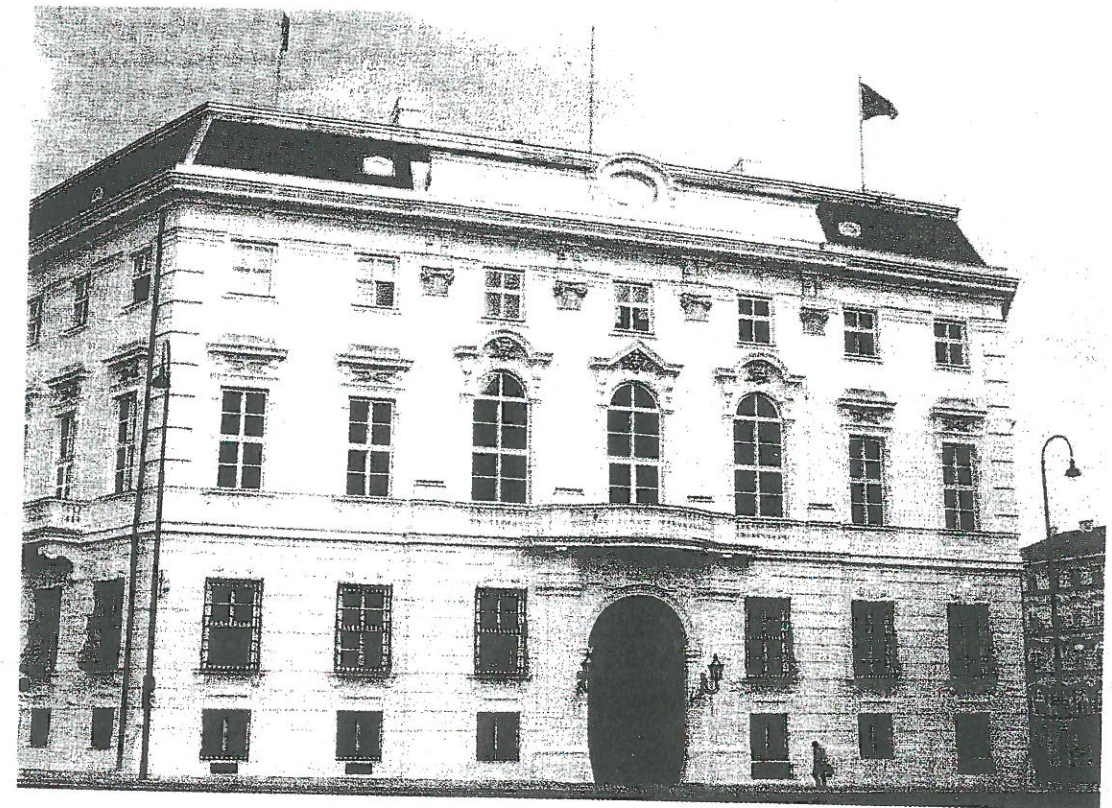


# The Political System in Austria



*The Federal Chancellery in Ballhausplatz, built by Lucas von Hildebrandt*

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**GERMAN TERMS RETAINED IN THE ENGLISH VERSION IN THE ORDER OF THEIR USE:**

Bundespräsident	Federal President (head of state)
Nationalrat	National Council (the lower house in Austria's bi-cameral parliamentary system)
B-VG (Bundes- verfassungsgesetz)	Federal Constitutional Law
Bund	federal state
Land	self-governing, partial state within the Austrian Federal Republic
Landtag	parliament of a Land
Bundesrat	Federal Council (the upper house in Austria's bi-cameral parliamentary system)
Bundeskanzler	Federal Chancellor (head of government)
ÖVP (Österreichische Volkspartei)	Austrian People's Party
SPÖ (Sozialistische Partei Österreichs)	Social Democratic Party of Austria
FPÖ (Freiheitliche Partei Österreichs)	Freedom Party
LIF (Liberales Forum)	Liberal Forum
Vizekanzler	Vice-Chancellor
Bezirk	district (lower-tier administrative unit within a Land)
Volksanwaltschaft	Commission for Complaints from the Public
Landesregierung	government of a Land
Landeshauptmann	governor of a Land
ORF (Österreichischer Rundfunk)	Austrian Broadcasting Corporation

**COVER PICTURES:**

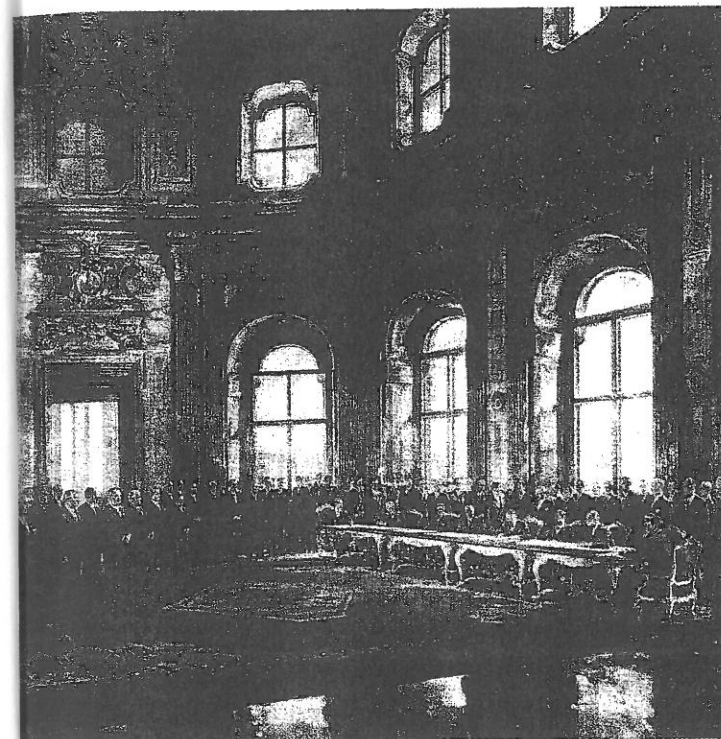
View of the 'UN City' with the Andromeda Tower in the foreground

Signing of the 1955 Austrian State Treaty

Aerial view of Ballhausplatz, with the Federal Chancellery on the  
left and the Emperor Leopold wing of the Hofburg, currently the  
seat of the Federal President, on the right.

