

THE ROLE OF THE EUROPEAN PARLIAMENT

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BETWEEN EXTERNAL AND INTERNAL CHALLENGES

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UTRIKESPOLITISKA INSTITUTET
THE FINNISH INSTITUTE OF INTERNATIONAL AFFAIRS

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Tuomas Iso-Markku
Research Fellow
The European Union research programme
The Finnish Institute of International Affairs

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- As a result of the *Spitzenkandidaten* process, the relationship between the European Parliament and the European Commission – and particularly their leaders – has strengthened. This inter-institutional connection also has a party-political dimension, being intrinsically linked to the emergence of a ‘grand coalition’ between the two biggest groups of the EP.
- However, in an EU beset by crises, the political agenda is firmly under the control of the member states and the European Council, which makes it difficult for the EP to take advantage of its closer relationship with the Commission, as the latter acts very cautiously.
- Despite their increased presence and visibility, the different Eurosceptic forces have almost no power in the European Parliament: they remain divided and are actively marginalised by the EP’s traditional mainstream parties.
- Although the close cooperation between the EP’s political groups aims at guaranteeing the functioning of the EP, it – together with the close relationship between the leaders of the Parliament and the Commission – risks strengthening the monolithic image of EU politics.

The 8th European Parliament (EP) started its work in 2014 in an unusually agitated atmosphere. Two aspects seemed to make the new EP different from its predecessors – with potentially significant implications for the European Union (EU) as a whole. First, prior to the EP elections of May 2014, most European political parties had nominated their own ‘lead candidates’ (often referred to by the German term *Spitzenkandidaten*) to compete for the post of President of the European Commission. This created a link between the outcome of the elections and the selection of the Commission President. As a result, the European Council felt obligated to propose Jean-Claude Juncker, the nominal winner of the 2014 EP elections, for the post. After that, Juncker was formally elected by the EP. The process was seen to potentially alter inter-institutional relations within the EU. With Juncker largely drawing his legitimacy from the European elections and the EP, the Commission was expected to become more responsive to the views of the Parliament and more political in nature – in other words, more like a ‘normal government’. The EU thus seemed to be taking a step towards more parliamentarism.

Secondly, the 2014 EP elections saw Eurosceptic parties of different shades gain unprecedented support. Led by the National Front of France, the UK Independence Party and the Danish People’s Party (all of which managed to win the EP elections in their home countries), populist radical right parties with critical or hostile attitudes towards the EU were particularly successful in increasing their presence in the EP. Some populist left-wing parties that mainly oppose the economic liberalism and austerity policies associated with the EU – but not the Union as such – also made headway in the elections. While no analyst assumed that the Euro-sceptic parties and groups were forming a unified bloc within the Parliament, the strong showing of these forces was nevertheless expected to have an impact on the EP.

This Briefing Paper analyses whether and how the role and functioning of the European Parliament has changed as a result of the above-mentioned developments.¹

1 I would like to thank the MEPs and officials who took the time to speak to me about their personal views on the 8th European Parliament.

More powerful, but still on the sidelines?

The EP before the 2014 elections

From a historical perspective, the European Parliament has managed to strengthen its position in the EU’s institutional set-up considerably. Through consecutive treaty changes, the formal powers of the EP have grown steadily. In the Lisbon Treaty, the co-decision procedure, within which the EP is on an equal footing with the Council of the European Union, was renamed ‘ordinary legislative procedure’ and extended to cover a significant proportion of the legislative areas dealt with by the EU.

Notwithstanding its strengthened position, the EP’s ability to connect with EU citizens and thereby reinforce the EU’s democratic legitimacy has often been questioned. In particular, the continuously decreasing turnout in EP elections is often mentioned by critics as proof that the link between European voters and the EP remains weak. A further challenge was posed by the eurozone crisis. Despite the formal powers that the EP gained through the Lisbon Treaty, and the Parliament’s readiness to use those powers, the seventh legislature period (2009–2014) saw the member states, and the European Council in particular, take the lead in shaping the Union’s response to the crisis. The EP, by contrast, often struggled to have an impact.

The EP’s historical drive to strengthen its position – together with the experiences of the eurozone crisis, which galvanised the long-standing debate about the democratic legitimacy of the EU – provided the impetus for introducing the *Spitzenkandidaten* process. The legal basis for this process, which aimed at energising and personalising the EP election campaigns, was provided by Article 17(7) of the Lisbon Treaty. The Article states that the European Council is to take the elections of the European Parliament ‘into account’ when ‘proposing’ a candidate for the post of President of the Commission. This candidate is then to be ‘elected by the European Parliament by a majority of its constituent members’.

