Spring 14

The Risks of growing Populism and the European elections:

Populism, Polarization, Politicization, Participation. Projecting the EU Beyond the Market?

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Populism, Polarization, Politicization, Participation. Projecting the EU Beyond the Market?

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The goal of this study is to investigate whether the rise in Euroscepticism observed in the Euro Area in the last years may have democratic-enhancing effects alongside its often-discussed negative implications. The paper focuses on the emergence of Eurosceptic forces in the Euro Area countries, engaging both in horizontal comparative analysis and in the discussion of two case studies, Italy and the Netherlands. The first part of the work focuses on the presentation of the main theoretical approaches that expected a rise of populism as a reaction to the politicization of the European construction. The second part of the paper analyses the effects of populism on the sequential chain of polarization, politicization and participation of European policies both at national and European level. The results suggest that although the rise of populism may have short term negative implications for the politicization of the EU.

The author is grateful to Doris Schyns for her excellent research assistantship.

The author wishes to thank Leila Giannetto, Simone Tagliapietra, Davide Denti and Doris Schyns for their useful comments and insights.

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1. Introduction

Since the French and Dutch rejections of the Constitutional Treaty in 2005, there has been a growing attention on the rise of Eurosceptic parties in the member states and the structural features of the European Union that might have triggered the change.² However, Euroscepticism has acquired a primary political relevance only after 2010, when the nationalist parties traditionally opposing European integration have been flanked by new groups identifying the European governance and institutions as the leading political agents responsible for the resilience of the financial crisis in the Euro Area.³

On the one hand, the rise in populism and Euroscepticism observed in several European countries is surely a worrying by-product of the current crisis. However, this paper argues that the European project and the democratic stance of the continent may also be positively influenced by the entrance of these forces in the electoral arena at national and European level. In both arenas, the democratic-enhancing effect may occur as a consequence of multiple phenomena.

This study will show that the sequential chain of populism, polarisation, politicisation and participation may be consistent with a new phase of the European integration, where the integration of *polities*, and not only of *policies*,⁴ is the characterising factor. The analysis focuses on Euro Area countries with particular attention given to countries with more than 4 millions of inhabitants; in addition, Italy and the Netherlands are adopted as case studies for a comparative exercise. While the possible threats of a surge of nationalism and Euroscepticism are clear and must not be downplayed, this eventuality had long been expected as a consequence of the progressive expansion of the integration process beyond the pure market—enhancing regulatory policies.

² Startin, N. and A. Krouwel (2013) Euroscepticism Re-galvanized: The consequences of the French and Dutch

Rejections of the European Consitution. Journal of Common Market Studies, Vol. 51, Issue 1.

³ It must be pointed out that it is methodologically unrefined to equate populistic Euroscepticism with opposition against European policies, although the different groups often overlap.

The methodology adopted in this work classifies as eurosceptic and populistic parties only the political forces that actively claim a reduction of the level of institutional integration, either as a consequence of a multilateral decision, or as a unilateral action performed by member states. Consequently a number of national parties opposing given European policies, without however campaigning for a substantial decrease of the European Union competences, have not been classified as Eurosceptic populist parties. This includes the Greek leftist party Syriza, the German FDP, and the Irish Sinn Féin.

This criterion is today required as the European crisis has boosted a number of political forces that do not oppose European integration or the European institutions for their nature, but rather they claim a substantial change in the *policies* indicated and pushed forward by the EU. The Treaty on Stability, Coordination and Governance represents the main exception to this criterion. The Treaty, as such, cannot be considered purely as a *policy*. However, it does not formally belong to the body of European law, and it has a very strong stance in terms of policies required at national level. Automatically identifying forces opposing the Fiscal Compact as populist and eurosceptic would both expand enormously the account of Eurosceptic forces, and shade the particular traits of contemporary Euroscepticism- its resurgent nationalistic nature.

⁴ Schmitter, P. (2002) *Neo-Neo-Functionalism*. Working Paper for the publication in Wiener A. and T. Diez (eds) (2003) *Theories of European Integration*. Oxford University Press, p.33

The paper is organised as follows. The second section will look in detail into the traditional theories of European integration in the attempt to disclose some clues on the correlation between the rise of populism and "*the end of the market Honeymoon*" ⁵, presenting the theoretical approaches that contribute to explain why the rise of Euroscepticism is inevitable. The third section will deal with the impact of the Euro crisis on the structure and competences of the Union; the fourth section will discuss the issue of political *polarisation* over European policy occurring at national and European level, investigating the emergence of Grand Coalitions. The fifth sections will deal with the progressive *politicisation* of European policies studying the impact of Euroscepticism domestically, abroad and at European level. Finally, the seventh section will deal with *participation*, discussing whether the rise in Euroscepticism may actually generate an increase in democratic participation at national and European level.

2. Eurosceptic Populism: an expected surge.

Populist and nationalist Eurosceptic parties are growing in many Euro Area countries.⁶ While this development may have surprised policy-makers and mainstream parties, it was hardly unexpected for scholars of European integration. In particular, three long-standing theoretical approaches contribute to explain why the rise of Euroscepticism is inevitable- and why we should be only limitedly worrying about it.

The first explanation is provided by early⁷ and contemporary⁸ versions of neofunctionalism. The second can be found in the theory on party formation by Lipset and Rokkan.⁹ The third in the growing body of literature concerning the so-called "democratic deficit" of the European Union, and in particular, in Weiler,¹⁰ and Majone.¹¹

Early neofunctionalist theorists expects a surge of nationalism against the process of centralization as a phenomenon characterising the fourth and conclusive phase of integration of a federal state, when the ruling

⁵ Hartmann, M. and F. De Witte (2013) Ending the Honeymoon: constructing Europe Beyond the Market. *German Law Journal*, Vol.14, No.05, p.445

⁶ For reports from leading media, see for example the Economist's report "Europe's Tea Parties", available at http://www.economist.com/news/leaders/21592610-insurgent-parties-are-likely-do-better-2014-any-time-second-world?fsrc=nlw|hig|1-2-2014|7390593|36805968|

⁷ Particularly, see Haas, E.B. (1958) *The Uniting of Europe. Political, Social and Economic Forces, 1950-1957.* 2004, University of Notre Dame Press, and Haas, E.B. (1964) *Beyond the Nation State. Functionalism and international organization.* European Consortium for Political Research, 2008.

⁸ Schmitter, P. [2002]

⁹ Lipset, M. and S. Rokkan (eds) (1967) "Party Systems and Voting Alignements: cross-national perspectives" Free Press, New York. See also: Flora, P., Kuhnle, S. and D. Urwin (eds) (1999)"State Formation, Nation-Building and Mass Politics in Europe: the Theory of Stein Rokkan." Oxford University Press

¹⁰ Weiler, J.H.H. (2000) *Federalism without Constitutionalism: Europe's Sonderweg*. Chapter in "Kalypso Nicolaidis and Robert Howse (eds.), *The Federal Vision: Legitimacy and Levels of Governance in the United States and the European Union*. Oxford: Oxford University Press, 2001

¹¹ Majone, D. (1997) The regulatory state and its legitimacy problems. Western European Politics, Issue 22, No. 1

groups are engaged to proceed with political integration.¹² The absence of solidarity and common nationhood among the countries of the Union implies that central institutions cannot be based on truly democratic values. Instead, central institutions are likely to acquire an authoritarian nature in the attempt to perform central government functions without having the necessary democratic backstop. As a reaction, "traditional nationalism" would emerge in the nation states, where dissident units try to regain their autonomy achieving secession.¹³

The issue of secession from the process of integration is discussed also by Etzioni:¹⁴ the units opposing integration face a choice between –on one side- "taking over" the central institutions, either from within the political process or through a revolution, and –on the other side- pursuing a secession from the system. In the author's views, the final choice is determined by the level of integration achieved by the Union when the opposition gains momentum: the more the different polities of the Union are integrated, the more an endogenous change will be likely in respect to secession.¹⁵

Late Neofunctionalist theory refines the theoretical framework. Schmitter's understanding of the integration process is built on two cornerstones: the concept of *functional cycle*, and the concept of *functional crisis*. A functional cycle is a series of incremental (or regressive) transfers of power from the nation states to the central institutions (or the opposite in case of a regressive chain), ignited by a major functional crisis. A functional crisis is a political and/or economic series of events concentrated in a relatively short period of time, triggered by the sub-optimal or dysfunctional integration between the states composing a regional system.

