



Conference Call – European Parliament elections: New forces, new alliances and a new balance of power?

Introduction

The May 2019 European Parliament (EP) elections are the first after the -- now delayed -- UK departure from the EU. Supporters of Brexit used to say other defections would follow: Frexit, Dexit and so on. That now seems unlikely. Opponents of Brexit say this is because the Brexit process has warned others off. Be that as it may, since the United Kingdom's June 2016 EU referendum and Donald Trump's election as US president the following November, populist nationalism has been energised across the Western world and has reached into EU institutions, too.

In Spain last month, national elections halved the parliamentary seats of the centre-right People's Party and brought the far-right party Vox into the Cortes Generales for the first time since 1978. When Spain votes in the European elections on May 26, the People's Party could lose seats again. Such a pattern of far-right gains at the expense of centrist parties will likely take place in other countries, especially in Italy and France.

Chris Morris (BBC) – The view from Brussels

Considerable election commentary has focused on the increased fragmentation of European politics, yet the results are likely to indicate continuity as well as change. To a large extent, we have already seen the emergence of anti-establishment parties in recent elections, but the 2019 polls will see them more firmly entrenched. A measured progression of these nascent trends will likely see a rise in their vote share up to one-third of seats, although they already hold 20% in the outgoing parliament. It is important to stress, however, that these Eurosceptic parties are far from unified -- divisions exist between them over relations with Russia, immigration, euro-area governance, among other issues.

In the post-Lisbon EP that has greater influence over the legislative process, the more significant issue will be that for the first time the mainstream European People's Party (EPP) of the centre-right and the centre-left's Progressive Alliance of Socialists and Democrats (S&D) will not hold a collective majority. While they constitute 53% of the current parliament, this figure is projected to be no more than 40% after these elections. The kingmakers here are likely to be the Alliance of Liberals and Democrats for Europe (ALDE) and the Greens/European Free Alliance (Greens/EFA). As such, a form of coalition between these two and the EPP and S&D to address specific issues seems a likely outcome. The consequences of this are far-reaching. Policy making at the EU level will be more difficult with the increased complexity of competing interests. This is likely to be most pronounced in obstacles to the passage of any EU-US free trade deal.

Despite claims of an exercise in pan-European democracy, these polls will still be seen as second-order national elections. The results will be a verdict on the performance of national governments, providing a risk-free way for voters to express discontent through electing less traditional parties. Through this lens, the showing of Germany's Christian Democratic Union (CDU) and Socialist Democratic Party (SPD) will be closely watched, as they are members of the country's ruling coalition. Over the border in France, the elections will be a proxy battle between Marine Le Pen and President Emmanuel Macron. Macron's En Marche may well come first but either way its seats will be a significant contribution to a new centrist grouping, perhaps as part of a broader liberal coalition, or in a centrist association. The United Kingdom itself is a particular case. The delay to its EU departure will fuel Nigel Farage's Brexit Party which is predicted to come first. However, this must be seen against the backdrop of the success in 2014 of Farage's UK Independence Party (UKIP) which secured more seats than Labour and the Conservatives.

The 73 British MEPs who will be elected in these polls will have a say over the next leaders of the EU's key institutions. Yet it remains unclear how influential they will be, with no-one knowing how long UK representation will continue. Following the UK withdrawal -- either on October 31 as now planned or at some later date -- 46 of the UK EP seats will be abolished with the remaining 27 reallocated

to countries that have consistently complained of under-representation. Close attention will thus be paid following these elections to the dynamics of the selection of EU leadership.

Dr David Hine (University of Oxford) – Political situation in Western Europe

The change in composition to national delegations is likely to be largest in the case of Italy. In 2014, the centre-left Democratic Party under Matteo Renzi secured 40% of the Italian vote -- a total that set to halve after these elections. The results of last year's general election will be reflected in the new representation, with more than 50% of the Italian parliament now composed of the country's two leading populist parties: the Five Star Movement (M5S) and the League. What has changed in the interim is the surge in the polls of Matteo Salvini's League which is likely to result in 26 or 27 seats out of 751 in the new EP. The League, along with Farage's Brexit Party, Germany's CDU and Marine Le Pen's National Rally (RN), will be one of the EP's four largest parties.