These rather ambiguous formulations were used by key figures within the EP and the European Commission to compel the European political parties to nominate their own lead candidates to compete for the post of Commission President. It was hoped that the move would increase the importance and visibility of the EP elections, offer European voters real

alternatives and, consequently, mobilise a greater proportion of the electorate. Both the EP and the Commission regarded the process as a way to boost their democratic credentials and thereby enhance their status in EU decision-making.

However, research suggests that the lead candidates of the different parties remained rather unknown outside their states of origin.² Furthermore, contrary to the expectations of the architects of the *Spitzenkandidaten* process, the European-wide turnout of the EP elections reached a new record low, falling to 42.6 per cent. Finally, an unprecedented share of those citizens who voted gave their support to an openly Eurosceptic party or candidate. None of the Eurosceptic groups in the EP, including the moderately Eurosceptic European Conservatives and Reformists (ECR) group, put forward their own lead candidates.

Nevertheless, the *Spitzenkandidaten* process subjected the European Council and individual heads of state and government to heavy political pressure. After the EP elections, even German Chancellor Angela Merkel, who had reservations about the process, felt compelled to support the nomination of Jean-Claude Juncker, the *Spitzenkandidat* of the biggest European Party, for the post of Commission President. Thus, on 27 June, 2014, the European Council proposed Juncker as the new Commission President. The decision was not taken by consensus, however, with David Cameron and Hungary's Victor Orbán opposing Juncker. Moreover, in the conclusions of the June 2014 meeting, the European Council stated that it would 'consider' the future of the appointment process at a later stage, suggesting that it might question the EP's and the Commission's interpretation of Article 17(7).

Doomed to cooperate? A tightening of inter-institutional and party-political links in a challenging political setting

As expected, one of the consequences of the *Spitzenkandidaten* process has been the strengthening of the relations between the Commission and

the EP. The most visible embodiment of this link is the close personal and professional relationship between Commission President Juncker and the EP's President, the German MEP Martin Schulz. As one of the strongest advocates of the *Spitzenkandidaten* process, Schulz was initially Juncker's main challenger, acting as the lead candidate of the Party of European Socialists. However, after the Socialists failed to overtake Juncker's European People's Party (EPP) as the biggest European party, Schulz quickly declared his support for Juncker's nomination. In exchange, Juncker promised to make Schulz Vice-President of the Commission. However, Chancellor Merkel was not willing to give Germany's seat in the Commission to a Social Democrat. Instead, a deal was struck between the Christian Democrats and the Social Democrats in Berlin and Brussels to re-elect Schulz as President of the EP.

This points to an important element in the current relationship between the Commission and the EP: it is not only a relationship between two institutions and their leading figures, but also between the two major political groups of the EP. In order for Juncker to get the required majority in the EP to be elected to his post, the political groups of the EPP and the Socialists (the latter known as the Progressive Alliance of Socialists and Democrats, or S&D) agreed to cooperate with one another, setting out broad priorities and objectives for the EU's five-year institutional cycle. Thus, something like a European-level government coalition emerged. When voting on the appointment of key figures – including Schulz as well as Juncker and his Commission – the 'grand coalition' of the EPP and S&D was extended to include the centrist Alliance of Liberals and Democrats for Europe (ALDE). As a reward for its support, ALDE got three committee chairmanships and two vice-presidencies in the EP, more than its size would have allowed it to claim.

Such package deals and coalitions are not a new phenomenon in the EP. After the 2009 EP elections, a similar coalition between the EPP, S&D and ALDE emerged when the Parliament voted on the Commission President and the distribution of the key positions in the EP. In legislative votes, by contrast, coalitions are traditionally formed on a case-by-case basis. However, the previous legislative period saw the EPP and S&D – mostly joined by ALDE – dominate the scene here as well: midway through the legislative period, the EPP and S&D had voted

2 Hobolt, S. B. (2014), 'A Vote for the President? The Role of Spitzenkandidaten in the 2014 European Parliament Elections', in: *Journal of European Public Policy*, 21:10, 1528–1544.

