



Eurocriticism: The Eurozone Crisis and Anti-Establishment Groups in Southern Europe

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Abstract

The Eurozone crisis and the ensuing public disaffection towards what many view as deficient EU institutions and policies have resulted in a surge of euroscepticism across member states. Although euroscepticism is not a new phenomenon, the rise of mass anti-establishment movements notably in southern Europe is. Despite their different political and structural features, Five Star Movement in Italy, Syriza in Greece and several social movements sprung from the *Indignados* in Spain have recently become key actors in their national political arena by opposing, inter alia, EU-imposed austerity. Yet these movements are not anti-EU in toto; while they criticize what they view as the EU's lack of democracy and rigid economic policies, they are not opposed to the EU integration project as such. While a fine line distinguishes Euro-scepticism from Euro-criticism, provided such distinction is made, the critique of these movements could be galvanized into a constructive force for a more integrated EU political space.

Keywords: *Euroscepticism / Eurozone crisis / Italy / Greece / Spain / Political parties / Political movements*

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1. The European economic crisis and the erosion of the European consensus

The current recession in Europe is challenging not only the EU's economic stability but also the construction of an integrated, legitimate and effective European political space. Top-down, the economic crisis has pushed member states to accelerate institutional integration to avoid the far more dramatic and costly option of dismantling the Eurozone. From bottom-up, euroscepticism is booming, fed by the widespread feeling that the EU not only fails to deliver prosperity to its citizens, but does so through opaque and unaccountable decision-making procedures, thus increasing existing inequalities between member states. Whilst the EU's degree of democracy has always been contested, in the past, the EU's delivery of economic goods shielded it from mainstream public criticism. With the crisis, political and social movements that challenge the European consensus are on the rise, quick to point out that the EU emperor has no clothes.

Euroscepticism, or the opposition to the process of European integration,¹ is not new. In the past, several parties and movements shaped their political identities on the grounds of their opposition to the EU as a whole or to particular EU policies.² However, the current widespread political and economic malaise in Europe has given rise to new anti-establishment groups that are channelling what is becoming mass public criticism of the EU. Do they represent a new form of euroscepticism or rather a new trend that can be labelled as "eurocriticism"? Depending on the answer, this phenomenon, combined with the mounting europessimism resulting from the EU's poor performance and unfulfilled expectations, may become a serious risk for European integration or an opportunity to rethink the basis of the European social contract.

In the 1990s, the political-economic instability generated by the end of the Cold War and the collapse of the Soviet Union gave the EU an opportunity to deepen integration

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¹ Paul Taggart, "A Touchstone of Dissent: Euroscepticism in Contemporary Western European Party Systems", in *European Journal of Political Research*, Vol. 33, No. 3 (April 1998), p. 363-388.

² Susannah Verney, "Euroscepticism in Southern Europe: A Diachronic Perspective", in *South European Society and Politics*, Vol. 16, No. 1 (March 2011), p. 4, <http://dx.doi.org/10.1080/13608746.2010.570124>.

while extending its liberal model to eastern European countries. While new member states had to adopt strict fiscal and economic policies, the promise of economic development and democratization justified temporary hardship in the eyes of citizens. Nowadays, Europe's challenges have driven a wedge between the EU and its citizens. Member states are unable to pursue innovative economic policies at a national level and EU-driven economic reforms are generally perceived as aggravating precarious socio-economic stability. This is fuelling resentment and resistance to further political and economic integration.

The Fiscal Compact (namely Treaty on Stability, Coordination and Governance), the Six Pack, the Two Pack and plans for a banking and fiscal union aimed at moving the Eurozone towards greater unity are becoming wildly unpopular. In a nutshell, these measures intend to strengthen the Economic and Monetary Union as a whole and to ensure stricter monitoring and better coordination of national economic policies.³ These rules have been largely unpopular and perceived by large segments of the society as ineffective insofar as they appear to have contributed to a further economic contraction together with the erosion of national parliamentary sovereignty over budget making. In crisis-ridden countries, the partial loss of economic sovereignty brought about by monetary union has been coupled with severe austerity measures with strong depressive effects. As a result, cash-strapped and economically crippled member states have increased their tax burden and made draconian spending cuts. While the prospect of redistributive fiscal federalism at a European level remains vague and uncertain, European citizens are increasingly feeling the brunt of crumbling welfare systems, soaring unemployment and anemic or negative growth. The resulting marginalization, as citizens are progressively and systematically unable to enjoy their economic, social, civic and political rights, is leading to widespread frustration with the EU. This trend is particularly striking in the more severely hit southern EU member states. Data from the 2013 Eurobarometer show that 80% of Greeks, 75% of Spaniards and 61% of Italians do not trust the EU, while in 2007 those levels only reached 37%, 23% and 28% respectively.⁴ A 2013 Pew Research poll shows that the favourability of the EU has fallen from an average of 60% in 2012 to 45% in 2013.⁵

