

PARLIAMENT OF BORES?

NATIONAL PARLIAMENTS ARE NO LONGER THE CENTRAL ACTORS IN THE SHAPING OF NATIONAL LEGISLATION. IF ANY PARLIAMENT CAN CLAIM THAT ROLE, IT SITS IN BRUSSELS (AND FOR FOUR DAYS PER MONTH IN STRASBOURG). YET DO EUROPEAN CITIZENS REALISE THIS? DO THEY CARE? AND WHY ARE YOU READING ABOUT THIS IN THE ECB'S STAFF MAGAZINE? BORING, IT ISN'T...

The European Parliament is the “direct democracy” part of the EU and its best known and most popular institution. It is also, despite the fact that European citizens may not realise it, very powerful. According to German ex-President Herzog, no less than 84% of all German legal acts originate in the EU (and something similar could be said for any Member State). The percentage is not a typo. The great majority of these laws, which directly affect citizens in areas such as car exhaust emissions, mobile phone charges, gas bills, insurance contracts and waste disposal, are worked on every day by the European Parliament, which amends them, votes on them and eventually adopts them (jointly with the Council, a process known as “co-decision”). At that point, they are sent down to national parliaments (and governments), which translate them into national law.

Interestingly, the amount of legislation that Parliament adopts is declining. This is largely a by-product of the European Commission’s “Better Regulation” programme, which means (amongst other things) generating less European law; 76 co-decision acts are anticipated for 2007, compared with 112 in 2006. This sits uneasily with the rising number of Members of the European Parliament (MEPs), which is up from 410 in 1979 to 785 today (due to enlargement), although this number will go down to 736 in 2009. Also, unlike last year’s battle over the Services Directive, the big “European Issues” of the year, such as Kosovo and the Constitutional Treaty are likely to be decided by the Member States in the Council. This reflects the fact that in many areas, such as agriculture and police and judicial cooperation, Parliament, despite its growing role, still has little or no say. It also lacks the right of initiative that most national parliaments have.

However, Parliament’s role is easily underestimated. In addition to its legislative powers, it is also (again with the Council) the European Union’s budgetary authority and so decides how to spend most of the Community’s money. It also scrutinises the ECB as well as various other European bodies and in particular the Commission.

Each individual Commissioner is questioned before being appointed, which sometimes forces changes. In 1999, the Parliament insisted on the resignation of the entire Commission. In these and other ways, Parliament is fully involved in most areas of EU policy, including transport, the environment and development. Even in areas where it has no explicit powers, such as economic policy, it uses its own initiative to make its voice heard, e.g. on the Lisbon strategy and external representation of the euro.

Parliament also plays a big role in the life of our own European institution. It is Parliament that holds the ECB to account, and so it is through Parliament that we have our main institutional interaction with citizens. Most of Parliament’s detailed work is done in committees, of which there are around 20. The most crucial for the ECB is the Economic and Monetary Affairs Committee (ECON). The ECB President appears before that Committee at least four times a year, and at least once before the plenary, to present the ECB’s Annual Report. The ECB also responds to all MEP letters, which are ever more numerous. Parliament is also consulted on the appointment of the ECB’s President and Board members, with ECON giving each a full hearing and the plenary taking a (non-binding) vote on their suitability. Whilst the ECB’s independence is in no way compromised, MEPs’ views are taken into account, for example when the ECB decided

to publish its staff economic projections and to increase their frequency from two to four a year. Ex-President Duisenberg summed up the relationship well, telling Parliament that “We constantly, in our internal deliberations, take into account the exchange of views which we have with you, and we either follow your suggestions or we reject them; but if we reject them we do so with good reason and we know that we have to explain why we rejected them. Therefore, it stimulates our thinking.”

Sometimes, the ECB suggests Parliament should prepare or amend legislation, in particular on financial services. The ECB takes a view, usually set out in an Opinion, and wants Parliament, as co-legislator, to agree. The ECB is often in relevant Council Working Groups and has good relations with the Commission, but it is also crucial for us to be fully “plugged in” to Parliament’s workflow. Given Parliament’s explicitly political ethos, this can be a highly sensitive task.

Parliaments are undoubtedly the main democratic arteries of the EU, but they are not the only ones. As in California and Switzerland, the direct democracy of referendums and petitions is a growing force in Europe. This was explicitly recognised in the Constitutional Treaty and it is highly ironic that the first (but not the only) million signatures gathered at EU-level were for the “One Seat” campaign that highlights the 200 million euros a year spent moving the Parliament from Brussels to Strasbourg every month. It is highly unfortunate, to say the least, that this issue is for many citizens’ their first association with the Parliament and it makes it hard for the institution to fight the public perception that it has a wasteful attitude to public money.

Citizens best know Parliament through the European elections, although, as is well-known, turnout for these has consistently declined from 63% in 1979 to 46% in 2004 (and below 17% in one Member State). Yet, if the powers of the Parliament have steadily increased with every treaty, why did the dog eat most voters’ registration forms? Every election

tells a story, but the “European” elections tell 27, as they can be correctly, if unfortunately, characterised as second-rate national elections, each with their own electoral systems and voting patterns based on national issues. It is notable, however, that voter turnout is still higher than the turnout for the US congressional elections, which was only 40% in 2006.

However, regarding the way the Parliament actually functions, it is very clear that issues are not decided on a national basis, but rather according to a left-right axis that reflects the dominance of the two main pan-European parties: the centre-right EPP (European People’s Party) and the centre-left PES (Socialists). There is also a third significant party, Alde (Liberals), which holds the “balance of power” in the current Parliament on issues such as trade and the environment. At election time however, these European parties run on national tickets, with the notable exception of the Greens, who have a single manifesto and run a pan-European campaign. This bolstering of a European demos, with the Parliament at its centre, may well be the future. For now though, the Parliament will continue to struggle to enthuse and justify its existence to its electors, but will, at the same time, carry on responsibly playing a crucial role in the daily life of the European Union.

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