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Ghosts of the past

The EU elections will shift power to the right, risking the return of conservative economic policies and threatening the welfare of ordinary citizens

The elections to the European Parliament are taking place this week, and it is generally assumed they will not go well. Right-wing, far-right and ultra-right parties will gain ground in many member states, which can change the balance of power in the parliament and other European Union institutions, too.

Things are already going awry if everyone is glued to the populist-nationalist wave. Worse, this turns a pluralist political discourse into one of anti-European *versus* – as they are then bracketed together – 'pro-European' parties: from the radical left and the greens through the social democrats and liberals to the Christian democrats. This flattens all the political choices in a polarised debate.

Even in past European elections, it has been a struggle for those who have sought to set the agenda with different political concepts as to where the EU should be heading. Citizens' voting decisions are often motivated by controversies at national level, including frustration with the governing parties — rarely by a European policy orientation. At best, the debate often remains at the level of slogans: against the 'Europe of the corporations' or 'neoliberal Europe' on one side, against the 'dictates from Brussels' on the other.

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In the process, few people have registered that the EU has made considerable progress in recent years. Much has changed for the better, albeit slowly and painstakingly. The difference is striking if one compares today's *Zeitgeist* with the policies of the early 2010s. Soon after the financial crash, the EU switched to a brutal austerity policy. Particularly affected countries were reprimanded and sharp expenditure cuts imposed, setting these countries back years and leading to almost a decade of stagnation in the

eurozone as a whole. The clash between member states almost tore the union apart, poisoned by nasty national-cultural rhetoric counterposing 'lazy southerners' to 'hard-working and frugal northerners'.

This paradigm has, however, gradually changed since 2015. The response to the pandemic was very different. Funds were raised jointly on the financial markets and made available to all member states, with more support for the particularly affected countries. The €750 bn recovery package agreed upon in July 2020 was a programme straight out of the Keynesian textbook. For the first time, the EU as a community took out loans on the financial markets to support the economy and counter the business cycle, especially in countries like Italy, where the slump would otherwise have been most severe.

Austerity was diluted, with the setting aside of the fiscal rules for the duration of the pandemic. Ideologically driven economic 'liberalism' was abandoned in other policy areas too. The minimum wage directive of 2022 obliges most member states to uplift the lower-wage sectors of their economies. Trade unions have meanwhile been strengthened by the stipulation that member states prepare plans to raise collective-bargaining coverage, where falling short, to 80 per cent.

These were remarkable steps. Yet, now there is a threat of austerity 2.0, as 'discipline' is once again the order of the day in fiscal policy and the paradigm of 'competitiveness' is again being used to slow down wage growth and reduce companies' costs — regardless of the effects on demand and employment.

Blocking progress

A political shift to the right in the elections could therefore lead to a turnaround. If the left is weakened and the conservatives in the European People's Party rely on the 'moderate' parts of the right-wing populists for support – as the EPP *Spitzenkandidat* and outgoing president of the European Commission, Ursula von der Leyen, has indicated she would be willing to do – then this shift in the balance of power would have consequences for economic and social policy, not to mention the socio-ecological transformation and climate policy.

The same applies to national elections, of course: If right-wing governments replace more left-wing predecessors in member states, they immediately block progressive policies in the EU institutions. This has been clearly visible in recent months, for example after right-wing

governments came to power in Finland and Sweden — in Finland, legislation restricting the right to strike came into force earlier this month.

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These governments are no longer allies for an economic policy that strengthens the welfare of ordinary citizens and raises wages. The fact that the stubborn neoliberal Christian Lindner occupies the Ministry of Finance in the German coalition government is not exactly a help either — he is blocking progress on social and economic policy at all levels.

A commission that makes itself dependent on far-right figures such as the Italian prime minister, Giorgia Meloni, and her Hungarian counterpart, Viktor Orbán, whose commissioners are selected by more and more right-wing governments and which is faced with a parliament that has shifted to the right, will naturally pursue a more right-wing policy.

Conservative economic ideology will gain ground and nationalist governments will prevent ambitious EU economic and social policies — the vacuous language of 'less Europe' and 'more power for the nation states' inscribed on their banners. The relatively progressive spirit of the last few years could quickly become a thing of the past.

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