

Peter Gerlich
University of Vienna

Austria and the European Union

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1. Background

After centuries of “civil” wars European leaders since 1945 came to the conclusion that conflicts like the two world wars should never happen again. For this reason they tried to initiate a European integration process. First attempts to establish a political union failed, but in 1958 the European Economic Community was finally established. The following process was characterized both by a widening, that is by adding new member countries to the Union and by deepening, that is by giving it additional powers.

Widening occurred in four main steps. The original six members accepted first in a Western enlargement three more nations in the West of Europe in the 1970s, then three southern European nations in what could be called the Southern Enlargement in the 1980s, then three neutral nations, in which one could call the Nordic Enlargement in the 1990s and finally at present ten more eastern European nations, in a process which is just now under way. The question often discussed but not easy to answer is where the borders of Europe should be in the future, where the limits of integration should be drawn.

Deepening implies the extension of the so-called supranational powers of the Union, that is powers in which states objections to union policies could under certain circumstances be overruled and where therefore the Union authorities take over the final decision power. An important step in this direction was the Maastricht treaty of 1992, which established a so-called three-column model adding two intergovernmental areas (foreign policy and internal security) to an expanded area of supranational economic powers. This development was underlined by the establishment of the European Monetary Union, to which not all member states of the EU belong, but which has introduced the Euro as a common currency.

It is not easy at this moment to draw up a balance sheet of the European integration process. But it certainly is so that the single market and the single currency can be considered great successes while particularly foreign policy and other areas like immigration policy have not yet been fully integrated. Another problem, which will be treated later, is the fact that the European Union by its very structure does not

conform to democratic standards as practiced in the member states in spite of the fact that it has taken over the ultimate powers to make decision in many areas.

2. European Structures

I first attempt to describe the statics of the European Union, the kind of institutions which have evolved and which are difficult to compare to the institutions in other political systems. Only secondly I want to describe a specific form of political dynamics, which has been developed in the form of the so-called multinational politics. It is useful in trying to understand the specifics of the European Union to compare it with the institutions of national political systems of member states such as for example the Austrian one. Austria has a somewhat modified parliamentary system with at least theoretically strong federal president as a head of state. The Austrian people by and large understand how their national politics works. Parliament holds a pivotal position and its constitutional court controls the maintenance of constitutional standards.

The arrangement on the European level which certainly now also forms a political system of its own, is quite different and almost impossible to understand for an outsider. I try to in somewhat more details describe the three main institutions, namely the Council of Ministers, the European Parliament and the European Commission.

They can be first characterized by their main functions. The Ministerial Council is the ultimate decisionmaking body - in this way replacing national parliaments. The European Parliament is a now directly elected body, which ensures a certain form of at least symbolic participation from the peoples of the union. It has a not inconsiderable power to control the activities of the other institutions through its publicity and it certainly also serves an integrative function, but its influence on decisionmaking is rather limited. Of particular interest is the European Commission. It is a body which is supposed to represent, unlike the other two institutions, not national but only European interests, has a monopoly of placing initiatives for legislation before the other institutions, is responsible for the execution of EU policies

and acts also as a watch-dog of the constitutional treaties of the European Union. In general it is the most supranational and integration oriented institution of the Union.

As to rules of decision making in the Ministerial Council there is for important matters still unanimity, many and increasingly more areas are however decided by a qualified majority and some less important ones, like procedural matters, are decided by simple majority. The European Parliament which has not much power works in general through a kind of grand coalition of the Conservative and Social-democratic party groups. In the European Commission decisions are taken by simple majority vote.

All three institutions are characterized by intensive negotiation systems. These negotiations always work bottom-up. In the Ministerial Council there are working-groups of civil servants and experts, who ultimately report to COREPER which is the committee of permanent national representatives and these in turn prepare legislation for the ministers who are delegated from the member countries and who meet regularly to make the relevant policy decisions. The European Parliament has developed a three week cycle in which one week of plenary sessions and debates is preceded by one week of discussions in committees and this in turn by one week of discussions inside the political party groups. The European Commission heads the bureaucracy of "Eurocrats", of European civil servants, which is divided into 24 Directorates General. Each member of the Commission has a cabinet of his or her own and they act ultimately together as a kind of college.