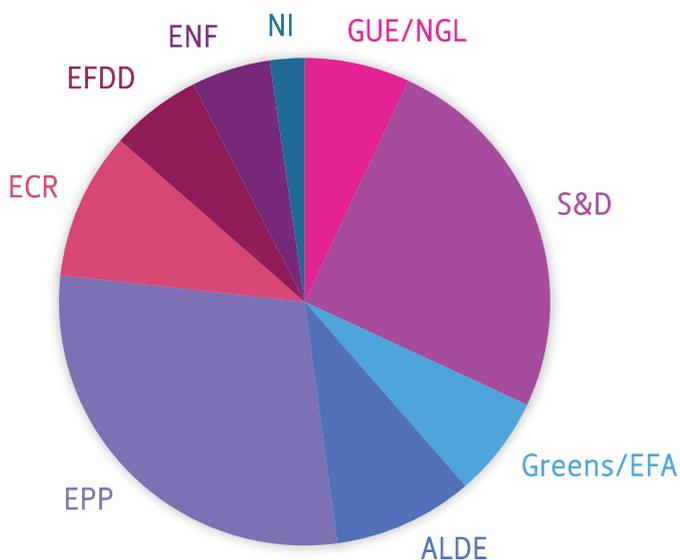


Figure 1. Seats in the European Parliament by party as of 15 Nov 2016. Source: europarl.europa.eu.

GUE/NGL (Confederal Group of the European United Left – Nordic Green Left): 52
S&D (Group of the Progressive Alliance of Socialists and Democrats): 187
Greens/EFA (Group of the Greens/European Free Alliance): 50
ALDE (Group of the Alliance of Liberals and Democrats for Europe): 69
EPP (Group of the European People’s Party): 216
ECR (European Conservatives and Reformists Group): 73
EFDD (Europe of Freedom and Direct Democracy Group): 45
ENF (Europe of Nations and Freedom Group): 39
NI (Non-attached Members): 17

The total number of seats is 751. As of 15 Nov 2016, there were 748 Members of the European Parliament.

together – with or without ALDE – on more than 70 per cent of all recorded roll-call votes.³

In the 8th European Parliament, the incentives for cooperation between the EPP and S&D are even stronger. Due to the strengthening of the Eurosceptic forces on the right of the political spectrum, alternative coalitions – a ‘left-liberal coalition’ consisting of S&D, ALDE, the European United Left/Nordic Green Left (GUE/NGL) and the Greens–European Free Alliance (Greens/EFA) or a ‘conservative-liberal’ coalition formed by the EPP, the ECR and ALDE – have lost their appeal. Not only do both coalitions fall short of the absolute majority (376 seats), they have also become more dispersed politically due to the inclusion of more explicitly Eurosceptic forces in the ECR Group and more radical left-wing parties in the GUE/NGL Group. Consequently, data on recorded roll-call votes shows that the first six months of the current legislative period saw the EPP and the S&D Group vote together four out of five times.⁴

Taken together, the *Spitzenkandidaten* process and the rise of the different Eurosceptic forces have thus, both in their own way, contributed to a situation in which the cooperation between the EPP and S&D has become even more important than before. A concrete expression of the interlocking of both the inter-institutional and the party-political ties is the so-called ‘G5’, a group consisting of Juncker, Schulz, the Commission’s First Vice-President Frans Timmermans, EPP Group leader Manfred Weber and S&D Group leader Gianni Pittella. These five influential figures have been reported to gather together regularly to discuss the EU’s legislative and political agenda in order to sound out shared priorities and potential problems.

Despite the close relationship between the Commission President and key actors in the EP, it is hard to envisage that the role of the EP as a whole would have grown as a result. One of the factors that has had a major impact on the EP – and strained its relationship with the Commission – is the Commission’s ‘Better regulation’ strategy. The strategy represents the Commission’s response to the recurrent claims that EU legislation often fails to fulfil its initial purpose and adds to the regulatory burden. As such, the idea behind the ‘Better regulation’ strategy enjoys broad support in the EP, being regarded as a way to increase trust in EU policy-making. However, in practice, the ‘Better regulation’ agenda has meant that the Commission has made fewer new legislative proposals and withdrawn some older ones. As a result, the EP has had less legislation to work on,

3 VoteWatch Europe & Centre for European Policy Studies (2012), *Mid-term evaluation of the 2009–14 European Parliament: Legislative activity and decision-making dynamics*. VoteWatch Europe/CEPS Special Report No. 63.

4 VoteWatch Europe (2015), *Who Holds the Power in the New European Parliament? And Why? Analysis of the MEPs’ votes and activities in the first 6 months of the 2014–2019 term*. VoteWatch Special Report.

which has limited its possibilities to wield its influence. Some of the withdrawals have also proved highly controversial.

The scarcity of new legislative proposals has caused a significant degree of frustration among the rank and file MEPs and also heightened the impression that Juncker and his Commission are not active enough in responding to the crises that the EU is facing. As a reaction to the Commission's perceived lack of initiative, the MEPs have increasingly resorted to so-called own-initiative reports, trying to push issues they consider crucial to the EU agenda.

