

European Parliament elections show impact of economic crisis

by Rainer Apel

In the June 12 elections for European Parliament, 10 of the 12 governments of the European Union (EU) lost considerable percentages of votes. One might argue that the European Parliament is an assembly without real power, like the parliaments of 19th-century Europe, so that not much attention should be paid to the results of this election. But the reality is that the election was a test of voters' views on the performance of their own governments, in-between or shortly before elections for the respective national parliaments or (in the French case) for the presidency.

What is one to make of the following picture: In Britain, the Conservative government lost massively; in Spain, the Socialist government lost; in France, the conservative adversaries of the pro-European Union establishment advanced; in Germany, Chancellor Helmut Kohl consolidated his support, while the leftist opposition to the establishment drew most of the protest vote; and in Italy, the new Forza Italia ("Go, Italy") party of Prime Minister Silvio Berlusconi, whose politics in many ways resembles the populism of America's Ross Perot, was the big winner.

Ideological interpretations won't explain why in one case the leftists won, and in the other, the rightists, and in the third case, a "mixed bag." To explain voters' choices, it makes more sense to look at the worsening economic situation in the key European Union countries.

Ideologies are out the window

In Britain, vote losses for the Tories, the Conservative government party of Prime Minister John Major, were substantial enough to cost the party almost 50% of their 34 seats in the European Parliament and give the opposition Labour Party 62 of Britain's 88 seats. This political landslide corresponds to the fact that the Major government has the worst ratings in public opinion of the past 64 years. This has to do, first of all, with the devastating domestic employment situation in industry and the public sector, which also translates into a worsening social situation—mainly the heritage of the previous Thatcher era, but something that has become associated with the name of Major in the three years since Margaret Thatcher left office.

There is also increasing disgust among British voters at

the continuous sex and corruption scandals implicating an impressive number of senior administration or Tory party officials, which has built a sentiment of revolt and non-confidence inside Major's own party that may soon cost him the post of prime minister—maybe as early as this autumn, if parliamentary elections are held earlier than the anticipated late-1995 date. The outcome of the European elections is expected to accelerate this process of Major's replacement.

In France (see article, p. 45), two recently created protest parties, one of bankrupt businessman Bernard Tapie and the other of media mogul Sir James Goldsmith and of Vendée region nobleman Philippe de Villiers, received 12% of the vote each. This means that the two newcomers will be in a "kingmaker's" position for the presidential elections next spring.

The situation in Spain is linked with the same mix of economic crisis news and public scandals as in Britain or Italy, although unlike the Italian case, no entirely new political movement is on the horizon. Spain's governing Socialists lost no less than 25% of their own constituency and finished at 30%, instead of the 40% they had received in the last European elections in 1989. The conservative opposition from the Popular Party almost doubled its vote from 21.7% to 40.2%, and the pro-communist United Left (IU), the other bloc of the opposition, more than doubled its votes from 6.2% to 14.9%.

The vote disaster was worst for the Socialists in the most densely populated region of Spain, Andalusia, which can be attributed to the rapid decline of industrial employment in that region which, along with the steel production in Asturia and the car-manufacturing complex in the Basque region, once belonged to the big boom areas which the Socialists launched in the early 1980s, at the beginning of their regime.

Spain, which has an unemployment rate of 24% (twice as high as France or Britain) has seen a pattern of strikes and other protest actions, some of them even supported by industry (as in Asturia), throughout the past 12 months, so that Prime Minister Felipe González's low public ratings don't come as any surprise. A majority of Spaniards would vote the Socialists out, if national elections were held right now.

A paradox in Germany

Germany and Italy are the only countries where the government party did not lose votes, but gained. Chancellor Kohl's Christian Democratic Union (CDU) benefitted from the loss of votes on the part of the Social Democrats (SPD), as well as from losses by the liberal Free Democrats (FDP), who are no longer seated in the European Parliament. The FDP is the coalition partner of the CDU in the current government.