It is interesting to observe the style of these different institutions which have developed clear identities of their own. This is for example manifested by the architecture of the respective office buildings. The building of the Council of Ministers is quite governmental, that of the European Parliament is rather elaborate and somewhat exaggerated, the European Commission officiates in a very business-like environment.

Two further aspects should be added as far as structures are concerned. One concerns the European Court of Justice which has had a very important role in promoting the integration process. It acts as a kind of constitutional and

administrative court. National courts can defer decisions to it for so called preliminary rulings. Decision-making is by majority, there is also an infrastructure in the form of a Court of First Instance and a so-called Advocate-General who helps preparing the decisions. The appearance of the Court is kind of scholarly or academic, it resides in a relative modest building up on a hill in Luxemburg.

The European Council is a meeting two times a year of the heads of government and state of the Union, a kind of elevated Council of Ministers. It has been introduced in 1974. It is not based on explicit provisions of the treaties. It has however an important symbolic role and also the role of giving guidelines and initiatives. However, as most summit meetings in practice the possibilities of being effective is severely limited by the time pressure under which these important officials usually find themselves.

3. European Processes

I now proceed to the description of the dynamics of the European integration, for which political scientists have coined the term “multi-level-politics”. Between levels of the Union and nation-states elaborate networks of interstitial working-groups and committees (sometimes one talks of the special Brussels’s comitology) have developed which operate in a continuous interactive process involving also representatives of the national bureaucracies and governments as well as of lobbies and interest groups.

Debates are taking place on all levels and in all phases of decision-making. This concerns the preparation of decisions, the decision-making properly, the implementation and also the control of decisions. The infrastructure which has been mentioned before which exists for all the EU institutions is of particular relevance in this context.

The European Union to the outside seems as a very powerful leviathan which kind of sits on top of the former sovereign nation-states. However if you look closely you see that in this process of multi-level-governance the interests of the member states are well represented if they manage to arrange this representation efficiently.

4. Austrian experiences

It is my conviction that politics in Austria have very much changed since the country joined the EU. The strange aspect however is that many Austrians even act actors in the national political system, have not fully realized these transformations.

First a few remarks are in place about the legal situation. It is clear for lawyers that the European Union legislation has supremacy over the constitutional and regular legislation of the Austrian political institutions, especially the Austrian parliament. So whenever EU law contradicts national law the EU law should remain stronger and it is the task of the European Court of Justice and other European institutions to assure compliance. An exception are only the so-called basic principles of the Austrian Constitution which could be changed only after a referendum in Austria. Since the accession of Austria to the European Union implied many changes of these Austrian constitutional principles, especially the “democratic principle” according to which legislation should only be decided by directly elected people’s representatives, the Austrian electorate had to vote on the accession. This it did in 1994 with a two thirds approving majority.

The political consequences of EU-membership are far reaching. The most important one is the fact that in many respects Austrian authorities suffered a loss of autonomy, even if this is compensated by the possibility to participate in European decision-making. This is not only done by direct policy decisions of the European institutions but for example also through the fact that the European Union sets certain goals or standards which national governments have to follow. This very much limits their possibilities to engage in active politics. For example the need to maintain a budget discipline limits the possibility of spending in many areas. This is an indirect but very effective consequence of the accession to the European Union.

Most important is more over not so much the direct political but also the indirect economic effect. Since Austria is now part of the great European market and this market's four freedoms apply, enormous changes which however come gradually have happened, changing the long established economic structures of Austria and therefore the shape of daily life in Austria. Austria simply had to be opened up, this

has, for example, also changed many traditional patterns of politics which can no longer be maintained since Austria is now open to European and to some extent also international competition.