# e Austrian nstitution

## Development



*the Austrian State Treaty at Belvedere Palace, on 15 May, 1955; painting by  
chs*

The constitution contains the basic rules governing politics and society. Austria's constitutional law comprises the Federal Constitution in the strict sense of the term, a multitude of constitutional acts and state treaties. Parts of the constitution date back to the 1860s. However, it is the Federal Constitutional Law of 1920, as amended in 1929, which forms the core of the Austrian Federal Constitution.

Milestones in the development of the constitution were, first of all, the revolution of 1848 and political liberalism

from 1867 onwards. In the revolutionary post-war era 1918/19, the principles of parliamentary democracy prevailed over conceptions of a corporate state and a council democracy, and determined the constitution of 1920.

After a major amendment in 1925, the federal constitution was again amended in 1929, partly owing to pressure exerted by the fascist "Heimwehren" (Home Defence Front Fighters). The main consequence was a strengthening of the position of the Federal President vis-à-vis the Parliament: henceforth the president would be elected by the people and hold more powers.

On 4 March 1933, a procedural matter provided the federal government with a pretext for excluding the Nationalrat, the lower house of the Austrian parliament, from political decision-making. Since all three presidents of the Nationalrat had resigned from office, there was no-one to close the sitting in the proper manner. An attempt by the third president Sepp Straffner to summon the Nationalrat on 15 March 1933, was forcibly stopped by the police. The official version issued by the Dollfuß cabinet was that the parliament had eliminated itself. The social democratic MPs were prevented from lodging an appeal against this procedure with the Constitutional Court by the following stratagem: the members of the Constitutional Court nominated by the Christian Social Party were coerced into resigning their offices, which immobilised the Court. This was the final breach of the constitution. On 30 April 1934, the democratic constitution was suspended by an emergency decree issued by a specially convened rump parliament. A new corporate constitution was promulgated on 1 May 1934. In this way the Dollfuß government effectively established an authoritarian political structure of a corporate nature. This structure was abolished upon the occupation of Austria by fascist German forces on 12 March 1938, and its annexation to the German Reich.

The *principle of federalism* is anchored in Article 2, paragraph 1: "Austria is a federal state." This principle means that government functions are divided between the Bund (federal state) and the Länder as partial states. The actual division of legislative and executive powers between the Bund and the Länder reveals that the principle of federalism is not highly developed in Austria.

The *principle of the rule of law* is laid down in Article 18, paragraphs 1 and 2 of the Federal Constitutional Law. "All public administration must be based entirely on law."

Apart from the four above-mentioned principles, the constitution contains a number of other substantive conceptions, the abolition of which could be interpreted as a total revision of the constitution: the principle of the division of powers, the principle of independence and of the ban on annexation; laid down in Articles 3 and 4 of the State Treaty of 1955, are multi-party democracy and the permanent prohibition of fascist and national socialist activities.

*Fundamental rights and civil rights and liberties* had and still have high status in the Austrian constitution. When the republican constitution was adopted in 1920, the fundamental rights and the civil rights and liberties were taken over from the Basic Law of 1867 and still remain part of the constitution. To this day, the contrasting value systems embraced by the political parties have prevented the drawing up of a modern, uniform catalogue of fundamental rights. Most of the fundamental rights are granted not only to nationals but also to aliens and stateless persons, and are, therefore, human rights. They include the inviolability of property, personal liberty, the right to a lawful judge, the rights of the householder, privacy of the post, freedom of expression, freedom of the press, freedom of conscience and of worship as well as freedom of knowledge and its teaching.

Austria is playing a decisive part in developing human rights within international organisations, in particular the UN and the Council of Europe. The European Convention for the Protection of Human Rights and Fundamental Freedoms has had legal force in Austria since 1958; in 1964, it was given constitutional status in its entirety. Among other rights it contains the right to life, the prohibition of torture or inhuman and degrading treatment or punishment, a ban on forced or compulsory labour, a ban on the expulsion of Austrian nationals, freedom of emigration, respect for private and family life, the right to marry and to found a family. In the context of fundamental rights, major political importance is attached to the protection of minorities, which is anchored in the State Treaty of St. Germain (1919) and in the State Treaty of Vienna (1955).

In Austria, fundamental social rights are laid down in statutory provisions and thus lack the status of constitutional laws. These provisions are contained in the European Social Charter and in the UN-Covenant on Economic, Social and Cultural Rights.



ns corresponds to the respective strength of the parties in their Landtage; there is little difference between the party-political balance of power in the Bundesrat and that in the Nationalrat.

