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# EU Elections: For many Brussels seems too far away

Most Europeans don't expect Brussels to help them with concerns such as ageing, falling ill and purchasing power issues. Instead, they would like transnational topics such as border security, Schengen reform and climate change put back at the heart of discussions. The chasm between the EU's role and people's concerns is a reason for rising euroscepticism



Source: Shutterstock

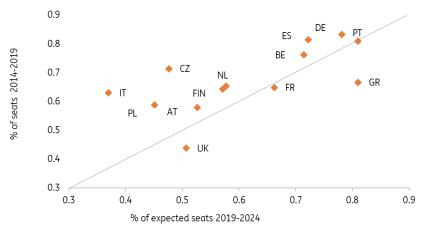
### A more eurosceptic European parliament

The share of the traditional parties such as the pan-European People's party (EPP), S&D, Greens and the Alliance of Liberals and Democrats of Europe (ALDE) is likely to decrease by about 60% in the European parliament elected this weekend.

This decline is general, except in Greece, where the extreme left is likely to lose ground and the UK where the Liberal Democrats and Greens have had good campaigns. If there is a redistribution of seats in France, both between the traditional parties and others, the share of the former should remain just above 60%. Everywhere else, the four traditional parties are losing ground.

# Share of four 'traditional' parties in the European parliament should narrow nearly everywhere

\*PPE, S&D, ALDE, Greens



Source: Politico, ING calculations

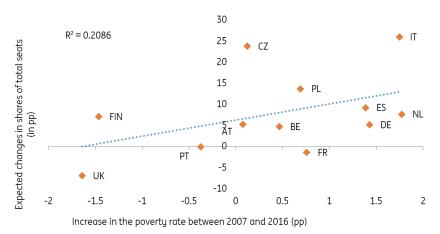
# What are the general concerns of Europeans and do they have an impact?

A <u>recent OECD study</u> surveyed the mains concerns of 22,000 adults across 21 OECD countries and found that people who live in bigger countries are primarily concerned about falling ill. This comes ahead of purchasing power, except in Greece and Italy where purchasing power is the main concern. Crime ranks third in most countries while the cost of elderly care often comes before the fear of job loss. The situation is slightly different for people at the lowest income levels as their top concern is purchasing power, together with the fear of getting sick. For this category, access to housing often comes in the fifth position, after the fear of crime and job loss.

These concerns play a part in voter behaviour. For example, if we look at the poverty rate of each country, we see that in countries where poverty has increased over the last few years (in percentage points), the number of seats gained by non-traditional parties in the elections is likely to be higher. Countries in which purchasing power is a major concern are also those where the poverty level has increased.

OECD study: Risks that matter

# Poverty level is a factor driving the switch towards non traditional parties



Source: OECD, Politico, ING calculations

#### National issues play a role

This illustrates the fact that national issues are sometimes mixed up with European issues, especially when there is little difference in electoral campaigns for national and European elections. In fact, what is most striking is not the list of the concerns, but the fact that none of the major concerns are within Europe's remit or, even the European parliaments. The most one can think that some of the "austerity" policies identified as coming from Brussels have contributed to the confusion.

While the European parliament has voted for major legislation like data protection, CO2 emissions by cars, the end of roaming, etc during the last session and is expected to vote for things like online privacy, European ecological transition - their objective isn't to meet the concerns mentioned above.

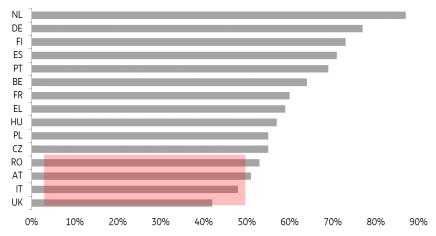
### However, the voters know this and don't reject Europe for this reason

The concerns of people play a part in the rising euroscepticism, however, it would be wrong to say that voters cannot distinguish between the two types of vote.

In fact, the Eurobarometer surveys have shown that voters don't expect Europe to address issues such as purchasing power, wealth and ageing but rather areas which, although not necessarily less important, are slightly further away from their personal concerns. According to Eurobarometer surveys, citizens expect Europe to ensure peace and a critical mass in global affairs followed by safety. the Netherlands is the exception, where not even one in every five people expects Europe to play a part in economic prosperity. It is, therefore, in these areas that voters deserve a real conversation between the eurosceptic parties and the traditional parties.

### Europeans don't believe their country would have a better future outside of the EU

% = I don't agree with the statement "My country would have a better future without the EU"



Source: Eurobarometer (Eurostat)

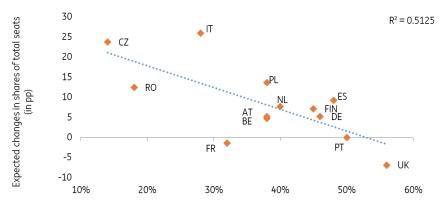
% I don't agree with the statement "My country would have a better future without the EU"

Likewise, it would be wrong to believe that, since Europe doesn't meet people's main concerns, citizens reject the European project.

In general, Europeans don't believe their country would have a better future outside of the EU and, in particular, over 60% of French and 75% of Germans think this. The same reasoning holds true for the single currency and since the eurozone debt crisis, support for the single currency has risen. In fact, it's striking to note that in several countries (including France, Spain and Italy) citizens trust the EU more than they trust their own governments.

So even though eurosceptic parties are on the rise, it seems that European membership is not the issue.

# Anti-immigrant sentiment is also driving the switch to non traditional parties



Agrees that "immigration is positive for my country" (%)

Source: Eurobarometer (Eurostat), Politico, ING calculations

### Immigration: a sensitive topic, with poverty

Of course, it would again be incorrect to conclude that people are completely satisfied with the way the EU is handling things. The issue of immigration, specifically, is virtually the only major area of concern on which Europeans expect the EU to take action. This is a favourite topic of the eurosceptics, which also has an impact on the European elections.

Rejection of immigration (shown as a percentage of respondents to the Eurobarometer surveys who do not agree with the statement "Immigration is positive for my country") appears to have an impact on the share of the non-traditional parties in the parliament: the likely gains in seats in 2019 will come from countries in which citizens are particularly sceptical about the benefits of immigration.

#### **Bottom line**

Overall, we can conclude that it would be wrong to attribute the rise in euroscepticism entirely to national issues or the rejection of the European project. While this may be the case when national and European electoral campaigns are very similar, surveys suggest people are able to differentiate between them.

The problem is that these fears are secondary compared to their main concerns which include things like purchasing power and growing old. This distance logically breeds disinterest, seen in the high abstention rates which, in turn, have an impact on the share of traditional parties in parliament.

Even though the rise of eurosceptic parties could change the dynamics of the European parliament, the European project itself is certain to have a bright future

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On the other hand, putting transnational topics back at the heart of discussions at the European level such as agreements to fight climate change, border security and Schengen reform) could lower the abstention rate and limit the rise of euroscepticism. The challenge, often voiced, of ensuring that citizens feel closer to Brussels, requires highly publicised successes in these areas.

These numbers also remind us that support for Europe continues to be strong and that citizens know where it can have an impact. This doesn't mean that there aren't times when there is confusion between national and European election campaigns, but it would be wrong to assume that the majority of citizens confuse the challenges. Even though the rise of eurosceptic parties could change the dynamics of the European parliament, the European project itself is certain to have a bright future.

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