which has already been falling from election to election (2004: Germany: 43.0%; EU: 45.6%), will be even lower this time. Critics who constantly carp about a democratic deficit in Europe should not just focus on institutional structures. They should take note of these figures, too.

But let's return to the political agenda: European voters regard the chief issues in this election campaign as being unemployment and economic growth as well as inflation and purchasing power. Even though at least the first two areas are clearly dealt with at the national level, the Parliament has a relatively major say here.



Unemployment is addressed in various ways in the EU member states, not least because political preferences, labour markets and social models all come in different shapes and sizes. Nevertheless, European legislation is a key factor in improving the functioning of the labour markets. One example is the recent adoption of the directive on temporary agency work designed to harmonise labour conditions for such workers.

Economic growth in itself cannot be controlled by politicians – but the latter can create a favourable environment by providing the right framework conditions. It is vital to have a functioning competition policy. This is yet another area in which the European Parliament earned more spurs in the past legislative period and bolstered the competition framework with numerous directives.

Inflation expectations hinge on the credibility of monetary policy also in times of crisis. The European Central Bank is independent in how it conducts monetary policy. However, the European Parliament keeps a watchful eye at the institutional level, for example via quarterly hearings of the president of the ECB before the Committee on Economic and Monetary Affairs, via its confirmation of nominees for the ECB presidency and new ECB directors as well as via its right of assent on the enlargement of the European Economic and Monetary Union.

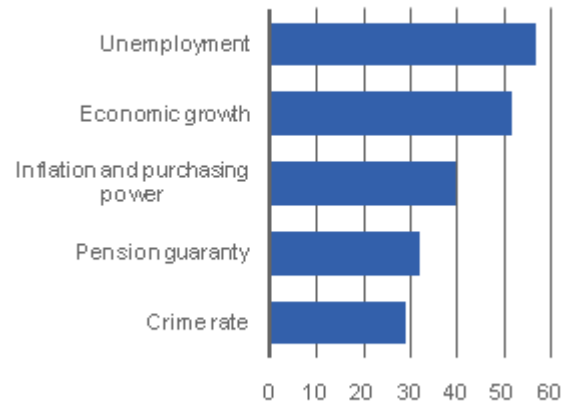
These important areas of the European Parliament's competence should be communicated to the public in clear and timely fashion in the run-up to the elections. This could help prevent the European elections being used once again as a proxy for highlighting the shortcomings of national policies.

The Parliament has a full agenda for the upcoming term. The findings of short-term cross-border coordination for bank bail-outs and economic stimulus packages must now be moulded into concrete European legislation. The outcome of the European elections may shape the implementation of these packages and European economic policy for decades to come. Therefore, it can only be hoped that in the weeks remaining before the ballot the electorate will again be reminded through clever communication that to abstain from voting means squandering the opportunity to help shape European policy. Bringing the citizens closer to Europe (and not bringing Europe closer to the citizens) is the biggest challenge in these elections.

Next Talking Point: Economic policy record of the last legislative period.

Economic issues dominate

Interest in topics for the election campaign
European elections (%)



Source: Eurobarometer Survey 71, 2009



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