The Bundespräsident appoints the Bundeskanzler (Federal Chancellor) and, on the latter's recommendation, the other members of the cabinet. The newly constituted *federal government* has to present itself within one week to the Nationalrat. On this occasion and at any other time, the Nationalrat can pass a vote of no confidence against all or individual members of the government. This results in immediate removal from office. By constitutional convention, the Bundespräsident keeps a low profile in the formation of a new government and actually limits himself to appointing the cabinet that results from the majority constellation in the Nationalrat and from the party negotiations. The Bundespräsident can at any time dismiss the Bundeskanzler (but no other individual member of the cabinet) as well as the entire federal cabinet. However, this has never yet happened and would mean a breach of the code of practice. In

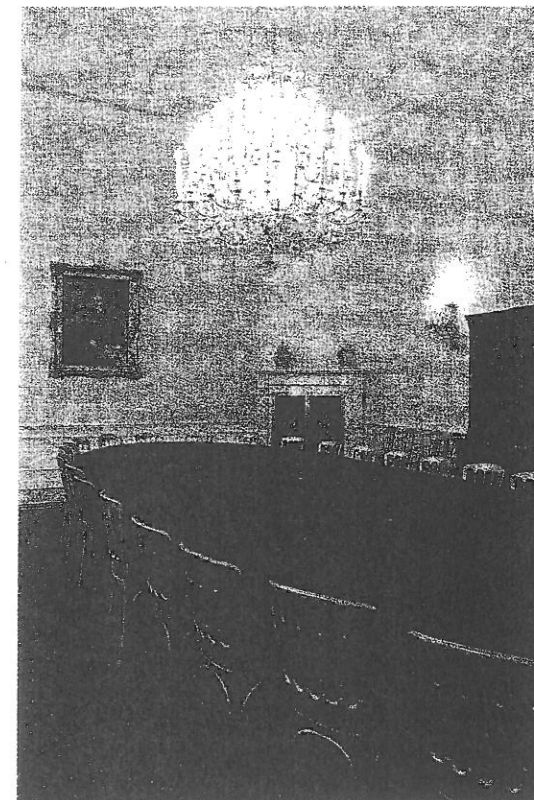
critical situations, Bundespräsidenten have always sought to ensure the continuity and stability of the government. Austria is a party democracy, and without the parties, interaction between the political institutions would hardly be possible. Between elections the political parties are the bonding force between the powers: the cabinet and the Nationalrat are dominated by the same political party or, in the case of a coalition, the same political parties.

## Federal government

The Second Republic experienced different *forms of government* which had a strong bearing on the way the Austrian system of government works. From 1945 to 1947, all the parties were represented in the government. This constellation was followed by an ÖVP/SPÖ coalition, which lasted until 1966 (ÖVP – Österreichische Volkspartei; SPÖ – Sozialistische Partei Österreichs). In that year, the ÖVP polled an absolute majority and formed a one-party government. In 1970, the SPÖ won a relative majority. Since possible coalitions had been excluded by pledges given by the various parties (SPÖ-FPÖ – Freiheitliche Partei Österreichs; ÖVP-FPÖ) or were excluded in the negotiations (SPÖ-ÖVP), a minority government was formed which received FPÖ support in parliament. New elections were called in 1971, in order to create a government with a majority in parliament. In this election, the SPÖ polled an absolute majority. It was able to repeat this success and to continue in a one-party government in 1975 and 1979. In 1983, the SPÖ lost five seats and

formed a coalition with the FPÖ. When the FPÖ changed its leader in 1986, the SPÖ terminated the coalition. After the parliamentary elections of 1986, another 'grand' coalition was formed, this time headed by the SPÖ. SPÖ and ÖVP continued to form coalition governments after the general elections in 1990, 1994 and 1995. Attempts to negotiate another coalition agreement after the general election of 3 October, 1999 failed. Since 4 February, 2000, the governing coalition is composed of ÖVP and FPÖ.

The Austrian Constitutional Law (Article 69 of the Federal Constitutional Law) entrusts the highest administrative business in its entirety to the *federal government*, unless it is the express prerogative of the Bundespräsident. The federal cabinet as a collegiate body takes charge only of the business expressly assigned to it by law (or by decision of the Bundespräsident). Responsibility for all the remaining business lies with the responsible federal ministers. Such business constitutes by far the greater part of government business and lies within the competence of the individual federal ministers who act autonomously, on their own authority.



*Small meeting room of the Council of Ministers at the Federal Chancellery*

The most important statutory competence of the federal cabinet is to decide on the bills to be put before parliament. Since the cabinet subscribes to the principle of unanimity, all the bills submitted by individual federal ministers must be approved by all the ministers. Hence each minister has the power of veto, and no decisions can be taken against the will of any one minister.

According to law the Bundeskanzler is only *primus inter pares*; he has no legal right to issue instructions to ministers. In practice, however, he is in a strong position. He is entitled by the constitution to recommend the other ministers for appointment and dismissal by the Bundespräsident. This means that it is legally possible for him to determine the composition of the cabinet from the outset and – as a last resort – to seek to have a member of the cabinet dismissed. This competence is substantially curbed by the

political practice of coalition governments, in which the Vizekanzler (Vice-Chancellor) – usually the “head” of the second coalition party – virtually acts as a second Bundeskanzler. Only with his approval or at his request does the Bundeskanzler exercise his constitutional authority over ministers nominated by the second party. The constitution also endows the Bundeskanzler with the so-called “co-ordination competence”. In practice, however, his influence on ministers goes far beyond co-ordinating their activities. This influence derives from his traditional role as head of his party. The same applies to the Vizekanzler and the ministers belonging to his party.

must be unanimous, consensus on a bill must be possible in political terms (i. e. between the parties represented in the government) and interministerially (i.e. among the different ministries). The bills accepted by the Council of Ministers are passed on as government bills to the Nationalrat. There they are submitted for deliberation and sometimes revision to the relevant committee, which consults members of government, civil servants and experts, frequently from interest groups.