A functional crisis has either a *progressive* or a *regressive* solution, meaning that either the central institutions are endowed with the powers required to deal with the crisis, or the re-nationalisation of the competences previously integrated is likely to occur in the attempt to remove a dysfunctional integration. Schmitter identifies three successive cycles of integration, each characterised by an original functional crisis. The *initiating cycle* implies the creation of a custom union and the institutions required for its management; the *priming cycle* refers to the progressive process of politicisation of the institutions, as well as the transfer of new competences required to deal with even larger issues; finally, a *transforming cycle* implies a qualitative change of the integration process, from integration of *policies* to the integration of *polities*.¹⁶

¹² Haas, E.B. [1964]

¹³ In Haas' vision, the federation can be saved only by the establishment of a shared "liberal nationalism", where common values and norms are built over time among the different units. Ibid.

¹⁴ Etzioni, A. (2001) Political Unification Revisited. Lexington Books, Boston, p.95

¹⁵ Ibid. p. 314

¹⁶ Haas, E.B. (2003) "Introduction: Institutionalism or constructivism?". Introduction to the 2004 edition of: Haas, E.B. (1958) *The Uniting of Europe. Political, Social and Economic Forces, 1950-1957.* 2004, University of Notre Dame Press

In other words, the incremental solution of a functional crisis triggering a transforming cycle must include substantial political integration, so implying the centralization of some of the central powers characterizing national democracy. The nation states involved in a transformative integration cycle experience a twofold limitation of their powers. From "above", their autonomy is substantially reduced as a consequence of the powers they have transferred to the central institutions to solve the crisis. From "below", the non-governmental agents, political parties and groups integrate as well in the attempt to adapt their structure and pressure capacity to the new centralised powers. Thus, a transforming cycle is characterised, in Schmitter's vision, by a constant struggle between the central institutions and the groups with high expected gains on one side, and the ruling national elites and the groups with nationalistic feelings on the other side.

In sum, neofunctionalist analysis identifies the returning wave of nationalism as a characterizing feature of the conclusive phase of integration, when political integration is at stake. Other authors come to similar solutions, although in a different context. In particular, Rokkan identifies four main cleavages characterising the process of party formation in Western Europe. Interestingly, he comes to the conclusion that the first cleavage experienced by a newborn political entity is the centre-periphery struggle, identifying the early phases of formation of a nation state.¹⁷ The centre-periphery cleavage identifies the tensions inherent to the process of state formation, when the central units are building their authority and powers at the expenses of peripheral units. As a result, the first sign of a newborn political entity is the emergence of regionalist parties using local nationalism against the central nationalism: their emergence is an unavoidable consequence of the process of statehood construction.

In addition, Majone, discussing the democratic deficit of the European Union, argues that the existence of a democratic deficit does not depend on institutions alone, but also on the policies object of integration.¹⁸ As long as the international institution does not deal with essential powers characterising democracy, democracy as such is not required; democracy becomes essential only when central institutions acquire powers essential for democratic decision making. Provided that the EU deals primarily with regulatory policies, there is no need for direct democratic legitimacy. However, if new competences are transferred to the central institutions and these competences have important redistributional effects, then a democratic deficit may actually arise.

The 2009 judgement of the German Constitutional Court partially shares this perspective. The Court identifies a set of essential policies that *define* democracy and thus must be object of democratic decision making.¹⁹ In addition, the Court argues that the European Union is *not* a fully democratic entity and cannot

¹⁷ "The early growth of national bureaucracy tended to produce essentially territorial oppositions; (...). The early waves of countermobilization often threatened the territorial unity of the nation, the federation, or the empire". Lipset, M. and S. Rokkan [1967] p.13. for a more detailed analysis, see Flora, P., S. Kuhnle and D. Urwin (eds) [1999] p. 174 and following.

¹⁸ Majone, D. [1997]

¹⁹ Bundesverfassungsgericht. Second Senate (2009) Decision of June 30, 2009, par. 252

become so without the creation not only of a full democratic institutional setting, but also of a public sphere and of a civic *demos*. In other words, the Court partially shares Weiler's well-known "*no demos argument*".²⁰ The *no demos argument* implies that democracy implies majority-voting thus redistribution; and democracy is possible only within a single *demos*, identified by linguistic, cultural and ethnic features. The attempt to establish a democratic decision making process (thus majority-voting redistribution) among different national polities is doomed to fail as a consequence of nationalistic pressures.²¹

3. The effect of the European Crisis

As shown, the rise of nationalistic and Eurosceptic forces was hardly unexpected. The pre-conditions were all in place before the financial crisis, but the ignition of the process was triggered by the response given to the crisis. As shown by Merler and Pisani-Ferry²² the solution to the crisis must include either a proper fiscal union, or a full-fledged banking union, or a central bank with a large mandate. However, as shown by several authors, e.g., Sinn;²³ De Grauwe;²⁴ De Grauwe and Yuemei;²⁵ Pisani-Ferry and Wolff,²⁶ the three options all require a degree of fiscal integration; no credible solution excludes it. In other words, a leap towards fiscal and economic policy integration is required in order to ensure the stability of the area: failure in proceeding with some degree of fiscal integration may trigger the collapse of the single currency.

In the attempt to avoid the disaggregation of the Eurozone, the Euro Area has slowly moved towards fiscal integration. A wide number of institutional improvements have been achieved under the pressure of the crisis, aiming to increase the effectiveness of supervision over national finances, achieve better economic policy coordination, as well as ensuring financial stability of the Euro Area. But again, fiscal and economic policy does represent one of the essential features of democracy and must be handled by a Parliament in order to qualify a political system as democratic. However, this is not the case of the Euro Area today, as no European *demos* exists (either in the cultural definition of Weiler, or in the functional definition of the German Constitutional Court) to justify such fiscal integration. In other words, the Euro Area is entrapped in a *functional trilemma* requiring not only integration of policies, but integration of *polities*- or, alternatively,

²⁰ Weiler, J.H.H. [2000]

²¹ However, a substantial difference exists between Weiler and the German Constitutional Court. While the Court considers that the existence of a common democratic constitution and a common public sphere are sufficient elements for a democracy, Weiler's reasoning implies that no democracy is possible outside the nation. ²² Merler S and Pisani Ferry J (2012) The First Critician Influence of the constitution of the court of the

²² Merler, S. and Pisani-Ferry, J. (2012) The Euro Crisis and the new impossible trinity. *Bruegel Policy Contribution*, Issue No. 1, January 2012

²³ Sinn, H.-W. and T. Wollmershäuser (2011), Target Loans, Current Account Balances and Capital Flows: The ECB's Rescue Facility. *CESifo Working Paper* Nr. 3500, 24 June 2011.