Alongside growing disenchantment with the EU, there has also been the rise of a new cleavage in the Eurozone between creditor and debtor countries. Driven by the economic and financial downturn, this cleavage has revolved around debates on "austerity versus growth" and has fed clichés and political misunderstandings. Indeed, on both sides of the creditor-debtor schism, negative stereotypes of the "other" have proliferated, undermining the achievement of a shared project of mutual benefit and common goals. On the one hand, debtor countries experiencing the effects of harsh austerity policies and the shift of decision-making power away from the national level are disillusioned with the EU. On the other hand, creditor countries express frustration

³ Graham Bird and Alex Mandilaras, "Will Europe's Fiscal Compact Help Avoid Future Economic Crisis", in *Discussion Papers in Economics - University of Surrey, Guildford*, No. 12/12 (September 2012), p. 4-5, <http://www.surrey.ac.uk/economics/files/dpaperspdf/DP12-12.pdf>.

⁴ European Commission, *Standard Eurobarometer 79* (Spring 2013), p. 97-98; and *Standard Eurobarometer 67* (Spring 2007), Question A16.7, available at http://ec.europa.eu/public_opinion/archives/eb_arch_en.htm.

⁵ Pew Research Center Global Attitudes Project, *The New Sick Man of Europe: the European Union*, 13 May 2013, <http://www.pewglobal.org/2013/05/13/the-new-sick-man-of-europe-the-european-union>.

with the EU's slack governance. Moreover, part of the press and the political leaders of northern European member states have contributed to stereotyping their southern counterparts (and their citizens) as profligate and lazy, refusing to pay their own way out of the crisis. For their part, many citizens from southern member states have come to view northern Europeans as selfish and inward looking, having abandoned the ideals of European solidarity.

A general feeling of distrust, economic malaise and political instability have in turn given birth to new anti-establishment movements or to the strengthening and reinvention of existing ones. These movements give voice to citizens' anger and frustration and articulate what many consider to be viable alternatives. In parallel, the EU's imposition of austerity measures has had a visibly negative effect on pro-European mainstream traditional parties as the electorate is turning away from them. This trend risks seriously destabilizing existing political systems, because, unlike eurosceptic populist groups in the 1990s, today's anti-establishment groups are becoming mainstream.

2. A mapping of anti-establishment actors

The anti-establishment groups that are emerging as a reaction to the ongoing economic and political crisis in Europe are significantly different from the populist and far right parties that entered the European political arena in the mid-1980s and used anti-EU rhetoric to acquire legitimacy. For instance, Jean-Marie Le Pen's National Front in France founded part of its electoral campaign on harsh criticism of the EU's political establishment. Recently, the party has united in a pan-European eurosceptic platform together with traditional eurosceptic right-wing parties such as Umberto Bossi's *Lega Nord* in Italy, Jörg Haider's Freedom Party in Austria, the *Vlaams Belang* in Belgium and the eurosceptic Sweden Democrats' Party.⁶ Furthermore, the populist right-wing Freedom Party of Austria, the Danish People's Party, the Finns Party, and the Dutch Party for Freedom all gained approximately 10 percent of the vote in their last national parliamentary elections, while in the Czech Republic, the eurosceptic ANO 2011 won 18.7% of the vote, gaining 47 seats in parliament. These centre-right and extreme right-wing parties represent what Szczerbiak and Taggart define as "hard eurosceptic movements" insofar as they object to European integration on the grounds of cultural nationalism. They refuse to cede further powers to the supranational level and at times call for exiting the EU altogether.⁷

Differently, the anti-establishment groups spurred by the crisis challenge the EU but are neither anti-EU nor anti-euro. They are simply critical of the EU's austerity policies and the lack of democratic accountability of EU institutions. While they do not want their country to necessarily exit the EU, they accuse member state governments of forming an exclusionary cartel, which impedes citizens from accessing the political

⁶ Martin Banks, "Marine Le Pen hopes to create pan-European eurosceptic movement", in *The Telegraph*, 16 October 2013, <http://www.telegraph.co.uk/news/worldnews/europe/france/10382622/Marine-Le-Pen-hopes-to-create-pan-European-eurosceptic-movement.html>.