The Nationalrat bases its decision on the bill submitted by the committee, i.e. on the wording which accommodates the changes made by the committee responsible. It is possible and quite customary for additional amendments to be made by the plenum. The presence of at least one third of the members, and usually a simple majority, are required for adoption by the Nationalrat. Constitutional laws, constitutional provisions in simple laws and laws regarding school education require a qualified majority of two thirds of the votes cast.

As a rule, the individual political parties and/or parliamentary groups adopt common positions in committee and

plenary meetings; government parties are bound by coalition discipline. However, most laws are supported by at least one opposition party. Although party-political consensus in the Nationalrat has become far less frequent since the mid-eighties, an increasing number of laws are supported by all the parliamentary groups as compared with those supported by any possible combination of two or more parties.

The *Bundesrat* can raise objections to enactments of the Nationalrat and has eight weeks to decide on its action after an enactment has been submitted by the Nationalrat. If this period is permitted to elapse, this is taken to signify approval. However, if the *Bundesrat* raises an objection to an enactment of the Nationalrat, the latter can reiterate (in the presence of at least half of its members) its previous decision ("override the veto"). This concludes the parliamentary legislative procedure; the enactment is authenticated and published (Article 42 B-VG). The *Bundesrat* has no right of objection in a number of important matters (especially the budget and other financial matters). Amendments of the constitution relating to the competence of the *Länder* in legislation and execution require the express approval of the *Bundesrat* (Article 44, paragraph 2 and Article 15, paragraph 6 B-VG).

*Parliament building on the  
Vienna Ringstraße*





## The Länder administrations

Administration in the Länder is subordinate to the *Landesregierungen* (Länder governments). In the majority of the Länder – with the exception of Vorarlberg, Salzburg and the Tyrol (the latter two since 1999) – the governments are proportionally composed of members of the parties represented in the Landtag. The Landesregierung is headed by the Landeshauptmann (governor of a Land). In matters pertaining to the Land, the position of the Landeshauptmann – similar to that of the Bundeskanzler vis-à-vis his ministers – is not that of a superior vis-à-vis the members of the Landesregierung. On important matters pertaining to the Land, the Landesregierung decides as a collegiate body. In matters pertaining to the indirect federal administration, the Landeshauptmann acts as an administrative authority and is, on the one hand, bound by instructions from the ministers and, on the other hand, entitled to issue instructions to the members of the Landesregierung.

*The coats of arms of the nine Austrian Länder*



*Burgenland*



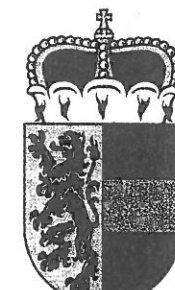
*Kärnten*



*Niederösterreich*



*Oberösterreich*



*Salzburg*



*Steiermark*



*Tirol*



*Vorarlberg*



*Wien*

The sphere of independent jurisdiction has been extended by setting up tribunals. Another characteristic feature of modern administrative developments are collegiate bodies, such as numerous advisory boards and commissions which are, among other things, in charge of preparatory work for decision making. Cases in point are the Federal Board for Senior Citizens, the Commission Preparing the Codification of the Austrian Labour Law and the Co-ordinating Commission for Information Technology.

For a long time, the Austrian Federal Constitutional Law represented the top level in the tiered structure of the internal legal system. This tiered structure consists of the constitution, laws, ordinances, verdicts, and rulings. The increasing internationalisation of the law and, in particular, Austria's accession to the European Union led to an extension of the traditional structure to include the *supranational Community law*. The trend towards the internationalisation of the law is also reflected in the administration of the law. The *European Court of Human Rights* in Strasbourg and the *European Court of Justice (ECJ)* in Luxembourg are now recognised with the highest Austrian courts – the Constitutional Court, the Administrative Court and the Supreme Court. Thanks to the international and supranational courts, legal protection has been extended and jurisdiction harmonised beyond the national level. Accession to the EU has not only boosted human rights but has also added to the importance of the (economic) fundamental freedoms of the Community. Although the state under the rule of law is not being replaced by a state under the rule of the judiciary, judge-made law has become another quality criterion of the state under the rule of law.

Jurisdiction is removed from the political domain in the sense that it is far less influenced by politics than is the

administration. Nevertheless, judges are in many cases fully aware of the far-reaching political consequences of their decisions. This applies in particular to the Constitutional Court which is competent to rescind laws on grounds of unconstitutionality. Even though the political dynamics of the pronouncements made by the Austrian Constitutional Court cannot yet be compared to the law-creating judicature of the ECJ in Luxembourg, there can be no doubt that Austria's highest courts have become politically more sensitive.

In the modern information society, control within states is not only exercised in the sense that one branch of government, such as the judiciary, checks the other two branches (legislature and administration). The task of *monitoring the management of public affairs* is also performed by the public represented by the modern *mass media*. This holds true both for the print media and for radio and television. The freedom and independence of the media is guaranteed by constitutional law.

