

In upcoming elections across the Eurozone periphery, voters are likely to react to austerity by replacing technocracy with populism

Jun 12 2012

Historically, democracy in Europe has revolved around well-organized political parties with clear constituencies and distinct economic policy positions, but the push towards monetary union on the continent has seen the decline of this type of politics in favour of Europe-wide economic management by technocrats. [Jonathan Hopkin](#) argues that voters in the European periphery are now turning to parties on the radical left and right that reject austerity policies, which will have significant consequences for macroeconomic policy in Europe.



As Spain lurches into economic and financial collapse only months after electing a new government with a landslide majority, the difficult relationship between crisis management and democratic politics once again comes into view. Spain's rapid descent into economic meltdown has been greeted by anti-austerity commentators such as [Paul Krugman](#) and [Martin Wolf](#) as further evidence of the need for fiscal and monetary expansion on a massive scale in the Eurozone. But it also has important implications for the nature of democracy in the European Union.

Unlike in the United States, democracy in Europe has historically revolved around highly institutionalized political parties, with clear ideological identities and coherent and loyal electoral constituencies. Worker interests were represented by socialist and sometimes communist parties, often flanked by affiliated trade unions, whilst the middle classes and agrarian interests tended to support conservative or Christian parties. These parties were anchored to ideological traditions which informed distinct policy positions: the expansion of the welfare state and a macroeconomic focus on full employment for those on the left, defence of private property and concern for price stability on the right (although the Christian democratic right also supported welfarism). In these circumstances, elections offered the potential for major policy change: Labour's victory in Britain in 1945, the Italian Christian democrats' defeat of the Communists in 1948, and Socialist election successes in France and Spain in the early 1980s, all led to significant political change.

The push towards monetary integration in Europe hastened the end of this kind of politics. As communism declined as an electoral force and European social democrats abandoned their commitment to Keynesian demand management, partisan competition over macroeconomic policy disappeared from the electoral arena. Independent central banks and arms-length regulators became the favoured instruments of economic management. In the Eurozone, monetary policy was removed entirely from national governments, whilst fiscal policy was constrained by European Union limits on budget deficits. National-level electoral politics no longer revolved around fundamental divisions on the management of the economy, yet the delegation of macroeconomic policy responsibility to the European level did not induce the European Parliament to become a new arena of economic policy competition. Instead, decisions about the governance of monetary and fiscal issues were placed at several removes from any popular input, shaped by rules most voters barely understood.

The crisis and recession since 2007-8 has, not surprisingly, placed this model of economic governance under immense strain. Even before the crisis, political parties had lost members and activists across Europe, whilst citizens were increasingly viewing themselves as floating voters, changing their partisan preference from one election to the next. These [increasingly fragile organizations](#) are in no position to impose unpopular and unsuccessful austerity policies on their angry electorates. Mariano Rajoy's conservative Popular Party won its biggest ever election victory in November, annihilating José Luis Rodríguez Zapatero's Socialist party, in office since 2004. As in Ireland and Greece before them, Spaniards took the first opportunity to take out their anger on the parties that had presided over the disaster unfolding since 2008 in the Eurozone periphery. Yet, only six months on, [Rajoy already cuts a besieged and lonely figure](#) as the economy collapses around

him and a European bailout becomes inevitable. The Spanish government is hemmed in by its European commitments, and election results, however decisive, cannot deliver significant policy change. But if neither socialists nor conservatives can offer any hope of economic recovery, whom will Spaniards turn to next?

The Greek experience should give pause for thought. The collapse of the Greek economy has brought with it the near collapse of the party system which has sustained Greek democracy ever since the transition from military rule in the 1970s. Placed under impossible strain by the economic crisis, governments have been shortlived and the ruling parties brutally punished at the polls. The upshot is that the forthcoming Greek elections – the third poll in less than three years – are likely to return a Parliament dominated by new political forces on the radical left and right, none of whom will accept further austerity.

Italy, which like Greece has been governed over the past months by a technocratic administration of largely non-partisan experts, will also hold elections in the next year. Berlusconi's Pdl (People of Freedom) party has lost considerable support since its leader was removed from office last autumn, but, as in Greece, it is not the official opposition that is likely to benefit. Recent polls give the [Five Stars Movement](#) - a disparate 'anti-politics' force under the leadership of the comedian Beppe Grillo – around 20 per cent of the vote, and it performed so well in the recent municipal elections that the newly elected mayor of Parma is a 'grillino'. This movement has no clear economic policy positions, although Grillo's shows, which focus on comedic denunciations of Italy's political and economic elites, have popularized a conspiracy theory relating to central banks' issuance of fiat money (which he calls seignorage) as the cause of Italian's debt problems.

In short, European democracies entered the crisis with weakened political parties, and the electoral consequences of the crisis have shaken their already fragile foundations. Forced to act as a buffer between popular anger and disillusionment on the one side, and the strictures of Europe's supranational institutions on the other, the mainstream political parties such as Fianna Fael in Ireland, PASOK in Greece, the Pdl in Italy and the PSOE in Spain face a difficult future. The anti-system parties taking their place – Syriza in Greece, the Five Stars Movement in Italy – may moderate their positions once in power, but will certainly challenge the macroeconomic policy framework in the Eurozone. Whether they will be able to perform the role of structuring political competition and integrating increasingly divided societies is another matter.

Please read our [comments policy](#) before posting.

Note: This article gives the views of the author, and not the position of EUOPP – European Politics and Policy, nor of the London School of Economics.

Shortened URL for this post: <http://bit.ly/LNFiu9>

About the author

Jonathan Hopkin – London School of Economics

Jonathan Hopkin is a Reader at the Department of Government at the London School of Economics and Political Science (LSE). He is mainly interested in political parties, elections, redistribution and inequality, corruption, decentralisation and the politics of Great Britain, Italy and Spain. His work has appeared in a range of journals including the *British Journal of Politics and International Relations*, *European Journal of Political Research*, the *Review of International Political Economy*, and *West European Politics*.



Related posts:

1. [In the upcoming elections, Egyptians have been given a non-choice between candidates that are both likely to uphold the neoliberal policies of the past two decades. \(9\)](#)
2. [The consequences of a Euro collapse for both the Eurozone's core and periphery are so dramatic, and their ramifications so uncertain, that all efforts should be made to shore up the European Monetary Union. \(8.3\)](#)
3. [Electoral forecasts predict that Marine Le Pen will capture 17 per cent of the vote in the upcoming](#)

French presidential elections, failing to outperform her father's strongest result. (8.7)