²⁴ De Grauwe, P. (2010) *Why a tougher Stability and Growth Pact is a bad idea*. VoxEU.org, 4 October 2010. Available for download at: http://www.voxeu.org/article/why-tougher-stability-and-growth-pact-bad-idea

²⁵ De Grauwe, P. and L. Yuemei (2013) Fiscal implications of ECB's bond buying programme. VoxEU.org, 14 June 2013. Available for download at: http://www.voxeu.org/article/fiscal-implications-ecb-s-bond-buying-programme

²⁶ Pisani-Ferry, J. and G. Wolff (2012) Fiscal implications of a Banking Union. *Bruegel Policy Brief*, Issue No. 02, September 2012

the dismantling of the single currency or the abandoning of the principle of democratic control on fiscal policies.²⁷

This struggle explains much of the rise in populism we observe today.²⁸ Following late functionalism, we expect a rise in the *politicisation* of the European integration, provided that a tension exists towards the integration of new policies and the creation of a common public sphere. Rokkan's political cleavages theory identifies the nascent political system as characterised by a centre-periphery cleavage: *polarisation* of the political forces on the new cleavage is likely to occur. Similarly, early neofunctionalism and the *demos argument* contribute to explain why the nationalistic and populist rhetoric is characterising the growing opposition to centralisation. For these reasons, although the phenomenon cannot be restricted to the Euro Area, this work looks specifically to the emergence of Eurosceptic populism within member states in the currency union.²⁹

As shown, the growing nationalism can be considered, under many points of view, a natural feature of the long transition of the EU from an international organization *sui generis* towards a pre-federal polity. The emergence of strong parties opposing political integration, and the polarisation of the political system on the new cleavages, are symptoms of the deep change occurring in the EU and in particular in the Euro Area. The change is deemed to affect both national and European political arenas. Nationally, the new *polarisation* is likely to constitute a key factor for the stable creation of new majorities cutting diagonally the traditional right-left divide; the subsequent *politicisation* of the European issues may create not only a better environment for reform, but may also provide a ground for the emergence of a public sphere. At European level, the emergence of a clear divide in the Parliament may reinforce the link between the majority of the Parliament and the European Commission (art. 17.7 of the TEU). The European Commission would also result politically responsible in front of the majority for its actions, creating the condition for a strengthened

²⁷ Nicoli, F. (2013) The Issue of Legitimacy in the Era of Fiscal Integration. *Working Paper*, University of Trento. Presented at the International conference "Questionning: Re:Generation Europe" organised by the German Law Journal and the University of Trento, 19 December 2013.

²⁸ Serricchio, Tsakatika and Quaglia claim instead that the crisis has had only a very limited effect on the rise of populism. However, their findings do not invalidate our perspective. in fact, their analysis of the effects of the crisis on Euroscepticism has three important limits. First, they equate Euroscpeticism with Eurobarometers' survey data on "negative attitude towards EU membership". This is problematic as a negative attitude does not necessarily translate in political consensus for Eurosceptic parties, as noted by De Wilde *et al.* (2014). Second, their data analysis ends in 2010, thus covering only the "global (symmetric)" phase of the crisis and ignoring the "European (asymmetric)" phase. This is definitely controversial because the two phases are actually different crises with different origins, implications and solutions; the perceived role of the EU in the two periods is radically different and this appears clearly by Eurobarometer data. Third, and somehow, as a consequence of the time frame chosen, the analysis does not focus on the Euro Area but on the EU as a whole; however, the economic implications of the Crisis, as well as the surrendering of sovereignty required by the institutional solutions agreed, differs grandly between Euro Area and non-Euro Area members. In sum, the evidence they provide on the contained effect of the crisis on the rise of populism is misleading. Cf. Serricchio, F., Tsakatika, M. and L. Quaglia (2013) Euroscepticism and the Global Financial Crisis. *Journal of Common Market Studies*, Vol. 51, No. 1.

²⁹ Also, as a second criterion in the selection of the case studies, only member states with at least 2 millions of inhabitants have been considered.

involvement of the Parliament in fiscal and economic policy. The sequential chain of *polarisation*, *politicisation*, and *participation* at national and European level will be studied in the next sections.

4. Polarisation

- 4.1 Polarisation at national level

Since 2010, the support for parties actively promoting a decrease of the competences of the EU or even secession from the Union has increased widely. While the short-term causes may vary from country to country, the attempt of proceeding with fiscal unification (thus moving towards a political union) can be considered a common driver for the surge of Euroscepticism across the Euro Area. As noted above, Euroscepticism should be distinguished (as far as possible) by opposition to austerity measures: the latter concern the *policies and political decisions* undertaken by the leadership of the Union, while the former includes a clear *institutional* claim. As suggested by Rokkan, the emergence of a new, centre-periphery cleavage is driving a re-organisation of government coalitions across the new divide.

The stance towards the European Union is the leading factor determining the creation of governmental coalitions: on the one hand, the relative electoral power of traditional parties has substantially decreased in many Euro Area countries, implying that the number of parties necessary to form a ruling coalition has increased. On the other hand, the relevance of European politics and the Eurosceptic qualification of the emerging populist forces implies that parties formerly divided over the right-left political axis are today obliged to join their forces to form a pro-European government. For example, Hix shows that countries characterised by non-majoritarian voting systems are less likely to observe the development of a euroscepticism within a *mainstream* party, because the opportunity to join a grand coalition government provides better incentive to keep a moderate stance towards Europe.³⁰ The process is thus twofold: the emergence of Eurosceptic parties drives the emergence of grand coalitions, and the opportunity to join a governmental coalition moderates mainstream parties' stance towards Europe.

Table 1: Results of Eurosceptic parties, turnout change and grand coalitions.									
	latest national government elections	cumulative anti-EU forces %	turnout change	"grand coalition"	Notes				
France	Presidential Elections 2012	17,9	-4,32	no	Presidential system				
Germany	Federal Elections 2013	6	0,7	yes	AfD+NDP				
Italy	Political Elections 2013	29,6	-5,31	yes	M5S+LN				
Spain	General Elections 2011	<1	-4,9	no					
Finland	Parliamentary Elections 2011	19,1	2,6	yes	True Finns				
Greece	Second legislative Elections, 2012	14,8	-3	yes	golden dawn + ANEL				

³⁰ Hix, S. (2007) Euroscepticism as anti-centralization: a rational choice institutionalist perspective. *European Union Politics*, Vol.8, No. 1, p.138

Portugal	General Elections 2011	<1	-1,7	no	
Netherlands	General Elections 2012	15,1	-0,8	yes	PVV+RDP+CU
Austria	Legislative Elections 2013	20,5	-3,9	yes	
Belgium	Federal Elections 2010	10	-2	yes	
Slovakia	Parliamentary Elections 2011	4,55	0,2	no	
Slovenia	Parliamentary Elections 2011	<1	2,5	no	
Estonia	Parliamentary Elections 2011	<1	1,6	no	
Ireland	General Elections 2011	<1	3	yes	
Malta	General Elections 2013	<1	5,23	no	
Cyprus	Legislative Elections 2011	1	-10,31	no	Presidential system
Luxembourg	General Elections 2013	6,64	0,65	No	ADRP

At this regard, table 1 shows the data of the most relevant Euro Area countries. A correlation exists between the emergence of a strong eurosceptic sentiment³¹ and the creation of "grand coalitions" between centre-left and centre-right parties to run a pro-European government. Naturally, such a correlation does not hold in presidential systems like the French one: despite having one of the stronger Eurosceptic forces in the Euro Area, the electoral system of the French republic prevents the need for a coalition government. Excluding France from the analysis however produces striking results. In particular, no country where Eurosceptic forces have obtained more than 10% in the most recent elections created a "coloured" government in the traditional meaning. Grand coalition governments have been also created in two countries (Germany, and Ireland) with limited Eurosceptic political consensus, suggesting that the political Euroscepticism is the leading factor, although not the only one, behind grand coalition governments in the Euro Area.

In addition, at least in the German case, the creation of a grand coalition may be attributed to the surge of Eurosceptic parties. Data show that more than a quarter of former FPD voters were reported to be likely to change their vote in favour of AfD, the newly created Eurosceptic party³². As a result, the former coalition partner of Merkel was unable to pass the 5% threshold required to enter in the parliament, forcing the CDU/CSU to enter in a grand coalition agreement with the SPD. In other words, the emergence of anti-EU parties has represented a very strong element in the emergence of a new polarisation of the political system over the European issue. Two countries can be used as a reference cases: Italy and the Netherlands.