The *Court of Audit* and the *Volksanwaltschaft* are further instruments of control. The former is competent to examine the administration of public funds by the Bund, the Länder, the municipalities and other public legal entities. The examination focuses on the employment of thrift, efficiency and expedience. The Court of Audit and the *Volksanwaltschaft* are auxiliary bodies of the legislature. The core competence of the *Volksanwaltschaft* is to examine the (federal)



## Mass Media and Politics

At the end of the nineties, Austria is close to becoming a *media-centred democracy*. This is a type of democracy in which the mass media are the focus of attention for political elites and voters alike. The precondition for a media-centred democracy is a well developed, nation-wide mass-media infrastructure. Current data on the equipment of households and access to mass-media coverage are most revealing. In 1998, 97 per cent of Austrian households were equipped with at least one TV-set. 71 per cent had a video-recorder, and 76 per cent of Austrian households had access to approximately 30 foreign TV-programmes, in particular programmes broadcast by German public-service and private TV-stations via cable or satellite. In 1998, the average daily TV consumption was approximately 124 minutes. In western Europe, the average TV consumption is 198 minutes; in the USA, it is 238 minutes.

Although 76 per cent of the adult population read at least one daily paper a day, 86 per cent report that they get most of their political information from television. 49 per cent watch one of the public-service news programmes every day, an additional 34 per cent do so several times a week. The ORF (Austrian Broadcasting Corporation) is the only national radio and television organisation in Austria. It has two channels (ORF 1 and ORF 2), on which it broadcasts political information and news programmes several times a day. For 56 per cent of the population, television is by far the most important source of political information. No more than 23 per cent give daily newspapers as their most important personal source of political information, and radio is the major source of such information for a mere 9 per cent. Of the 76 per cent of daily newspaper readers, only 28 per cent read the articles on domestic policy every day. Another 25 per cent are content to read the domestic policy news only occasionally.

For the majority of the Austrian population, insight into political matters and the degree to which they are politically informed are largely determined by TV reporting. The attention of leading Austrian politicians is consequently focused on the TV coverage of the ORF, and they endeavour to be featured in the latest ORF reports by making trenchant statements.

One peculiarity of the Austrian media system is the virtual *monopoly* of the ORF, the national broadcasting corporation, especially in the current affairs sector, although private providers have been licensed to broadcast via regional cable networks. Another notable feature is the unusual degree of *concentration* in the print media sector. On an average workday, the 17 daily papers published in Austria are purchased by 76 per cent of the adult population. With a coverage of 43.1 per cent (market analysis 1998), the *Neue Kronen Zeitung* is the unchallenged market leader, followed by the *Kurier* with 12.3 per cent and the paper *Täglich Alles*, founded as recently as 1992, with 12.2 per cent. The three leading dailies are read by over two thirds of the people who read a paper every day. Hence, Austria is the country with by far the highest press concentration in western Europe.

# Party System and Parties

## Party system and parties in Austria

For a long time, writing about Austria's political parties and their relationship was a matter of reporting continuity and exceptional stability, but also major tensions. Ideological "camps" (Wandruszka) was the term coined for these closed-off political groupings, which had their roots in the last third of the 19th century and lasted until the 1960s. The term stands for coherent, ideologically distinct and well organised parties. Especially in the inter-war period, relationships between the camps were characterised by hostility and intransigence. For decades, quantitative dimensions such as the size and the number of supporters of the Christian Conservative, the Social Democratic and the much smaller German National camps hardly changed at all. They even survived the deep rifts which opened in the thirties.

The party system in the period after 1945 up into the 1960s, can be described as a quasi-"frozen" (or limping) system of two-and-a-half parties. It was characterised by an uncommonly high party concentration (ÖVP and SPÖ together usually held considerably more than 90 per cent of the seats in parliament), a very stable balance of power, little voter mobility and a high degree of backing and loyalty from the great number of party members. Factors of social and societal change, such as changing values and the expansion of the tertiary sector, changes in the media system and the emergence of new issues (e.g. ecology) weakened the bonding force of the abovementioned ideological milieus. Things began to move in the Austrian party system.

In the eighties, the party spectrum was substantially enlarged in number and substance. In the mid-nineties, the dual-pole system of ÖVP and SPÖ in parliament was replaced by three medium-sized parties (SPÖ, ÖVP, FPÖ) plus two small parties (the Greens since 1986, the Liberal Forum

from 1993 to 1999). This relatively new situation in Austria and the related changes in the media and in the societal milieu have had major implications for party rivalry:

- The decrease in the number of traditional supporters and core voters has increased the uncertainty and incalculability of elections.
- Rising voter mobility makes it much more difficult for parties to orient themselves.
- Different expectations, and a decrease in the bonding force of ideological tenets, as well as new issues pose a greater challenge to the integrative capacity of parties.

Overall, the conditions for the rivalry between Austrian parties have become harsher.

Currently, 400 parties are registered with the Ministry of the Interior under the Political Parties Act of 1975. Only very few of this great number have a significant role to play in the Austrian political system.