It is important to remember that it will remain difficult for the League to influence proceedings significantly. The cohesion of the wider groups in the EP is significantly lower than the cohesion of many national parties. While Salvini has accumulated tremendous domestic appeal having outpaced the M5S and avoided an excessive deficit procedure notification from the European Commission, there is little else his party has achieved. It is therefore likely he will seek to build on the League's momentum by forming a new parliamentary group with the RN. Le Pen's participation in such an alliance is uncertain. It further remains to be seen how cohesive more radical right-wing parties will be when national interests clash on such issues as external trade relationships and migration. There is no question such parties exert pressure on centre-right and centre-left politicians at the national and EU levels through their presence and growth, making the middle-ground itself less united. However, in terms of policy leadership, Salvini still struggles.

What is significant is Italy's reflection of pan-European voting trends. Notwithstanding the growth in populism across the continent, research suggests the electorate more generally has shifted towards greater appreciation of EU institutions, influenced perhaps by the difficulties faced by Brexit. The narrative has adjusted to reflect this, with demands for Italexit falling from prevalence. The League's approach, along with like-minded parties in other countries, seems now to disrupt reform from within.

Dr Veronica Anghel (Johns Hopkins SAIS, Bologna) – Political situation in Eastern Europe

The post-Communist countries currently constitute 30% of the seats in the EP. This is not, however, reflected in the senior leadership of any of the EU's key institutions. After the election this is likely to continue, motivated by perceptions that Central-East European (CEE) member states underperform on such metrics as democratisation, freedoms and state administration capacity. Such concerns are further exacerbated by these countries' inability to coalesce or promote common goals within the EP. Poland, Hungary and increasingly Romania will, nevertheless, protect each other on such issues as the suspension of voting rights under Article 7, the rule of law and distribution of EU resources. Thus the constraining role of EU institutions will continue to be challenged.

Voter turnout in the CEE will likely be dismal and the bulk of far-right populist MEPs is not expected to come from this region. Representatives from Slovakia, Estonia, Slovenia and most notably Poland's governing Law and Justice Party (PiS) will join delegates from Romania, Croatia and Hungary in reinforcing the centre-ground through both the EPP and S&D, or in the case of Romania, the ALDE. These outcomes will assist in the formation of a new centrist coalition in the EP critical to securing key EU leadership posts.

The EPP and S&D will thus be most challenged from within by the parties that can help these groups electorally, chief among them Hungary's Fidesz and Romania's Social Democratic parties. This is also due to the leniency allowed Hungary's Prime Minister Viktor Orbán, which has allowed him to build a challenger platform. The EPP, motivated by a desire to enlarge, turned a blind eye to Orbán's actions for years and they are ignoring now the nationalism emerging from Romania's lead candidates for the EPP as well as Bulgarian Prime Minister Boyko Borissov's anti-human rights rhetoric. None of this should come as a surprise. The expectation that these new democracies would not make things difficult for the EU was more wishful thinking than grounded reality.

Q&A

What are the main voter concerns ahead of these elections?

These elections will primarily be seen as national elections with a European flavour. In the United Kingdom, this means Brexit dominating the political discourse, while in Germany it is how badly the governing CDU-SDP grand coalition will fare. As such, voters

will vent their frustration with national governments through the ballot box. In France, the proxy Macron-Le Pen battle will be closely watched. The suggestion from polling is that Macron will secure a narrow victory, providing him with the pretext to claim a renewed mandate and relaunch his presidency.