Polarisation in Italy and the Netherlands- In the Italian case, the grand coalition government emerged already before the 2013 elections, when a government led by Mario Monti replaced the previous centre-right

³¹ Expressed by the aggregate electoral results of the Eurosceptic parties, although they often differ on other issues so they are unlikely to form a political alliance

³² Krouwel, A., Eckert, T. and Y. Kutiyski (2013) The polarisation of the German party system in the 2013 elections and the disappearance of the FDP explain the country's tortuous coalition negotiations. *EUROPP – European Politics and Policy, nor of the London School of Economics.* Available at http://bit.ly/lcX3WH2

government led by Silvio Berlusconi, who resigned on November 12, 2011. The coalition government lasted for almost one year and a half and ended when the centre-right party led by Berlusconi ceased to support it.

Monti's cabinet was supported by a wide majority of 88% of the lower house and 89% of the upper house. The government took office in the middle of the harshest phase of the economic crisis, with rising unemployment and sovereign yields up to 7%. The only parliamentary forces opposing Monti's government was the populist and Eurosceptic party Lega Nord and the small IDV party, flanked by the Movimento 5 Stelle, the political movement led by the former comedian Beppe Grillo scoring about 15% in the polls but not represented in the Parliament at the time.

The subsequent elections in February 2013 gave a fragmented political landscape. None of the mainstream parties achieved a widespread victory, although the centre-left coalition led by Pierluigi Bersani resulted first by 0,41% over the centre-right coalition of Berlusconi, thus obtaining 55% of the seats of the lower chamber thanks to the majority premium included in the electoral law. However, no electoral coalition was able to secure a majority for the upper house where no national-wide majority premium was assigned, and the centrist conglomeration lead by the incumbent Prime Minister Monti was unable to obtain enough consensus to become the only partner of a political government. The populist and eurosceptic forces of Grillo and Maroni, new leader of Lega Nord, reached together 29,6% of the valid votes.

The coalition formed by the vice-president of the Democratic Party, Letta, was thus composed of a pro-European grand coalition majority similar to the one supporting Monti's government, although with a smaller majority of 71% of the lower House and 73% of the upper House. While the Monti government was explicitly created in the attempt to secure the European stance of the country thus preventing the collapse of the Monetary Union,³³ the Letta government was dictated by the mathematical impossibility of any other coalition equally excluding Eurosceptic forces: only a grand coalition government or a government with Eurosceptic parties could have prevented new elections.

In the Netherlands the formation of the current government followed a slightly different pattern. The conservative People's Party for Freedom and Democracy of the current premier Mark Rutte won the 2010 elections but was unable to form a centre-right coalition due to the low results obtained by the centrist Christian-democratic Party of the former Prime Minister Balkenende. Instead, Rutte led a minority government supported by the right-wing Eurosceptic Party for Freedom of Geert Wilders. The government lasted for two years and finally collapsed in April 2012 when the Freedom Party and the People's Party were unable to find an agreement on deficit reduction measures needed to fulfil the country's obligations in the

³³ See, in particular, Monti, M. (2011) Discorso d'Insediamento. Available at

http://www.repubblica.it/politica/2011/11/17/news/monti al senato per la fiducia il testo integrale del discorso-25168289/

European Semester.³⁴ The new elections, held in September 2012, had a contrasting result. On the one hand, the eurosceptic Party for Freedom led by Wilders experienced a loss of around one third of its votes, falling from 15,4% to 10,8%. On the other hand, although the centre-right party of Rutte won the first place, no government could be formed without support from centre-left parties. A grand coalition government had thus to be created, involving both the leading parties in the centre-left and the centre-right formations.

- 4.2 Polarisation at European level

The new polarisation of the political landscape that emerged as a consequence of the surge of Euroscepticism at national level might eventually appear also at European level. The rise of a new, integrationist/disintegrative cleavage has been widely studied since the second half of the 2000s. At the beginning, the integrationist/nationalist cleavage was mainly studied as a matter of *institutional* interests, instead of *political* interests: in other words, literature has often considered the pro-European or anti-European stances as built-in within certain institutions; for example the European Parliament was often considered a unitary actor in favour of more integration.

However, as demonstrated by Hix, Noury and Roland³⁵ the pro/anti-European integration divide emerged in the European Parliament in the late 1990s. In the first European elections after the crisis, the new cleavage is deemed to acquire importance and thus to shape differently the policies pushed forward by the European Union. Similarly, Hooghe and Marks³⁶ identify an emerging non-economic cleavage growing around the issue of national sovereignty and identity. As shown by Hix and Crombez³⁷, the European Union, although not a full democratic system, was still substantially influenced by the results of the European elections and by the centre-left/centre-right divide in the Council. If in the Council (and especially in the European as shown in section 2) a stable pro-Europe coalition emerges, and the main cleavage characterizing the European Parliament will be the pro/anti-European stance, then the policies of the EU will also be characterised by a shift towards integration.

Looking at institutions may provide a useful point of view on the new polarisation characterizing the Euro Area. Among the Euro Area countries in the European Council, the grand-coalition governments today hold a majority of 131 votes out of 217 and 8 member states out of 18. Although the number of votes and member states is not sufficient to grant a successful qualified majority, for the first time since its inception, the

³⁴ Taggart, P. and A. Szczerbiak (2013) Coming from the Cold? Euroscepticism, Government Participation and Party Positions on Europe. *Journal of Common Market Studies*, Vol. 51, No. 1, p.28.

See also the account provided by the BBC News (2012) "Dutch Government falls in budget crisis" available at http://www.bbc.co.uk/news/world-europe-17811509

³⁵ Hix, S., Noury, A. and G. Roland (2006) Dimensions of Politics in the European Parliament. *American Journal of Political Science*, Vol.50, No.2

³⁶ Hooghe, L. and G. Marks (2008) A Postfunctionalist Theory of European Integration: from Permissive Consensus to Constraining Dissensus. *British Journal of Political Science*, Vol 39, p. 16

³⁷ Hix, S. and C. Crombez (2013) Legislative Activity and Gridlock in the European Parliament. *Working Paper*. Available at <u>http://personal.lse.ac.uk/hix/Research.HTM</u>, p.34

Council restricted to the Euro Area members does not dispose of a clear centre-left or centre-right majority. In addition, the grand-coalition countries dispose of a blocking minority of 131 votes within the extended Council of the EU.

In the European Parliament, the effects of the new political divide that is characterizing the European Union will be clear only after the May 2014 elections. At this regard, the Eurosceptic parties, although they all expect to obtain positive scores in their home countries, are today facing a vital dilemma. In fact, the new strengthened link between the results of the European elections and the Presidency of the Commission, provided by article 17.7 of the amended TEU, opens the way for a top-candidate for the position of the President of the Commission. The five most important coalitions of European parties have all decided to proceed with the nomination of a frontrunner candidate for the position: the European Socialist party nominated the German Martin Schulz in November 2013; the European Left nominated the Greek Alexis Tsipras; the liberal ALDE coalition will hold the Congress on the first of February 2014, choosing between Olli Rehn and Guy Verhofstadt;³⁸ the European People's Party will select the candidate at the 7 March Dublin Congress³⁹, while the European Green Party will hold Primary Elections on-line deciding a candidate by March 2014.