# FPÖ

Die Freiheitlichen

Freiheitliche Partei Österreichs  
FPÖ – Austrian Freedom Party; “Die Freiheitlichen” – The Freedomites)

At the end of the 19th century, the German national camp was fragmented into diverse groupings. Their common denominators were anti-clerical, anti-Semitic and Pan-German sentiments. In the First Republic, this camp was mainly represented by the Pan-German People's Party and the small Farmers' Federation for Austria. In the early thirties, most of their followers were in sympathy with the National Socialists. It was not until 1949 – after various de-nazification measures had been taken – that the party-political articulation of German nationalist ideas was again permitted. The “Verband der Unabhängigen” (VdU – Association of Independents) was very successful, when it first took part in elections. After internal strife between the more liberally minded leadership and the decidedly German national Länder groups, the VdU was replaced by the “Freiheitliche Partei Österreichs” (FPÖ – Austrian Freedom Party). The party's various programmes and manifestos fluctuated between the poles of liberalism and German nationalism. “National-liberal” was the concept used in attempts to defuse the resulting tension. Until the early eighties, the FPÖ polled between 4.9 and 7.7 per cent of the votes and stayed in opposition. From 1983 to 1986, the FPÖ was, for the first time, represented in a coalition government (Kleine Koalition – “small” coalition with the SPÖ). Since the autumn of 1986, the FPÖ has re-oriented its political course. Although initially the German national component still played an important role, protests against a number of “basic rules” governing the Second Republic (such as mandatory membership of the chambers, social partnership, party-political influence on the filling of posts, etc.) attracted growing numbers of voters. Between 1983 and 1999, the percentage of votes polled by the FPÖ in national elections increased from 4.9 to 26.9 per cent (the number of seats in parliament from 12 to 52). The new party programme (1997) emphasised the need to uphold Austrian patriotism and the model of a fair market economy. Since 4 February, 2000, Austria has been governed by the ÖVP in partnership with the FPÖ. The FPÖ, which has grown into a medium-sized party with approximately 45,000 members and about 1 million voters, can be categorised as a voters' party.



Österreichische Volkspartei  
(ÖVP – Austrian People's Party)

The precursor of this party was the Christian Social Party (CSP), which was founded in 1893 and sought to unite various, to some extent conflicting, trends, such as the Christian social reformists and the clerical conservatives. When the grand coalition with the SDAP ended in 1920, the CSP entered a stage in which it formed governments primarily with German national middle-class parties. After the Nationalrat had been rendered powerless in 1933, the Patriotic Front set up an authoritarian regime (1934 May Constitution), and the CSP dissolved itself.

When the Österreichische Volkspartei was founded in April 1945, it was obvious that it wished to disassociate itself from the former CSP – despite or perhaps because of the fact that many party officials were retained. The objectives were to be socially progressive, to be ready to co-operate with other parties and to act as a modern party which was not founded on class or denominational distinctions. As a result, the previously very close ties with the Roman Catholic church, both as regarded personnel and programme content, were progressively loosened. In addition, the ÖVP clearly perceived itself as a party which united all the middle-class (conservative) groups and which wanted to integrate not only people of various occupations and professions but also different ideological trends (Roman Catholic social teaching, conservatism, liberalism). This integrative approach worked successfully until 1970: up to that year, the ÖVP always provided the Bundeskanzler. After 17 years in opposition, it provided the Vice-Chancellor in SPÖ/ÖVP coalitions between 1987 and 2000. In the coalition government with the FPÖ, which took office on 4 February, 2000, the ÖVP provides the Bundeskanzler.

## Organised Interests and Social Partnership

### Federations – System of federations

The system of federations and the close co-operation between influential organised interests and the government are regarded internationally as hallmarks of the Austrian political system. Austria has an abundance of interest groups. As well as innumerable associations, there are a large number of statutory organisations – such as the chamber of physicians, the chamber of lawyers, the chamber of notaries, and the chamber of public accountants.

However, a few large umbrella federations clearly play a decisive role in translating interests into policies and in political decision-making processes in general: these are the Österreichischer Gewerkschaftsbund (ÖGB – Austrian Trade Union Federation) and the Bundesarbeitskammer (Federal Chamber of Labour), which represent the interests of employees, and the Wirtschaftskammer Österreich (Economic Chamber of Austria) and the Präsidentenkonferenz der Landwirtschaftskammern (Presidential Conference of Chambers of Agriculture), which represent the interests of employers. Whereas the ÖGB is established in law as an incorporated association, the chambers are public corporations. Apart from the fact that these umbrella organisations do not compete with one another, their special position results from their institutional, organisational, ideological and political characteristics. These characteristics determine the Austrian brand of social partnership. The abovementioned umbrella organisations practically have a monopoly of representation. The ÖGB holds a *de facto* monopoly, whereas the chambers derive a similar position from statutory, mandatory membership – combined with mandatory members' dues. By international standards, the ÖGB has a relatively high number of members. The Arbeiterkammern represent blue and white-collar workers (with the exception of public employees). For all self-employed persons, with the exception of farmers and members of the liberal professions,

membership of the Handelskammern is mandatory. The Landwirtschaftskammern represent practically all self-employed persons in agriculture and forestry.

The far-reaching internal powers of the umbrella federations enable them to "speak externally with one voice". The political privileges they have been granted are primarily manifested in the special opportunities they have to participate in political decision making.

In comparison with the inter-war period, the objectives and strategies of the large interest groups underwent major changes after 1945. Overall economic goals are taken into account while pursuing federation-specific interests in economic and social issues. These overall goals are economic growth, improved employment figures, stable purchasing power and competitiveness. The predominant strategy of seeking a compromise is described as "class struggle at the negotiating table". This alignment of federation policies is accepted by a large number of members. The involvement of the federations in the political decision-making process is still regarded very positively by the population.



However, social partnership in the true sense goes beyond this: its core objective is to strike a balance between rival interests by getting the various federations, and also the federations and the government, to compromise as regards content in the above-mentioned policy areas.