An even more important factor affecting the role of the EP in the EU's political setting is the semi-permanent crisis mode in the EU. Just as the eurozone crisis did in the previous legislative term, the refugee crisis, Europe's diverse security challenges and the EU referendum in the UK – together with the persistent Eurosceptic mood in the national political arenas – have ensured that the EU operates in a constant state of alarm. Under these extraordinary conditions, it is the member states and the European Council that continue to drive the political agenda, whereas the Commission's role is often confined to executing their initiatives. The Commission, aware of the Eurosceptic mood in the member states, is also careful not to provoke national governments. In this political setting, the chances of the EP taking advantage of its closer relationship with the Commission are constrained. The few notable exceptions include the Commission's proposal for the refugee relocation scheme, which was widely supported by the MEPs but given a frosty reception by many member states.

Like the relationship between the EP and the Commission, the relationship between the parties of the 'grand coalition' also faces some challenges. As before, there are some issues which the two groups disagree on. This became evident early on: when the EP voted on the Commission's work programme in January 2015, the views of the EPP and the Socialists proved to be too far apart and the Parliament was left without a formal position. When the EPP and S&D are unwilling to work together, the left-liberal coalition or the conservative-liberal coalition can still be activated, although their chances of achieving a majority are slim. In such situations, ALDE plays a crucial role, as it can align with either coalition depending on the issue in question.

In recent months, relations between the EPP and S&D have been put under further strain by speculation about the future of EP President Martin Schulz. According to the initial agreement between the political groups, Schulz is to hand over his job to an EPP representative when his two-and-a-half-year term comes to an end. However, Schulz has signalled that he would like to continue in his position. Juncker supports him, but the EPP wants him to step down.

Recently, there have been reports about some S&D MEPs calling for the establishment of an alternative coalition together with GUE/NGL and the Greens/EFA.⁵ This hints at a growing frustration within the S&D Group with Juncker's and the 'grand coalition's' perceived failure to ease Europe's austerity course and to deal with the refugee crisis effectively.

Everything remains the same? The limited influence of the Eurosceptic forces

As many analysts predicted during the aftermath of the 2014 EP elections, the Eurosceptic forces have so far failed to translate their electoral success into political power in the European Parliament. However, this does not mean that they have had no impact on the dynamics of the EP or that they could, or indeed should, be ignored: despite their powerlessness in the EP, many of the Eurosceptic parties represented in the Parliament play an influential role at the national level, which remains their most important channel for influencing EU politics.

One of the central reasons for the failure of the Eurosceptic forces to play a major role in the EP is related to the notable lack of cohesion among them. To some extent, this is only natural as the Eurosceptic parties have very different political backgrounds. Although they all share a critical attitude towards the EU, their ultimate objectives range from halting EU integration and strengthening the position of the member states therein to guiding their respective countries out of the EU and/or dissolving the Union

5 Michalopoulos, S. (2016), *Talks begin for left-wing 'grand coalition' in European Parliament*, in: EurActiv.com, 8 September 2016, <https://www.euractiv.com/section/elections/news/talks-begin-for-left-wing-grand-coalition-in-eu-parliament/>, last accessed 16 Nov 2016.

altogether. Due to their different goals, the Euro-sceptic parties also tend to interpret their role in the EP differently. Some are largely absent, some use the EP primarily as a platform for spreading their ideas, and some seek to actively shape legislation.⁶

An additional element of tension within the Euro-sceptic camp results from the fact that the different Euro-sceptic groups within the EP compete fiercely with one another for the support of the individual national parties. After the 2014 EP elections, some major changes in the composition of the Euro-sceptic groups took place. Most notably, the moderately Euro-sceptic ECR Group, originally formed by the British Conservative Party, opened its doors to new parties including the Finns Party and the Danish People's Party – both joining from the more Euro-sceptic Europe of Freedom and Direct Democracy (EFDD) group. As a result, the ECR became the EP's third-biggest group, but is also less cohesive internally, which makes it less interesting as a coalition partner.

In order to make up for the losses caused by the defection of several parties, the EFDD group, for its part, took in Italy's Five Star Movement, a populist party that is very critical of the euro but has little in common with the other members of the group, such as the UK Independence Party and the Sweden Democrats. The inclusion of the Five Star Movement has ensured that the EFDD group – which does not seek to establish a unified group line – remains the least cohesive in the EP, used by its members mainly to take advantage of the privileges and funding granted to political groups.