With five frontrunner candidates from the mainstream parties absorbing the media attention and polarising the vote, the Eurosceptic parties risk to underperform. At this regard, the leaders of the Lega Nord, the French National Front and the Dutch Party for Freedom have met with the intention to create a "patriotic alliance" and run under the same banner in the elections.⁴⁰ However, they face a complicate dilemma: if they present their own candidate for the Presidency of the Commission they might achieve better results, attracting media attention and polarising the European elections over the pro-EU/anti-EU debate. If conversely they decide not to run under a joint banner in the attempt to maintain their nationalistic and Eurosceptic stance, they risk to underperform and to be ignored in favour of traditional conservative-socialist political cleavage. Either way, they may face unwanted consequences: in the case they join under a common coalition, maybe choosing a frontrunner candidate, they may end up legitimizing the European construct and still face a now-legitimated Commission strongly dependent by the pro-European majority; in the other case, they risk to underperform and assist anyway at the politicisation of the European Union over the conservative-socialist cleavage.

 ³⁸ Alde Party (2013) Press Release. Available at: http://www.aldeparty.eu/en/news/alde-party-candidate-commission-president-be-announced-1-february
³⁹ EPP Party (2013) Press Release. Available at: http://www.epp.eu/epp-leaders-unveil-selection-procedure-and-

³⁹ EPP Party (2013) Press Release. Available at: http://www.epp.eu/epp-leaders-unveil-selection-procedure-and-timetable-epp%E2%80%99s-candidate-president-european-commission

⁴⁰ See, for example, The Economist (2013) *Europe's far right: this monster called Europe*. The Economist, 16 November 2013. Available at http://www.economist.com/news/europe/21589894-marine-le-pen-and-geert-wildersform-eurosceptic-alliance-monster-called-europe

5. Politicisation

As shown above, the rise of Eurosceptic parties has triggered a change in the party-system, paving the way for coalition agreements built on the common pro-European stance rather than on traditional socio-economic similarities, progressively constituting the new pole of the new cleavage characterizing national and European political systems. The new polarisation of politics, however, entails a further evolution of European integration that may be moving towards a deeper politicisation.

Politicisation of European politics is not a new issue. The process has been widely studied over the last 20 years, focusing especially on the traditional right/left divide and its expressions in European politics. The lack of salience of European policy for mass-politics has been often referred to as one of the most worrying features of the EU, pushing some scholars like Viviane Schmidt to argue that the EU is creating "policies without politics"⁴¹. On the other side, Majone⁴² and Moravcsik⁴³ argue that, as long as the EU deals primarily with non-redistributive policies, the EU does not need politicisation and can better pursue its goals being kept "insulated" from party politics. In sum, the pre-crisis debate over politicisation was embedded in the debate on the democratic deficit of the EU and on the absence of a single, shared public sphere. As shown in section 3, however, since the second part of the 2000s scientific production has started to take into account the emergence of new cleavages on European issues (polarisation), how they affect existing levels of politicisation, and whether the emergence of new cleavages may trigger new waves of politicisation over the EU. In this regard, Hooghe and Marks present some interesting insights. In fact, they expect (a) to observe a rise in nationalistic and populist euroscepticism when the process of integration moves beyond market integration, and (b) to observe a stronger process of politicisation where populist and Eurosceptic parties are stronger. This section will discuss the process of politicisation of the European issues in three arenas: the domestic political process, the foreign (European) political process, and the properly European one.⁴⁴

At domestic level, the process appears to be twofold: first, the ability of Eurosceptic parties in catching media attention implies that European policy becomes a central element of electoral campaign. This process has already been assessed by Kriesi⁴⁵ for the national elections between 1970 and the end of the '90s, but has gained momentum only with the most recent campaigns. Second, the existence of grand coalitions *may* create a political environment more prompt to implement European legislation, eventually proceeding with constitutional reforms. The domestic effects of populism may also spill across the borders. In particular, the emergence of important Eurosceptic parties in a country may trigger similar developments abroad when new

⁴¹ Schmidt, V. (2006) *Democracy in Europe: the EU and National Polities*. Oxford: Oxford University Press, p. 223. ⁴² Majone, G. [1997]

⁴³ Moravcsik, A. (2002) In defence of the "Democratic Deficit": reassessing legitimacy in the European Union. *Journal* of Common Market Studies, Vol. 40, No. 4, pp. 603-24

⁴⁴ Hooghe, L. and G. Marks [2008] p. 18

⁴⁵ Kriesi, H. (2007) The Role of European Integration in National Election Campaigns. *European Union Politic*, Vo.8, issue 1.

"political entrepreneurs" perceive that there's consensus to be capitalised: "*political entrepreneurs must mobilize the tension*".⁴⁶ In addition, the presence of strong Eurosceptic parties across the border may increase the public attention to political events (in particular, elections) in the different European countries, creating the foundations of a European public sphere, although fractured over national and linguistic lines. Finally, at European level, we can expect a stronger dependence of the European Commission over the *political* majority emerged by the European elections. Of course, the new art. 17.7 TEU facilitates the emergence of this dependence, but the existence of a strong and organised Eurosceptic opposition in the European Parliament would make the confidence relation unavoidable.⁴⁷

- 5.1 Politicisation at domestic level

Politicisation of the European issues led by the emergence of Eurosceptic parties may appear, at national level, under different forms. This section will first look at the relevance of European policies in the electoral debates in Italy and the Netherlands, and then try to assess whether the creation of grand coalitions supporting European integration has created momentum for implementation of EU law.

As noted by Dehousse⁴⁸, the Italian 2013 elections were highly Europeanized. According with his analysis of the European issue in the electoral campaign, Euroscepticism assumed two main forms: the open critics to the EU and its structures, and the critics to the European policies and the leaders of the other European countries. In particular, the Movimento 5 Stelle of Beppe Grillo openly criticised any attempt to restrict the sovereign action of the country and had, among its proposals, a referendum on the Euro Area membership, alongside with Lega Nord, the other Eurosceptic party. Cumulatively they reached almost 30% of consensus. As noted above, the centrality of European issues in the elections made it impossible to avoid a grand coalition government, because the differences between the pro-European and anti-European parties were far deeper than the differences between centre-left and centre-right parties.

Similarly, the 2012 Dutch elections were considerably influenced by European policy, although with different results. The first Rutte government fell in 2012 on the lack of agreement over the budgetary agreement to be presented in the European Semester; the following elections were characterised by a high relevance of the European issue in the debate, with the Party for Freedom of Geert Wilders campaigning for a EU-exit. Interestingly, the hard stance of Wilders against the EU obliged the other parties to clarify and articulate their respective positions, providing better ground for informed vote by the citizens. In particular,

⁴⁶ Hooghe, L. and G. Marks [2008] p. 13. See also p. 19

⁴⁷ Naturally, this does not imply that the *politicization* of the European Commission would be possible only with a strong pro-anti Europe divide. Of course, also a left-right divide may produce such politicization. What we argue is that, given the current situation and the emergence of the new cleavage, politicization is more likely to emerge as a consequence of the centre-periphery divide rather than as a consequence of the right-left divide.

⁴⁸ Dehousse, R. (2013) Europe at the polls: lessons from the 2013 Italian Elections. *Notre Europe Policy Papers Series*, No. 92

four elements of European policy dominated the debate: "the rationale for European Integration, the issue of national sovereignty, solutions to overcome the Euro Crisis and the issue of institutional reform"⁴⁹

The emergence of Eurosceptic populism may generate a further politicisation of European domestic policy as a consequence of grand coalitions' decisions. As noted by Hix and Noury⁵⁰ the centre-left split is, in parliamentary democracies, already a secondary issue in determining the voting behaviour of elected representatives, who in turn usually vote following the stance of their party in the government or in the opposition. Naturally, government coalitions in parliamentary systems were usually still built over the traditional divide; nevertheless, in the Euro Area this practice is changing today as a consequence of the emergence of Eurosceptic parties. This implies that the government-opposition split individuated by Hix en Noury becomes *also* a split over a single dominant issue, the European stance of the country. The phenomenon appears clearly also in the empirical analysis carried out by Maatsch. She finds substantial evidence that the dominant socioeconomic cleavage in the parliaments of the Euro Area countries has shifted from the traditional Keynesian-Liberal cut towards a more pro-European/anti-European economic policy divide.⁵¹ Thus the implementation of European directives (not only in the field of economic policy) becomes not only a much politicised issue, but also the "battlefield" where the pro-European coalition agreement is verified and re-iterated. Data provided by the European Commission for Italy and the Netherlands seem to support this view. In 2012, 12 countries achieved their best scores ever in implementing European Legislation. Of them, six are relevant-sized Euro Area countries (more than 4 million inhabitants) and four of these six are run by Grand Coalition governments: Ireland, Italy, Greece, and the Netherlands. Other two grand coalitions' governments, Finland and Austria, have ameliorated their previous score without breaking the record; only one Grand Coalition government (Belgium) marginally worsened its position. However, the reason d'etre of the Belgian Grand Coalition has nothing to do with European stance- rather, it is the result of the internal agreement between Flemish and Francophone parties to preserve and reform the Belgian state; thus, we do not expect a Grand Coalition established for completely national issues to over-perform on European policy implementation.