The eighties ushered in a time of economic, social and political change in Austria too. These changes manifested themselves in lower economic growth, rising budget deficits, mounting competitive pressure and rising unemployment as well as increasing party rivalry. Against this background, it became more difficult to find a common denominator for the rival interests of the members within the federations. This was signalled by declining turnouts in chamber elections and public challenging of mandatory membership of the chambers. Striking a balance between the interests of the federations has not only become more difficult, it has also become less frequent. Well-known institutions, such as the Paritätische Kommission für Lohn- und Preisfragen (Parity Commission on Wages and Prices), which attracted considerable attention abroad as the central body of Austria's social partnership, have lost in importance. This is signalled in particular by a shift of influence within the constellation of players: Today the government exerts greater influence in shaping the decision-making process. In important budgetary, economic and socio-political matters, the government not only decides on the procedure but also on the core content. This development has been boosted by Austria's accession to the EU. This has, at the same time, meant a loss of terrain for the federations. Agricultural, competition and monetary policies are decided at EU level. The influence of the federations has in the main been reduced to participation in determining the Austrian position, which is one position in fifteen.

Currently, this does not mean that the social partnership is coming to an end. Some continuity is still to be seen. Little has changed as regards the privileged position of the umbrella federations. The political decision-making process is still characterised by compromise trade-offs. However, the influence of the federations has waned. Moreover, the big Austrian federations, and hence also the social partnership, are faced with serious challenges which have arisen from developments in the labour market as well as from endeavours to decentralise and to restructure the welfare state. What is currently on the agenda is not the end of the social partnership but its modification and reform.

## Industrial democracy

Whereas involvement of labour representatives in the social partnership is relatively informal, their right to take part in the decision-making process within their enterprise has been established in law in great detail and institutionalised in the works councils and in the staff councils (for public employees). Shop stewards and staff representatives are elected by the labour force of enterprises and/or by public employees. The size of works councils depends on the number of people employed. Apart from representing the interests of the dependently employed, works councils also have a say in social, staff and economic matters. Moreover, co-determination, for example in public limited companies, is provided for by law. Although they are legally independent of the trade unions, works councils are traditionally an extension of them and hence one of the main pillars of the social partnership.

...wing declaration: "Austria takes it for granted that her participation in the CFSP will be compatible with her constitutional regulations. The pertinent internal adjustments of Austrian law will be made in connection with the accession to the European Union."

Austria, accession to the European Union required a constitutional amendment which was adopted in 1994. Membership of the political system of the EU impinged on several fundamental principles of the Austrian Federal Constitution: for example on the democratic principle of law-making by elected representatives of the people, because, at EU level, it is primarily the Council of Ministers which creates laws, and because the European Parliament is not the representative of the Austrian people within the meaning of the constitution. The principle of the separation of powers emphasises the separation of legislative and executive powers in a state, whereas at EU level it is mainly the national executives that hold legislative powers. The principle of the rule of law was affected in that the ECJ's monopoly of interpreting EU law curtailed the jurisdiction of the Austrian Constitutional Court. The principle of federalism was affected as regards the division of authority between the Bund and the Länder and as regards the involvement of the Länder in federal legislation. Hence, accession to the EU constituted a so-called 'total revision' of the Austrian Federal Constitutional Law and had to be subjected to a referendum. The result was a clear decision in favour of membership: of the approximately 4,725,000 valid votes cast on 12 June 1994, almost precisely two thirds (66.4 %) were cast in favour of Austria's accession to the EU.

## Austria's involvement in EU institutions

As a member of the EU, Austria is represented in all EU bodies and institutions. In the European Parliament, for instance, Austria holds 21 seats. Regular European elections were first held in Austria in June 1999. Until October 1996, Austria was represented in the European Parliament by 21 MPs delegated by the Nationalrat in proportion to the number of seats held by the different parties. In 1996, 'by-elections' were held for the term of office remaining until the next regular elections to the European Parliament.

Austria's current political representation in the EU Parliament is based on the results of the elections on 13 June 1999. The SPÖ, which won one additional seat, is now represented by seven delegates and has drawn even with the ÖVP. Whereas the Greens increased their number of seats, the FPÖ and the LiF lost one seat each. As a result, the LiF is no longer represented in the European Parliament. The FPÖ holds 5 seats. Compared with the by-elections in 1996, the turnout in Austria for the first regular elections to the European Parliament was markedly lower. In 1996, it had been 67.7 %, in 1999, it was a mere 49.4 %.

Austrians hold a number of leading positions in the EU: Franz Fischler, Austrian member of the European Commission, is responsible for agriculture and rural development. Austrians are also represented in the European Court of Audit, the European Court of Justice and the European Court of First Instance. In the Committee of the Regions, which represents regional and local interests in Brussels, Austria is represented with 12 members. These are the nine Länder governors and three members representing the Österreichischer Städtebund (Austrian Municipal Federation) and the Österreichischer Gemeindebund (Austrian Communal Federation). As regards the top political level, it should be mentioned that Austria held the EU Presidency for the first time between 1 July 1998 and 31 December 1998.



## Parliament, Länder, judiciary

In order to counter the trend towards a reduction in the influence of parliaments previously observed in other EU member states, Austria did considerably more than other countries to involve parliament in matters relating to EU policies. However, even in Austria, parliament (and especially the Nationalrat) tends to be among the "losers" in the integration process. The constitutional reform of 1994 did provide that the Austrian negotiators in the EU Council of Ministers could be bound by instructions issued by the Austrian parliament. In political practice, however, this measure did not prove to be a sufficient counterweight to the increase in power of the executive branch, an increase which is consequent on the EU's institutional structure. After four years of EU membership, the Austrian parliament had issued 30 binding instructions. The Nationalrat, in its turn, had been informed about 17,000 EU projects within the first year after Austria's accession. Whereas prior to the accession, parliament had seen a danger in lack of information, processing the wealth of information about numerous political decision-making processes at the Community level has turned out to be the main problem from the national perspective.