It might seem an overwhelming victory for Kohl, but that is not the case. Lyndon LaRouche, asked to comment on the election result in a June 15 radio interview with "EIR Talks," said, "I wouldn't make the mistake of assuming that Kohl is home free for the next elections on the basis of this result. . . . The collapse of the financial system, which is oncoming rapidly, is a great threat to Kohl in the next round."

The wave of spectacular collapses of industrial firms and financial institutions, combined with growing unemployment, stand in sharp contrast to the Kohl government's pronouncement that an immediate recovery of the economy lies ahead.

The protest in Germany against the economic decline did not send voters to the main opposition party, the SPD, but to the post-communist PDS and the ecologist Greens, which replaced the Free Democrats as the third-strongest party, with more than 10% (an increase of 2%).

This paradox, that Germans could have been expected to vote against Kohl's party but didn't, can be explained by the fact that, unlike in Britain or Spain, voters don't believe in the opposition as an alternative. The SPD does not give anyone the impression that it has an economic alternative to the present government. A significant percentage of German voters is no longer debating the pros and cons of the SPD, but is looking for other parties in the opposition; mostly this expresses itself as populism. It undermines the potential for forming the traditional kind of coalition government between one big and one small party, because no such combination will have enough votes for a parliamentary majority from now on.

This poses the threat of increasing ungovernability, as the Greens and the PDS, both being populist parties with no program that would be acceptable and appropriate for a modern industrial nation like Germany, can be expected to broaden their own voter base in the near future.

The ecologist Greens have been in the western states of Germany for 15 years, and the fact that the country's mainstream ideology now is environmentalism, in numerous colorations, worked to the benefit of the Green party on June 12.

In the eastern states of the country, the PDS, the "converted" former state party of the East German communist regime, managed to survive the collapse of the regime in late 1989 and consolidated its voter base in the five eastern states at a level above 15%, with recent trends pointing toward 20% and slightly beyond. The PDS was able to do so because of

the social effects of the deindustrialization policy of the Kohl government in Bonn, after German unification in 1990, which has led to a jobless rate in many eastern cities of 40-50%, and related to that, a rebellious ferment among voters there.

The PDS now has enough votes in the east to compensate for its weakness in the west; thus the party only narrowly missed the 5% threshold nationally on June 12 which is mandatory under German law for a seat in the national parliament. The PDS came out as the fourth-strongest party in the European Parliament elections with 4.7%, and it expects to broaden its voter base by mid-October and win 5% in the national elections then.

What kind of Grand Coalition?

Another result of the June 12 elections in Germany is that the Free Democrats failed to re-enter the European Parliament, since they received only 4.2% of the vote. This has major implications for the next national elections: Throughout the entire postwar period, with the sole exception of 1957-61, when the Christian Democrats had an absolute majority of votes, the FDP has always been the minor coalition partner for governments led by either of the two big parties, the SPD or the CDU; the disappearance of the FDP into non-parliamentary status would imply either a combined "left-wing" majority of SPD, Greens, and PDS, or a "conservative" minority of the CDU, or—as a third and most likely option—a Grand Coalition of CDU and SPD.

The first such Grand Coalition was put in power in late 1966 and lasted through the economic recession of the late 1960s; both the CDU and the SPD have declared again and again in the past months that they want no new coalition of this type, except in case of a "national emergency."

With a large corporate collapse making headlines in Germany almost every other week, with banking and other scandals, increasing jobless figures, and a further decline of voters' preference for the SPD, that "national emergency" may well be there in October. If the option of a left-wing government does not come about for lack of SPD votes, there would be either a powerless minority government of the CDU, as the larger of the two big parties with an expected vote percentage of about 40%, or the aforementioned Grand Coalition of the SPD and CDU.

There has been a great deal of discussion in Germany about the latter option, but it was largely theoretical before June 12; now, after the European elections, it has turned into a much more concrete perspective.

A Grand Coalition could do much with a good economic policy, or could ruin everything with a bad one. Since Germany is the strongest economy on the European continent, and since Franco-German cooperation is essential for the effective functioning of the EU, the decisive battle to get out of the economic depression will take place in Germany, in the election campaign from now through mid-October.