Table 2: Implementation of European Directives in National law (2013 term 1; 2012 term 2)								
	decreased performance							
Grand Coalitions	IE IT EL NL	AT, FI	BE					
Political governments	FR SK	DE, PT	ES					
Sources: European Commission (2012) Single Market Scoreboard 25; European Commission (2013) Single Market Scoreboard 26								

⁴⁹ Hollander, S. and S. van Kessel (2012). Europe and the Dutch Parliamentary Election. EPERN *Election Briefing* No.71, September 2012, p.4

⁵⁰ Hix, S. and A. Noury (2013) Government-Opposition or Left-Right? The institutional determinants of voting in legislatures. *Working Paper*, 7 March 2013, available at http://personal.lse.ac.uk/hix/Research.HTM, p.25

⁵¹ Maatsch, A. (2013) Are we all Austrians now? An analysis of national parliamentary parties' positioning on Anticrisis measures in the Eurozone. *Journal of European Public Policy*, Vol.21, No.1

In the Italian case, Monti's coalition government achieved important results in implementation of European Law. The 0,8% implementation deficit reported by the European Commission represented an impressive improvement in front of the 2,8% implementation deficit of the previous year and of the 1,8% average implementation deficit of Berlusconi's political government. In addition, Monti's government also decreased the number of outstanding directives by 21, the most positive result in the European Union in a single term. The Netherlands have also ameliorated their results during the first term of Rutte's coalition government, decreasing the transposition score from 0,6% in the previous term to 0,4% and reducing by 4 the number of outstanding directives (3 in the previous term). Also, the grand coalition government reduced, in average, the time required for the transposition of a directive by about 3 months in respect to the previous term. In sum, data seem to suggest that –in the two case studies under analysis- the existence of a grand coalition provides a suitable ground for compliance with EU law, provided that the Grand Coalition is structured around a common pro-European stance of the various parties.

- 4.2 The impact abroad: Europeanization of the public sphere.

The effects on politicisation of European issues determined by the emergence of a Eurosceptic party may not end at the country's border. As theorised by Eder and Trenz, ⁵² the development of a set of domestic-Europeanized public spheres is mainly driven mainly by the mirroring of (often negative) discourse abroad ("*resonance*") rather than by a single, unified political discourse cross-cutting the political boundaries.⁵³ The issue is not trivial because, as noted by Meijers⁵⁴, "*Recognizing this central role of the media for legitimate governance is in line with the observation that the opportunities for politicisation of EU politics do not solely depend on the rearrangement of the institutional framework*", ⁵⁵

At this regard, a substantial literature has been produced, before the crisis, on the particular form of integration of domestic public spheres ongoing in the European Union. For example, Pfetsch, Silke and Eschner⁵⁶ find substantial evidence concerning the emergence of common trends in the media coverage of European news, as well as increasing attention paid by the public opinion to European-related themes. Instead of universal pan-European media, the European public sphere is rather assuming the form of a Europeanization of domestic ones. However, the empirical analysis carried out by the authors reveals the emergence of two main common debates: first, they individuate a cleavage concerning the sovereignty issue, meaning the relation between the existing European institutions and the national government; second, they

⁵² Eder, K. & Trenz, H.-J. (2003). The making of a European public sphere: The case of justice and home

affairs. In B. Kohler-Koch (ed.), Linking EU and national governance. Oxford: Oxford University Press.

⁵³ De Wilde, P., Michailidu, A. and H.-J. Trenz (2014) Converging on Euroscepticism: online polity contestation during European Parliament elections. *European Journal of Political Research*, January 2014, p.5

⁵⁴ Meijers, M. (2013) The Euro-Crisis as a catalyst of the Europeanization of public spheres? A cross-temporal study of the Netherlands and Germany. *LEQS Papers* No. 62/2013, London School of Economics

⁵⁵ Ibid. p.3

⁵⁶ Eschner, B., Pfetsch, B. and A. Silke (2008) The contribution of the press to Europeanization of public debates: a comparative study of issue salience and conflict lines of European integration. *Journalism*, Vol.9, issue 4

note the emergence of a debate concerning the dilemma of enlargement versus deepening of integration. In addition, the authors note that the wide majority of the newspapers studied until 2007 take a very integrationist stance.

The crisis and the emergence of a diffuse Euroscepticism has substantially changed this scenario. As noted by Patz⁵⁷, the European crisis, the rise of populism and other European issues as immigration are now at the centre of the media coverage. Kokhanova⁵⁸ finds substantial evidence of a process of ongoing Europeanization of public spheres in Germany and Spain during the crisis, noting that, although from their national perspective, the public attention to the events and the economic developments in the different countries has increased thanks to the strengthened media attention.

Euroscepticism is today playing a substantial role in the process of Europeanization of national public spheres. Meijers finds substantial evidence in support of the fact that between 2008 and 2011 the television coverage of European news in two representative countries (Germany and the Netherlands) substantially increased, from about 15% to 22% of the total in Germany, and from 14% to 18% in the Netherlands. ⁵⁹ The author also distinguishes European news over two variables: their *tone* (meaning whether they convey a positive or negative discourse on the issue) and their *evaluation* (meaning whether they take a precise political stance over the issue). In both dimensions, we can observe a striking change in attitude. Concerning the *tone* of the news on European issues, the share of European news reported with a positive tone declined from 62,5% to 8,7% in the Netherlands, while negative discourse concerning Europe increased from virtually 0 to 52%. Similarly, German "positive" attitude towards European news declined from 31,6% to 3%, while negative discourse increased from 10,5% to 53%. Concerning *evaluations* (explicit political statements concerning integration) the share of explicitly Eurosceptic judgements represented 30% of the political evaluations in Germany and 15% in the Netherlands.

While the results cannot be generalised for all the European countries, the surge in political Euroscepticism observed in many countries suggests that media coverage might have followed a similar pattern. Also, the domestic attention to the increase in foreign Euroscepticism is likely to have increased: while there are no aggregate data available yet to formulate a conclusive judgment, the attention paid by European publics at the elections in Greece, Germany, Italy and the Netherlands, and to the electoral scores of the Eurosceptic parties, has likely been important. Moreover, as noted by De Wilde et al., "*As dissensus draws media attention and crystalises opinion, patterns of conflict are replicated over time and space.*"⁶⁰ It is thus likely

⁵⁷ Patz, R. (2013) The Genesis of a European Public Sphere: economic crisis and Lampedusa, European Elections and Cross-Border migration. *Ideas On Europe*, 5 January 2014. Available at http://polscieu.ideasoneurope.eu/

⁵⁸ Kokhanova, O. (2012) Europeanization of National Public Spheres: Comparative analysis of the readers' on-line debate on Europan issues in German and Spanish Newspapers. *Centre for German and European Studies, Working paper* No.02/2012

⁵⁹ Meijers, M. [2013] p.14

⁶⁰ De Wilde, P., Michailidu, A. and H.-J. Trenz [2014] p.5.

that the spill-over of Euroscepticism from country to country not only generates an alignment of the different public spheres, but also provides ground for the "Europeanization of Euroscepticism", when new political entrepreneurs seek to enter in the political arena.