An issue that is likely to transcend borders is that of climate change. Widespread protests by young people in recent months have forced the issue onto the agenda. Its prominence is seen most clearly through the EPP's candidate for Commission president, Manfred Weber, whose long-standing reluctance to address the issue has now been reversed. The recent EU summit at Sibiu in Romania, at which eight countries collectively called for climate action, further highlights its international significance. Immigration, meanwhile, except in Italy and Spain, seems to have receded from the forefront of voters' minds. However, it still provides the underlying sociological drivers for a realignment towards populist groups and away from the parties that have had to manage these issues at the national level. It is hard to say whether this relative dip in national concentration on immigration is temporary; the likelihood is that it will return with a vengeance. The experience of Brexit and border control has made people realise the seriousness of the implications of immigration control. This is an enormously complex issue given demographic change in such countries as Greece and Italy, which cannot manage without immigration. Thus, the issue will be subject to spikes in populist attention but also longer-term deliberation.

In CEE, the polls will similarly be a dress-rehearsal for national elections. The EU is still positively perceived in the region with national issues such as corruption taking to the fore. Bulgaria, for instance, has seen three members of government having to quit over different accusations of corruption. This has brought conservatives and the Socialists neck and neck. Anti-corruption rhetoric has also appeared in Romania. Hungary's Fidesz party still warns of an imminent change in national character due to immigration. Across the whole region, however, the main voter concerns continue to relate to the economy, with budgetary initiatives an attempt to improve ruling parties' standing at the polls and position themselves for future elections.

What fault lines will there be in the new EP, geographically and ideologically?

One of the biggest challenges the EU was unable to resolve in the last parliament was that of burden-sharing. Many countries in CEE have refused to co-operate on the processing of asylum claims from the Middle East and North Africa. One of the consequences of a larger populist bloc will mean that this intractable issue of burden-sharing -- which has caused a genuine split on the issue of European values -- will be exacerbated. Besides immigration, the question of EU reform remains outstanding.

Germany and the Nordic countries are sceptical about what Macron has been proposing in relation to a banking union, a solidarity fund and a euro-area budget. One of the paradoxes is that although the relationship between Salvini and Macron has been strained on bilateral issues, Paris and Rome do have common cause on budgetary issues. In Italy, issues concerning the banking system, lack of credit and an inability to expand national budgets for critical infrastructure remains constrained by the Stability and Growth Pact (SGP). One of the biggest losers, assuming we do see some swing to the right, will be Macron's renewed vision of a federalist Europe; a Europe with more solidarity and eventually a more flexible approach to national budgetary problems. Italy and Greece will also lose out even though paradoxically Salvini is a cause of that shift.

At the moment we have a coalition of the centre-right and centre-left, and that seems to be leading to a standard approach to the budget and industrial policy. With the fragmentation of the parliament, will we see a weakening of this established EU governance?

The extreme fiscal rectitude that the SGP has imposed has led to a lack of understanding between North and South. It thus cuts across the ideology of parliamentary groups and is much more to do with the relative structural strengths of European economies. The elections are unlikely to resolve this; Macron is finding himself more and more isolated. In many of CEE countries, there has been a gulf between what citizens expected from EU membership and what has been realised. Although the quality of life has improved and GDP continues to grow, these metrics are still significantly lower than in their Western counterparts. This serious lack of economic convergence between the regions has caused many problems, including a demographic movement from East to West. This continues to be an untackled challenge for the EU as a whole.

As to the question of economic models, CEE countries depend on the maintenance and promotion of EU solidarity and a redistribution of resources. However, with the biggest contributors to the EU budget facing domestic opposition to the deployment of these resources elsewhere, any progress in this area seems unlikely. Poland and Romania have seen significant growth this past year which

is likely to continue but at a slower rate. Elsewhere, there has been a shift in economic models. Hungary has built its own version with Orban at the centre, which increasingly relies on patron-client relations.

Will the 9th European Parliament help or hinder European reform, and in what directions will EU reform take?

