

# Is Europe really moving to the right?

Any shift to the extremes has to be taken seriously

The recent elections of the European Parliament attracted considerable interest and the main theme of the press comments was a shift to the right. The reality requires a closer attention to the details of the result and what they really mean. The move to the right, while symbolically important, was not meaningful.

The European Parliament (EP) is substantially different from national parliaments.

While it does have an influence on the European Commission and has legislative rights, the EP has no right of initiative. Legislative proposals can only emanate from the European Commission. While the Commission has seen its power expand and increase, the last Commission has been dominated by the influence of the main member states (Germany, France, Italy, Spain and the UK).

The Commission, while acting like an executive branch, is effectively appointed by the member states as well. There was a *gentlemen's agreement* that the leader of the party that would have had the largest number of seats would become the President of the Commission. It should be Jean-Claude Juncker, an EU veteran and former Luxembourg prime minister. Since the results were known, manoeuvres threatened that designation. David Cameron, the British PM, stated that Britain might consider leaving the EU if Juncker were elected.

The first characteristic of the European elections is that the role of the Parliament is so discreet that voters do not bother to vote. Absenteeism reached 53 per cent of the population. That gave the "fringe parties" who are more aggressive and determined, a relative advantage that does not necessarily translate into the same results when it is a national or federal election.

The second characteristic, and in my view the most important, is that the new Parliament is overwhelmingly supportive of Europe and the European Union. The four core political parties (Liberal, Socialist, Christian Democrat and Environmentalists) represent 528 seats out of 751, or 70 per cent of the EP.

Those parties, however, have been recently losing ground and realise that what is sometimes considered as an insufficient *democratic legitimacy* needs to be addressed. It would be irresponsible for the European authorities not to consider this deficit. Brussels has become a



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symbol of opacity, manoeuvring and even corruption. It needs to address that issue urgently.

Among the 30 per cent that are considered to be 'fringe', the most eclectic objectives are represented. The Euro sceptics: UKIP, the largest UK votes, wants to reduce the powers of the European Union. They are fairly similar to the Danish People Party. They represent 5.49 per cent of the seats. The right wing Euro sceptics represent 4.39 per cent.

The French *Front National*, the largest French votes, capitalised on scandals and ineffectiveness of the two main parties but nobody wants to coalesce with them because of their racist background. It weakens France, but will not be able to impose anything in Brussels. (0.3 per cent). Much Ado about Nothing.

The anti-austerity parties want a softer hand of the Commission. The brutal and lengthy handling of the Greek sovereign crisis has given fuel to these forces who are mostly coming from Southern Europe. (6.13 per cent). They actually lost seats. The extreme left has always been present in the European Parliament and have, of course, nothing to do with the rightist parties. The answer to that question cannot be an overwhelming yes. One remains impressed by the recovery of Spain, Portugal and Ireland. Greece saw its 10-year interest rates drop from 40 to 6 per cent in two years and managed to issue 5-year bonds just below 5 per cent.

Two countries remain threatening, because of their sheer size.

**Italy**, for all the rhetoric of Prime Minister Matteo Renzi, has a 132.6 per cent debt to GDP and growing.

**France** seems unable to tackle its expenses. Every new announcement of expenses reduction is contradicted by the facts. Its debt to GDP is at 92 per cent and increasing. Fundamental reforms seem to be impossible to implement or agree upon. Its government seems to be hopeless at addressing the current problems of the country.

Those two countries together represent €4 billion of debt. There is no way the president of the European Central Bank, Mario Draghi, could deliver on his promise to do "whatever it takes". Both countries have a structural problem. A crisis from one or both of those countries would put Europe in quasi-bankruptcy. It would be a systemic crisis on a world scale. ♦

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