In sum, the Euro crisis and the contemporary surge of political Euroscepticism seems to have triggered a wave of *domestic* attention to facts, news and political developments in other European countries. While this Europeanization of public spheres has been driven by negative discourse towards the EU, it still presents an appreciable development, considered that a common public sphere is often considered as an essential element for the emergence of democracy: ⁶¹ in this regard, Eurosceptic populism seems to have triggered a widespread media attention, raising the public awareness and stimulating discussion on European policy.

- 4.3 politicisation at European level

Finally, the emergence of Eurosceptic forces is likely to influence the process of politicisation of properly European politics. As said in the introduction of section 4, there has been a lively debate in the last decade over the implications of a stronger politicisation of the EU, especially in relation to the alleged democratic deficit of the European Union. However, a consensus seems to be merging over the fact that a progressive politicisation of the EU in fiscal economic policy during the crisis, reducing the weight of the objection of Majone to the EU as a purely regulatory and non-redistributive state. Indeed, a further politicisation of the EU and the emergence of a common public sphere has acquired, being a substantive requirement for democracy, the status of a quasi-legal condition for further integration, as noted by the German Constitutional Court in 2009.⁶²

The European Elections may become more important both for Eurosceptic forces, perceiving to have an advantage in an election decided by themes essential for their success and credibility, and for the mainstream parties, obliged to find new ways to mobilise their electorate. A more detailed analysis of the politicisation of the European elections, as well as of the role of the Eurosceptic parties in the process, will have to wait the results of the May 2014 elections.

However, a series of considerations can be made here. First, the appearance of a strong Eurosceptic political party in the public sphere will have, as a likely effect, to "harmonise" the electoral campaign in the countries where these parties emerge. As put by Hobolt and Spoon: "*Two key indicators of the level of politicisation are the degree of party polarisation on the issue and the contentiousness of European integration in the campaign coverage*."⁶³ Party polarisation is a central determinant of the politicisation of European issues. In

⁶¹ As considered for example by the German Constitutional Court in its 2009 judgement on the Lisbon Treaty.

⁶² Bundesverfassungsgericht. Second Senate [2009] Par. 250- 251

⁶³ Hobolt, S. B. and J.-J. Spoon (2012). Motivating the European voter: parties, issues, campaigns in European Parliament elections. *European Journal of Political Research*, No.51, p.9

fact, while previous European elections were dominated by national themes, European political choices had only a secondary role in the different (national) electoral campaigns. Empirical results seem to support this interpretation of the previous rounds of European elections as "second-order" elections: in particular, Hix and Marsh⁶⁴ find substantial empirical evidence in support of this thesis, identifying the willingness to punish national governments as the main driver for voting in the elections.

However, the emergence of anti-European parties putting the EU-related choices at the centre of the agenda may oblige the traditional mainstream parties to focus, for the first time, on truly European issues. The theoretical model built by Hobolt and Spoon provides interesting insights at this regard. As they conclude, *"Examining the conditioning effect of party polarisation on the EU dimension shows that voters only take EU-specific considerations into account when political parties provide them with clear choices. (..) This is good news for European democracy as it suggests that the increasing politicisation of European integration makes voters more likely to make choices on the basis of party positions on EU issues, but no more likely to simply cast a protest vote 'against Europe'"⁶⁵. Their conclusion is also supported by empirical analysis. As demonstrated by De Wilde <i>et al.* In the case of the 2009 European Elections, an increase in the salience of the EU in the political debate do not imply a further rise in Euroscepticism: rather, *"the debate about Europe becomes more specified as it becomes more intense"*⁶⁶

In addition, a second phenomenon can be inferred. Provided that, under the new article 17.7 TEU a link now exists between the European Commission and the majority in the Parliament, a polarisation of the European Parliament (as noted in the previous section) is likely to generate a Commission, and as a consequence, a policy-mix, respecting the position of the majority. If the Eurosceptic parties manage to obtain a good result in the ballots, the Commission will have no other choice than to rely on the pro-European majority of the Parliament; similarly to pro-European grand coalitions in nation states, a pro-European grand coalition in the European Parliament might adopt a more integrationist stance than a coalition built on the traditional right/left cleavage.

6. Participation

Eurosceptic Populism is increasing polarisation of politics around a new centre-periphery cleavage, and is thus strengthening the political relevance of European issues. Europe may not be, today, a secondary element of the political debate discussed: rather it could lie at the core of contemporary mass politics. The analysis of recent domestic electoral campaigns, as well as the increasing relevance of pro-European Grand coalitions, supports this view; an ultimate confirmation, however, can be provided only by an analysis of the upcoming European elections. In order to confirm the Hobolt-Spoon hypothesis – that is, the increasing populism is

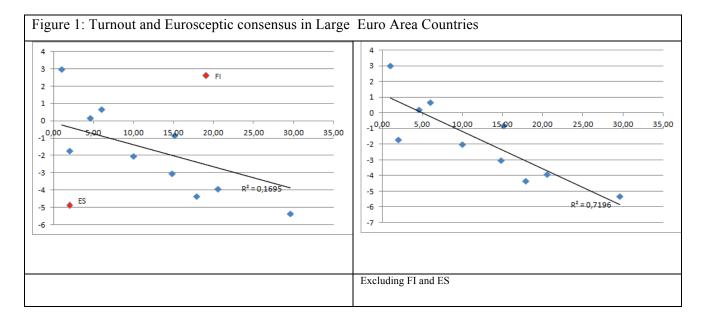
⁶⁴ Hix, S. and M. Marsh (2011) Second-order effects plus pan-European political swings: an analysis of European Parliament elections across time. *Electoral Studies* No.30

⁶⁵ Hobolt, S. B. and J.-J. Spoon [2012] p.19

⁶⁶ De Wilde, P., Michailidu, A. and H.-J. Trenz [2014] p. 10

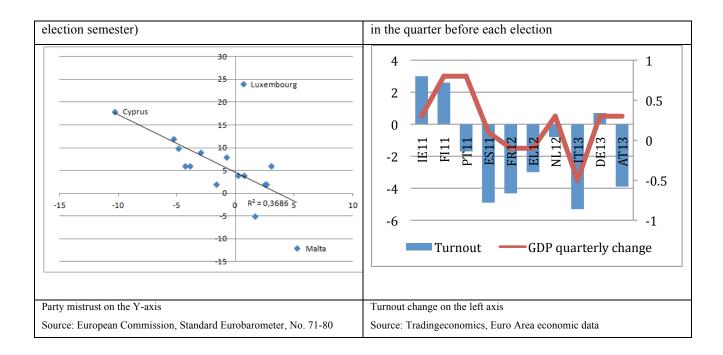
transforming the European elections from a second-order into a first-order election- we must observe also a changing pattern in participation rates. While the 2014 European elections are still ahead thus no data are available, we can look at national elections to see whether the increasing populism is changing participation in the domestic elections.

At a first glance, a correlation seems to hold among most of the main Euro Area countries. Figure 1 shows the linear correlation between the turnout variation and the results of Eurosceptic populist parties in the Euro Area elections in large countries between 2010 and 2012. The correlation between 10 countries (out of 12) shown in the graph is clearly strong (0.71). Between these 12 countries, an increase in Eurosceptic consensus is almost invariably contextual to a decrease in the electoral participation. Two important countries however substantially fall outside of the correlation: Spain and Finland. Both elections occurred in 2011 at a distance of only a semester.