It is unlikely that the life of the next EP will see a significant reworking of constitutional architecture. In the past, reform has proved difficult at the ratification stage. The likely composition of the new parliament will compound this resistance rather than facilitate efforts. The EU's reliance on consensus-forming as a method of governance is at the root of this issue. Reformist efforts are likely to be focused on the stability of the Euro system. Unfinished reform of the euro-area is likely the biggest issue looming over the EP's institutions over the next five years. Direct fiscal transfers to poorer areas of CEE will not be politically popular. It will be difficult to overcome these problems without a fundamental reworking of European bond markets and the banking system.

As a large, liberal economy, the UK departure from the EU will also be a key concern. Ultimately, the question over the next five years will be does the United Kingdom actually leave? In other capitals, there was much hope it would stay. Impatience is now the dominant sentiment with EU officials keen to move on to areas such as euro-area reform and the migration crisis.

CEE countries do not have the networks to drive institutional reform. At the level of rhetoric, these countries are opposed to EU interference in domestic affairs in such areas as corruption and rule of law. However, they benefit enormously from further EU integration symbolism associated with membership.

How will the results of the parliamentary elections affect individual nations?

Voters feel more free to choose radical parties in European elections. However, in Spain, Vox is unlikely to secure many seats in the EP or do significantly better than in the April 2019 Spanish elections. Much of the shift towards radical parties particularly on the right has already happened. On the left, it remains to be seen whether the Greens/EFA are able to capitalise on the new popular mood. In Western Europe, states continue to be governed by conventional parties, particularly France, Scandinavia, the Benelux countries, Germany and, as of last week, Austria.

The latest developments with Trump and China suggest trade issues will feature more prominently on the EU agenda. The implications of these foreign-policy developments on national governments will be all the greater and as such it will be harder for them to justify allowing EU institutions more powers when they face domestic challenges from populist parties. In the case of Germany, the CDU are down 5 points and the SPD down 10 points. State elections in Bremen on May 26 could see the SPD losing a regional stronghold for the first time in half a century and put further strain on the governing coalition. Commentators will thus be looking closely at these results.

Poland, too, is deeply divided, which makes these EU elections crucial to what will happen in the country over the next few years. The new European Coalition (KE) in the country has won back some ground lost to the ruling PiS, but at same time the latter continues to be the biggest party in Poland. The PiS has catered its economic policies to its voting base and it has moved its rhetoric to the right to satisfy a significant part of the electorate. This has, however, resulted in them losing votes in the urban and youth demographic. Poland, as an East-West fault line, remains one to watch.

Are we moving towards United States of Europe or a Europe of Nations, and what impact will this have on the EU's global strategy?

The pursuit of ever-closer union is an inherent component of the European project. Some CEE nations are still not yet members of the euro-area. It remains unclear whether this will happen over the next few years. Romania and Bulgaria are not currently members of the Schengen Area. New countries are mandated by the EU treaties to join both the euro-area and Schengen. If continued integration is suspended, this will represent a fundamental change in the character of the EU.

Moreover, the fragmentation of politics is taking place right across Europe, with domestic politics and new parties/movements hindering government stability, which reduces the scope for governments to focus and develop their country's foreign policy. This comes at a time when the EU is facing what its Global Strategy refers to as "existential threats", such as the decline of the transatlantic relationship, an assertive Russia, China's economic pursuits, instability in the EU's neighbourhood and cyber security, among others.

This requires unity among member states on foreign policy if the EU is to 'go it alone' in the world, but comes at a time of growing division and fragmentation in the bloc. If, let's say, EU decision-making or its lack due to policy frustration bodes negatively for German cars or French farmers, will those countries remain committed to multilateralism whatever the costs or will they gain electoral support by vowing to formulate a more assertive and bilaterally oriented foreign policy, and by extension strengthening the national question in foreign policy?

Another immigration crisis, euro-area recession, global trade protectionism and the deepening fragmentation of national politics will strongly test the EU's ability to 'go it alone' in the world.