

Europarl requests transfer of budget rights to Brussels

All member states might see this as lesser evil for different reasons

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Verhofstadt has been complaining for this for weeks. But does the EP really have a say on this? It amounts to a grab of power from the member states which normally should require Council unanimity and, at least in Germany thanks to a law mandated by the Constitutional Court, explicit national parliament approval.

The six instruments were proposed by the Commission and are subject to a co-decision procedure. I have yet to find out whether the Commission shares my understanding of the TFEU, according to which this, as a massive long-term transfer of sovereignty, requires unanimity in the Council.

Given that Germany has already agreed to pay 390 bn eur or more in worst case scenarios where other countries default, Germany will have, at least in the short and medium term, a strong vested interest in a rigid economic governance that imposes austerity on these countries. One might then wonder why the debtor countries would want to agree. Here the answer could be that they would, in the long term, benefit from "democratising" the relative wealth of the richer countries. This could be a reason why Guy Verhofstadt, head of the ALDE (liberal) group in the EP, has been successful in campaigning for today's narrow victory and may also be successful in the next round.