

The European Union

Europe goes to the polls

Although economies around Europe may be on the mend, voters' disillusion could cause a new crisis

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AFTER five gruelling years, many of Europe's citizens must wish they could dispatch the entire political class to hellfire and torment. As it happens, the ballot for elections to the European Parliament from May 22nd to 25th does not include that option, so a record number will probably not bother to turn out. Many of those who do will back populists and extremists.

Broadly anti-European parties may take well over a quarter of the seats. The French National Front, the Dutch Party of Freedom and the UK Independence Party are likely to win their highest vote ever. This will cause domestic political ructions, but it is also an indictment of the European Union, a project that millions of voters have come to associate with hardship and failure.

Europe's political leaders will be tempted to pay little heed. Economies are improving. After a grinding recession and years of battling the euro crisis, growth is returning and bond yields are sharply down. The danger that financial markets might blow up the euro (and the EU) has disappeared, at least for now. A new Pew Research poll this week even suggests that trust in the EU may be reviving a little. If the politicians can just hang on, won't a slow but steady recovery win back all those disgruntled citizens?

No. The last crisis may be over, but it has exacerbated a deep contradiction at the heart of Europe—between euro-zone economies' need for integration and the voters' rejection of it. If populism continues to rise, a euro-zone member could elect a government set on tearing up the rules and quitting the single currency. That would reignite the euro crisis—and political upsets can be harder to put right than economic ones.

Repair and reform



European leaders' wishful thinking starts with the economy. Growth may be back, but it is anaemic. Unemployment remains horrific: as many as 26m people in Europe are now out of work. Almost everywhere debt is dangerously high. With banks fragile, credit is hard to come by, and parts of Europe are on the verge of deflation. The euro zone may be heading into a lost decade similar to Japan's in the 1990s. Japan is a socially cohesive nation-state; the diverse EU is far less likely to survive such an experience.

The EU could help bolster growth. The European Central Bank could ease monetary policy, including by unconventional means. The European Commission could make a renewed push at completing the single market in services, digital technology and energy, for instance, or could press ahead with a free-trade deal with America.

Yet a blast of reformist zeal from Brussels would hardly mollify Europe's disgruntled voters. For one thing, reforms tend to produce short-term pain before long-term gain—one reason why many European governments have found them so hard. For another, voters do not like being pushed around by Eurocrats.

The battle to save the euro has led to the centralisation of powers over banking, taxing and spending; and, while most euro-zone voters want to keep the euro, they have made it quite clear that they oppose the accretion of ever more intrusive powers to the ECB, the European Commission and the European Parliament. The EU's abandoned constitution and its successor, the Lisbon treaty, were together rejected in three out of six referendums; ten governments broke promises rather than hold votes on the final version. In France, a founding member, the EU today attracts even more resentment than it does in famously Eurosceptic Britain. The populists' appeal in the European elections is based largely on rising hostility to interference by Brussels.

This is an issue of democracy, not of economics. Voters are not impressed when they toss out an incumbent government only to be told by the EU that its replacement must stick to the same fiscal rules and economic policies. Since the transfer of powers to the centre has come about as a result of economic failure, and not of broader political debate or of resounding success, the chances of its being meekly accepted are slim.

Hand powers back

Voters' resentment suggests that giving the European Parliament more power has not been a reliable route to democratic legitimacy. The parliament has failed in its 35-year strategy of persuading voters to take it seriously by winning an ever growing role (see [article](#)) (<http://www.economist.com/news/briefing/21602200-european-elections-will-neither-lend-new-credibility-european-parliament-nor-give>) . Europe's heads of government should stand against its latest power grab, which is to arrogate to itself the right to choose the next European

Commission president by getting the main political groups to nominate candidates and refusing to accept any alternative.

If the EU is to gain democratic legitimacy, it will do so not through the European Parliament but through national parliaments. That means giving powers back to them wherever possible, including greater fiscal flexibility and more national control over social policy and employment rules. It also means that national leaders must take responsibility for economic reform, rather than hiding behind the convenient fiction that painful choices are being forced on them by bad people in Brussels or Berlin. Recent experience shows that those who do so can benefit: countries which have made deeper changes at home, such as Spain and Portugal, are now bouncing back more strongly than reform laggards like France and Italy.

At one time Europe seemed to be moving inexorably towards “ever closer union”—and many federalists hoped the euro crisis, like previous crises, would mean another leap forwards. Yet in the wasteland left after the crisis, voters are shaking their pitchforks at the notion of a United States of Europe. Rather than seek to expand the role of the EU’s institutions, it would be better to reinforce the nation-states where legitimacy lies. Europe’s broad strategic direction should be set by heads of government, not by the European Commission, even though that body proposes the detailed laws. The European Parliament should be downgraded, with more democratic control given to national parliaments. If the EU is to survive, it must hand powers back to the people.

From the print edition: Leaders