While the correlation is interesting, inferring causality would be wrong not only because of the lack of more compelling data, but also because a solid theoretical framework explaining why the increase of Euroscepticism should imply a rise in voting abstention is today missing. Rather, the two dynamics may be driven by the same events. On the one hand, many Eurosceptic parties have also an anti-politics rhetoric: this is surely the case of Italy, where the fall of the turnout has been relevant. So a general dissatisfaction against mainstream politics simultaneously decreases political participation and increases Eurosceptic consensus.

Figure 2: Turnout & change in party-mistrust (2009- Figure 3: Turnout and Euro Area economic performance



In this regard, figure 2 shows the (weak) correlation between the turnout change and the change in the confidence in mainstream parties between the election semester and the base-semester 1/2009. Again, the distortive effect of small countries is remarkable: excluding Cyprus, Malta and Luxembourg from the analysis implies a correlation almost twice as strong (0,65) than with them in- this clearly indicates that very small countries follow a different and independent political cycle. Also, the general economic developments in the Euro Area matter (let alone the economic performance of the individual states): figure 3 shows how turnout is influenced by Euro Area GDP change in the quarter before each election.

In fact, a more refined analysis seems to suggest that Eurosceptic populism has had, at least until a certain extent, the opposite effect, limiting the fall of the turnout due to mainstream parties' turnout. Table 3 divides the Euro Area countries object of the analysis in 5 groups depending on their percentage change in party mistrust between 2009 and the moment of the elections.

The groups have been designed in order to allow meaningful comparison of countries with similar levels of change in party trust. In the first group are included all the countries where trust in the party system has increased; in the second group the countries where the trust in the party system has experienced a limited fall (between 2% and 5%). In the third group, the countries experiencing a small fall (between 6% and 9%). In the fourth group, the countries experiencing an important fall in the trust in the Party system (between 10% and 14%). In the last group, the countries experiencing a very important fall (above 15%). For each group (where meaningful) the correlation between turnout and scores of Eurosceptic populist parties has been recalculated. The only two groups with at least 3 observations (groups 2 and 4) show a common (although not conclusive) pattern: in both cases, the increase in the results of Eurosceptic populist parties is associated with a lower loss in electoral participation, in group 2 more than in group 4 more than in group 5. The

correlation is somehow valid also for Estonia and Malta, the only countries experiencing an increase in party trust and experiencing also an increase in the turnout. While it is clearly not valid for countries in group 3. In group 5 the correlation is basically 0.

Table 3: groups correlations														
Group 1	Turnout	score	Group 2	turnout	score	group 3	turnout	score	group 4	turnout	score	group 5	turnout	Score
EE	1,6	<1	SI	0,2	2,00	IE	3	1,00	EL	-3	14,80	IT	-5,31	29,60
MT	5,23	<1	SK	2,5	4,55	FR	-4,32	17,90	NL	-0,8	15,10	CY	-10,31	1,02
			SK	2,6	19,10				AT	-3,9	20,50	LU	0,65	6,44
			DE	0,7	6,00				ES	-4,9	1,00			
			PT	-1,7	1,00									
			Correlation: 0,47						Correlatio	on: 0, 22		Correlatio	on: 0,016	
Source: European Commission, Standard Eurobarometer No. 75-80														

In sum, there is little evidence, as expected, that the rise of Euroscepticism has had a determinant effect on participation in national elections. Rather, common phenomena, like increase in mistrust *vis à vis* mainstream parties, and general economic performance, may both have triggered a decrease in turnouts and fuelled populist Euroscepticism. The data seem also to suggest that, at least under certain conditions, the increase in populism *may* have prevented more substantial decreases in electoral participation- data however are far from being conclusive at this regard.

The real effect (if any) of the increased attention towards European issues on participation will likely be at European level. As noted previously, the increased politicisation of Europe, the emergence of the new cleavage, and the pressure put on mainstream parties is likely to increase the resources invested both by mainstream parties and by emerging Eurosceptic parties in the campaign. The renewed media attention, the presence of presidential candidates, the pressure put by Eurosceptic parties on mainstream parties (and the contextual need for a clarification of their European stance) are likely to increase participation. This implies that while increasing populism is correlated with a decreasing participation at national level, increasing populism might be correlated with increased participation at European level. This intuitive hypothesis must be tested against electoral data coming from the next round of European election, but it seems in line with the reason for low turnout in the European elections identified by the literature: an increase in the salience of the EU-related themes, as well as a relative increase of the powers of the EU parliament *vis à vis* national governments, may produce an increase in both Euroscepticism and turnout. As noted by Hobolt and Spoon commenting their simulation, *"We might expect politicisation to have different direct effects on the likelihood of abstaining and switching. For example, it seems plausible that politicisation would have a*

*mobilising effect in EP elections, and thus decrease the likelihood of abstaining but increase the likelihood of switching.*⁶⁷.

7. Conclusions

The analysis carried out in the previous pages has several implications. As a first finding, it underlines that the emergence of an organised Euroscepticism targeting not only certain policies or outcomes of the European integration process, but the very concept of European integration, was a phenomenon well studied by classical theory of political integration. In particular, the emergence of a new centre- periphery cleavage is consistent with, and in a way, implied by, a substantial progress towards a truly political Europe. From this perspective, Euroscepticism should not be simply considered as a worrying phenomenon, but as a clear signal suggesting that European integration has now reached a depth where truly democratic legitimacy is unavoidable.

The second part of the paper analyses how the emerging Eurosceptic populism is in fact not only a consequence of a European Union moving beyond the Market; but also may represent one of the driving forces behind this shift. The effects of the rise in Eurosceptic populism were studied in three dimensions: polarisation of national and European politics, politicization of European integration issues at domestic and European level, as well as in partner countries; and *participation* at national and European level. The analysis shows that Eurosceptic populism is a major driver of Grand Coalition governments in many Euro Area countries, and might also generate a similar shift within the European Union's institutions. Looking at politicization, our results suggest that the emergence of Euroscepticism has brought European integration at the very centre of domestic electoral campaigns, obliging mainstream national parties to clarify their positions on European issues. Also, the two Grand Coalition governments analysed in this study seemed partially more willing, at least at the beginning of their mandate, to take seriously European integration performing relatively better than political governments in adopting European legislation. Abroad, the emergence of Eurosceptic populism, coupled with the high coverage given by Euro-crisis related issues, seems to have triggered a widespread media attention, raising the public awareness and stimulating discussion on European policy. In other words, the debate on European issues promoted by Eurosceptic parties has a tendency to spill-over in partner countries, promoting the Europeanization of public spheres. Finally, the high salience of European policy as electoral issue may imply a stronger political responsibility of the European Parliament vis à vis their electorate, and of the European Commission vis à vis the majority of the Parliament. As for participation, the indications provided by data are contrasting. While, overall, a clear correlation exists between Eurosceptic Populism and fall in electoral participation, a more detailed analysis seems to suggest that, at least in certain cases, the creation of Eurosceptic parties may have limited the turnout fall due to high mistrust towards mainstream parties. Consistently, a rise of Eurosceptic Populism

⁶⁷ Hobolt, S. B. and J.-J. Spoon [2012] p.19

may imply an increase salience of European elections, raising the turnout; naturally, the 2014 election will be the test bed for this hypothesis.

Overall, this paper did not look into the negative implications of the emergence of Eurosceptic populism, although surely many worrying implications can be easily inferred. Nor it aims to downplay the potential dangers entailed by this returning wave of nationalism. Rather, it proposed a collection of arguments suggesting that Eurosceptic populism may have *also* a democratic-enhancing impact, providing a substantial boost to fill the gap between the *milieu* where substantial decisions for contemporary democracy are agreed, the European Union, and the actual political debate where mass politics get involved.

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This publication received financial support from the European Parliament. Sole liability rests with the author and the European Parliament is not responsible for any use that may be made of the information contained therein.