The specific power-shifts which have occurred are, of course not surprisingly, that the government and the bureaucracy's powers have been increased to the extent that they participate in decision-making in Brussels, while the powers of parliament and the political parties have accordingly decreased. The Austrian parliament in theory has considerable influence on the way in which Austrian interest should be represented in Brussels, in practice however it has never been able to make use of these theoretical possibilities. The traditional form of interest group cooperation, the so called social-partnership, has on the one hand reduced its influence because it is no longer possible to maintain a socioeconomic regime of its own in Austria. But it has also gained a little because unlike in other member-states in the case of Austria representatives of the so-called social partners are also officially involved in representing Austrian interests in Brussels.

A number of special problems of the Austrian membership could be mentioned. First, relatively soon after its accession Austria had to chair the Council of Ministers, that is to act as the presidency of the European Union for half a year. This went relatively well. What did not go well was the reaction of the other fourteen member-states to the formation of a center-right government in Austria in the spring of the year 2000, since this government included the right-wing Freedom Party. The governments of the other nations (but not the European Union institutions) decided to kind of boycott the new Austrian government. This boycott was maintained until the fourteen sent a committee of experts to Austria, which reported that democratic standards had been more or less maintained. After this report the sanctions were lifted. Since then, some other European countries have formed similar cabinets without any similar reaction. The prestige of Austria however has suffered in the European Union as a consequence of these events just as the approval for the European Union has been somewhat reduced in Austria.

Some areas are of particular difficulty, for example in the Austrian public there exists lots of concern about nuclear-energy-plants in neighboring countries or the so called

“transit-problem”, the fact that road traffic through some Austrian valleys is increasing all the time making life difficult there. It appears not very easy to represent Austrian interests in this respect on the level of the European Union and Austria has not been very successful in getting its way in these policy areas.

The implementation of European Union laws has also led to many cultural changes, to changes of the political culture in Austria. Moreover I noticed something which I would call “representation-deficit”, because it seems somehow to be very difficult for the Austrians, even aside from the problems mentioned above, to represent themselves well on the Brussels’ level.

5. Outlook

For me, and this may be a particularly political science view, the democratic deficit is aside from many other problems of particular relevance as far as the future of the democratic Union is concerned. Nobody can deny that there is a lack of democratic governance on the European level, which to some extent is replicated by the fact that no European civil society exists. In both respects, in my opinion, stronger attempts have to be undertaken if the great project of European integration should further succeed.

A partial solution is now attempted by the “Constitutional Convention”, a conference which has been mainly organized by the member-states and which has been given a list of tasks about which first reports have now been made. It is obvious that in this convention the intergovernmental, that is nation-state oriented, element is much stronger than the federalist element, which is trying to promote further integration. It should be noted however that the proposals of this convention are by no means binding, they have to be approved by a future intergovernmental conference in which each state has a kind of veto-power. So some kind of compromise will have to be found.

My personal impression is that the European Union would be well advised to learn from historical examples. I do not share the somewhat self-serving argument of many EU scholars that the new union is so unique that it cannot be compared to any other

unification experience. There are two countries which have managed to overcome enormous diversity and have formed strong unions. These are the United States and Switzerland. Both have not surprisingly different institutional arrangements from most other western democracies and also some other aspects in common such as a relatively small public sector or fixed electoral terms. I think that these examples show **(1)** that parliamentary government is not an appropriate form of arranging union politics in unions which are very diverse in their ethnic and cultural composition. It under such circumstances is much more appropriate to have consociational arrangements. It is also very important to **(2)** clearly define states' rights and to **(3)** guarantee as much democratic involvement of the people as possible. The fact that both countries have before instituting a workable union had to undergo a civil war shows that one cannot assume that the process of integration will continue only in a straight forward and peaceful manner. Conflicts will be always there and are therefore unavoidable. Nevertheless more unity is needed, especially under the changing international conditions, which have been introduced through the initiation of strongly unilateralist policies by the United States.

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