The so-called Europe of Nations and Freedom (ENF) group, formed around Marine Le Pen's Front National, initially failed to gather MEPs from seven different member states, consequently not meeting the requirements set for forming a political group. However, defections from other groups allowed the ENF to be launched in June 2015. Although the MEPs of the ENF group have participated in recorded roll-call votes more actively than those of the ECR and the EFDD groups, the party has stood on the winning side in only approximately 30 per cent

of these votes.⁷ In addition to the members of the three above-mentioned groups, there are several non-attached MEPs with Euro-sceptic views. Most of them represent extreme right parties such as Greece's Golden Dawn. Some parties in the left-wing GUE/NGL Group are also very critical of the EU.

Apart from the lack of cohesion within the Euro-sceptic camp, the Euro-sceptics' lack of power is related to the close cooperation between the EP's mainstream groups, above all the EPP, S&D and ALDE. These groups have actively sought to marginalise the more radical Euro-sceptic forces represented primarily by the EFDD and ENF MEPs. This already began with the distribution of the committee chairs. Although the EP normally abides by informal rules that require the committee chairs and deputy chairs to be divided between the political groups on the basis of proportionality, the EPP, S&D and ALDE left the EFDD group without a single chair or deputy chair. Not only the EFDD itself, but also the Greens/EFA criticised the decision, bemoaning its undemocratic character.

This hints at the larger risks that the close cooperation between the mainstream political groups entails. While the objective of these groups is to guarantee the functioning of the EP, their cooperation – combined with the close relations between their leaders and Commission President Juncker – is likely to strengthen the monolithic image of EU politics.⁸ If the EP's biggest political groups are constantly forced to make compromises, their political agendas will largely become indistinguishable, making it easy for the Euro-sceptic forces to present themselves as the only ones providing real alternatives. And if the relationship between the EP and the Commission becomes too close, it will be difficult for the Parliament to control the Commission, a role the EP clearly claims for itself. The negative consequences of the party-political and inter-institutional entanglement could be seen

6 Brack, N. (2015), The roles of Euro-sceptic Members of the European Parliament and their implications for the EU, in: *International Political Science Review*, 36:3, 337–350.

7 VoteWatch Europe (2016), *One year of far-right group in the EP: high participation, low success rate in shaping EU policies*, <http://www.votewatch.eu/blog/tag/enf/>, last accessed 16 Nov 2016.

8 For this argument, see also von Ondarza, N. (2016), *Euro-sceptics in Power: Integration-critical Parties in the European Parliament and National Governments*. SWP Comments 17.

in the context of the so-called LuxLeaks scandal concerning Juncker's time as Prime Minister of Luxembourg. It was widely reported that the 'grand coalition' prevented efforts by MEPS to launch a committee of inquiry into the case, agreeing to set up a less powerful special committee instead.

Conclusions

This paper has argued that the *Spitzenkandidaten* process has indeed strengthened the relationship between the European Commission and the EP. However, this applies first and foremost to the leaders of the two institutions and the leadership of the EP's two biggest political groups, the EPP and S&D. Despite the inter-institutional link, the EP's position in the EU's political system has not changed significantly. With the EU in a semi-permanent crisis mode, the member states and the European Council continue to hold the reins, which limits the Commission's room for manoeuvre and makes it more cautious in its actions. As a result, it has been difficult for the EP to take advantage of its relations with the Commission.

As for the internal dynamics of the EP, the lack of cohesion between the Eurosceptic forces and the close cooperation between the EP's mainstream parties has ensured that the Eurosceptics have had little direct influence on decision-making. However, the close relationship between the mainstream political groups – combined with the close relationship between the presidents of the EP and the Commission – risks strengthening the monolithic image of EU politics and may duly further weaken the EP's possibilities to inject democratic legitimacy into EU policy-making.

In terms of the future, the result of the EU referendum in the UK suggests that the EU will continue to operate under exceptional circumstances. From the EP's perspective, the big question is related to its role in the negotiations concerning the future of the UK's EU relationship and, even more crucially, in the reform process that has begun in the EU as a consequence of the Brexit vote. In this context, the EP could try to profit from its strengthened ties to the Commission, as the two institutions share a mutual interest in making sure that these processes will not be shaped solely by the member states. The Brexit process is also likely to have an impact on the

internal dynamics of the EP: the extent to which the British MEPS – whose influence is particularly significant in the Eurosceptic ECR and EFDD groups – can, and should, be involved in questions concerning the EU-UK relationship or, indeed, future EU legislation, remains a contentious issue.

The Finnish Institute of International Affairs
tel. +358 9 432 7000
fax. +358 9 432 7799
www.fiia.fi

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