Why Portuguese parties have survived austerity, whereas Greek parties failed

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Greece and Portugal have been two of the hardest hit countries by the Eurozone crisis, however the political consequences of the crisis have been radically different in each state. While the economic problems in Greece led to the country's two major political parties losing substantial support, Portugal's largest parties have largely retained their appeal. Alexandre Afonso assesses the reasons behind this disparity, arguing that the absence of 'pork barrel' politics in Portugal, and the inability to place the blame for austerity on any one political party go some way toward explaining why Portuguese parties have survived (for now).



Being in office in Southern Europe is not an enviable job at the moment. With declining tax revenues, high deficits, high borrowing costs and skyrocketing unemployment, any party in office must be ready to face severe electoral setbacks. Austerity measures have created mass discontent expressed through protests, general strikes, and general anger against the establishment. In this context, all that government parties can do is try to avoid or defuse the blame for unpopular measures (spending cuts and tax increases) that are partly dictated from outside. This is particularly the case in Greece and Portugal, the two countries that have been directly bailed out in 2010 and 2011 respectively, and that are implementing adjustment programs "agreed" with the Troika. Austerity measures in these two countries have been the most drastic in Europe, and they have naturally had a strong contraction effect on their economy. Yet, the political consequences of austerity have been very different.

In Greece, the two major parties imploded. In the elections of 2009, New Democracy and PASOK together obtained a combined share of 77 per cent of the vote. In the elections of May 2012, this share had been reduced to 32 per cent. Left-wing PASOK was the most severely hit: it went down 30 per cent and lost two thirds of its votes between 2009 and 2012, while New Democracy went down to 18 per cent. New elections were held in June 2012 because it was impossible to form a viable government. New Democracy went up to 29 per cent, but PASOK remained at 13 per cent, losing a further 8 seats. The largest left-wing party is now Syriza.

In Portugal, by contrast, the major parties resisted the crisis. In 2009, the centre-right PSD and the Socialist Party obtained 65 per cent of the vote. The socialists formed a minority government which lasted until April 2011, when the PSD refused to support its 4th austerity package and triggered the Troika bailout. After the new elections of June 2011, the Socialists lost but still gathered 28 per cent of the vote. The PSD gathered 38 per cent, and formed a coalition with the CDS-PP. PS



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and PSD together still gathered 66 per cent, that is, about the same percentage as before the crisis. The latest polls point to a similar share at the moment.

Why has austerity killed Greek parties, and PASOK in particular, while Portuguese parties survived? Of course, the crisis has been much more dramatic in Greece, but this is not enough to explain the extent of the collapse. Two aspects seem particularly important: the extent of party patronage, and the clarity of responsibility.

First, Greek parties relied heavily on pork-barrel politics as a way to ensure electoral support, and their electoral success was more closely tied to public spending. PASOK and New Democracy commonly rewarded supporters with public sector jobs, pensions and other social benefits as a way to ensure support and loyalty. Comparative analyses point out that party patronage in Greece was the most extensive in Europe. This system, however, depended on the availability of public funds and low borrowing costs before the crisis. When borrowing costs went up and drastic austerity had to be implemented, Greek parties had nothing left to offer to voters, especially because they did not differ much ideologically. As a consequence, voters deserted them for other parties promising an alternative to austerity. Portuguese parties, by contrast, have never relied on such extensive practices of patronage. A decade of slow economic growth and rising deficits post-2000 ruled out this kind of strategy anyway. Austerity started long before the crisis. This may have made Portuguese parties more resilient, because voters knew that there was not much to expect from them.

Second, we know that the electoral "costs" of austerity depend on how easy it is to attribute responsibility. In the Greek case, PASOK was the obvious target because it was alone in government at the time of the bailout, and could not really share the blame with other parties. It held a majority in parliament, and even New Democracy consistently blamed them for austerity measures. In Portugal, on the other hand, the socialist party of José Socrates led a minority government. It depended on the parliamentary support of the PSD to implement austerity packages, and spending cuts before the bailout were effectively negotiated with the PSD, thereby making responsibility more difficult to attribute. Accordingly, it was difficult for voters to blame the PS alone. This, besides the fact that the Portuguese tend to vote with their feet by emigrating or abstaining ("exit") rather than voting for protest parties ("voice"), may explain why Portuguese mainstream parties have survived the crisis while Greek parties didn't.

After the political crisis which nearly caused the fall of the current government, the Portuguese President Cavaco Silva has also called for the return of a coalition of "national salvation" gathering all major parties. In many ways, this is what Greece or Italy later did by forming "technocratic governments" or grand coalitions gathering all major parties. The goal is to create a political cartel where participants make a commitment to avoid blaming each other in order to minimise electoral costs. Whether this strategy can last is questionable, but it may be the only one available for parties to survive in the current situation.

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About the author	

Alexandre Afonso -King's College London

Alexandre Afonso is a Lecturer in the Department of Political Economy at King's College London. His research interests are comparative politics, labour mobility, industrial relations and welfare state reforms. His book Social Concertation in Times of Austerity was published by Amsterdam University Press in 2013.



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