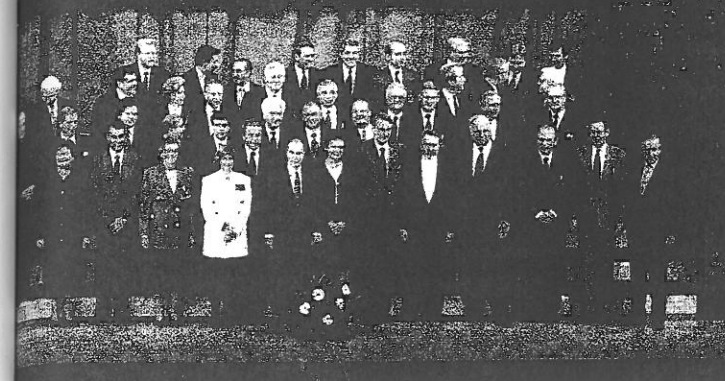
Any parliamentary endeavour to control the executive as regards actions within EU bodies naturally comes up against fundamental structural problems which extend far beyond

the Austrian case. The far-reaching competences and activities of the European Union involve a considerable amount of negotiation, which cannot be dealt with in specialised Council meetings. Negotiations take place primarily in committees and working parties composed of "ordinary" senior clerks from the national ministries. Owing to their number and dynamics, it is almost impossible (especially from a national vantage point) to keep track of these negotiations. Moreover, the public officials serving in the working groups are frequently the ones who later on implement the EU rules at the national level. Whereas the main committee of the Nationalrat deals with EU matters only twice a month, the days on which Council working parties met averaged approximately 2,100 as early as in 1990, and those of specialised Council meetings approximately 138.

The Austrian Länder and municipalities have also been given the right to participate in co-ordinating Austria's relations with the EU. However, again there are practical difficulties, as in the case of parliamentary control, which limit the effectivity of this right. Finally it should be mentioned that the European Court of Justice in Luxembourg offers Austrian actors a novel opportunity to re-open matters under dispute and to achieve success "in a second attempt", if they have previously failed at the national level.

# Council of Europe Summit Sommet du Conseil de l'Europe Europaratsgipfel

Wien '93



Summit meeting of the Council of Europe in Vienna in October 1993

In the 80s, Austria's foreign policy was re-oriented towards western Europe. This was reflected in policies favouring good neighbourly relations and increasingly also European integration as a consequence of the momentum created by the European Communities. Following the political and economic collapse of the socialist countries, relations with these neighbours began to intensify. In the Yugoslav conflict in the early nineties, Austria, together with Germany, pressed for a swift recognition of Slovenia and Croatia and established close economic and political relations with these as well as with other central and eastern European countries.

Austria's membership of the Council of Europe was another component of its multilateral foreign policy. On several occasions Austria provided the Secretary General of the Council of Europe. From 1969–1974 the post was held by the former Foreign Minister Lujo Toncic, from 1979–1984 by Franz Karasek and since 1999 it has been held by Walter Schwimmer. Peter Leuprecht, who has been an official of the Council of Europe since 1961, was elected Deputy Secretary General in 1993. In 1993, the summit of the Council of Europe was held in Vienna. In the fields of disarmament and non-proliferation, Austria had, from the start, supported the „Ottawa“ process, which led to the signing of a convention on the total prohibition of anti-personnel mines on 1 March 1999.

Austria's international role in the nineties is also attested to by other events: membership of the UN Security Council in 1991/92, coincided with the Gulf War and the incipient conflict in Yugoslavia. During the time of its membership, Austria perceived itself as a bridge-builder and mediator. Austria was repeatedly a member of the UN Human Rights Com-

mission, most recently from 1997 to 1999. In the UN, Austria still plays an active and mediatory role. This is evidenced by the fact that, in 2000, Austria will provide the Chairman-in-Office of the OSCE.

Vienna has succeeded in consolidating its traditional position as the seat of international organisations (UN specialised agencies, OPEC Secretariat, OSCE Secretariat), which it obtained not least thanks to its neutrality. For example, it has been chosen as the seat of the Provisional Technical Secretariat for future monitoring of the Comprehensive Nuclear-Test-Ban Treaty/CTBT. Moreover, Vienna is the seat of the Secretariat of the Wassenaar Arrangement (on Export Controls for Conventional Arms and Dual-Use Goods and Technologies), of the UN Office for Drug Control and Crime Prevention and of the IAEA. The EU has chosen Vienna as the seat of the European Monitoring Centre on Racism and Xenophobia. This centre has the task of collecting and analysing examples of racist and xenophobic phenomena and of issuing recommendations thereon.

## Membership of the European Union

Once the Austrian government had decided to take an "independent initiative in Brussels" in 1989, a spate of diplomatic activities and negotiations was launched in the early nineties. Accession to the EEA was a stage on the road to EU accession. Once Austria had joined the EU, its foreign policy in the broader sense was transformed into "European" domestic policy, whereas the "classical" foreign policy was "indirectly" agreed with the EU partners. Membership of the EU has imposed statutory restrictions on Austria as well as on all the other member states with regard to autonomous foreign-policy decisions outside the CFSP.