⁷ Aleks Szczerbiak and Paul Taggart, (2000) "Opposing Europe: Party Systems and Opposition to the Union, the Euro and Europeanisation", in *SEI Working Papers*, No. 36 (October 2000), p. 12, <http://www.sussex.ac.uk/sei/documents/sei-working-paper-no-36.pdf>.

arena and claiming their rights. These anti-systemic movements do not simply position themselves “against the elites” and “with the people”, but they do so by challenging the principles of representative democracy. In their view, the implementation of direct or deliberative democracy is the only way to truly stand for the interests of Europeans and overcome current political and economic troubles.⁸

Fuelled by the advent of the social media, many of these movements are amplifying their message against the current political establishment by using new technological means to reach sympathizers and supporters. They structure their communication strategies by adopting classical populist arguments and presenting citizens as victims of power-driven traditional parties and of foreign/transnational economic interests. Moreover, the use of the internet allows these groups to claim that citizens, who can interact and manifest opinions on the web, are finally put at the centre of the decision-making process. At the same time, the web is often used by anti-establishment groups to avoid direct interactions with all those experts and political parties who may contradict them.⁹

In this respect, traditional mainstream centre-right and centre-left parties have been seriously challenged by the rise of alternative groups on both sides of the political spectrum. Their inability to face up to this anti-establishment wave has resulted in their partial electoral loss. For instance, in Hungary in 2010, the social democrats lost more than half of their electoral support. In Ireland in 2011 the Fianna Fáil, which had ruled the country since independence, received one third of the votes.¹⁰

The loss of confidence in traditional political groups has been caused by the latter's tendency to not present innovative policy proposals to face the economic downturn, partly as a result of the limited room for manoeuvre available to national governments within the EU system.¹¹ In fact, pressured by the EU, parties have almost unanimously ended up adopting austerity policies, which have involved severe cuts in jobs and real wages. Traditional parties seem to have a diminished capacity to reconcile citizens' demands with the need to act in line with EU directives and regulations. Their inability to produce appealing policy proposals has pushed the electorate to turn towards radical alternatives. For instance, during the 2011 Berlin state elections, the German radical Pirate Party won 8.9% of the votes and obtained 15 seats in a German state parliament.¹² Its recent loss in support has in part been transferred to a new anti-establishment movement, the Alternative for Germany.¹³ After only seven months in

⁸ Daniele Albertazzi and Duncan McDonnell (eds.), *Twenty-First Century Populism. The Spectre of Western European Democracy*, Basingstoke and New York Palgrave Macmillan, 2008.

⁹ Piergiorgio Corbetta and Elisabetta Gualmini (eds.), *Il partito di Grillo*, Bologna, Il Mulino, 2013.

¹⁰ Josep M. Colomer, “Firing the Coach: How Governments Are Losing Elections in Europe”, in *Democracy & Society*, Vol. 10, No. 1 (Fall 2012), p. 1-6, <http://www.democracyandsociety.com/blog/democracy-society-journal/ds-vol-10-iss-1-fall-2012>.

¹¹ Peter Mair, “Bini Smaghi vs. the parties: representative government and institutional constraints”, in *EUI Working Papers RSCAS*, No. 2011/22 (2011), <http://hdl.handle.net/1814/16354>.

¹² Nicholas Kulish, “Pirates' Strong Showing in Berlin Elections Surprises Even Them”, in *The New York Times*, 19 September 2011, <http://www.nytimes.com/2011/09/20/world/europe/in-berlin-pirates-win-8-9-percent-of-vote-in-regional-races.html>.

¹³ Annett Meiritz and Fabian Reinbold, “Sinking Ship: Germany's Struggling Pirate Party”, in *Spiegel Online*, 19 September 2013, <http://www.spiegel.de/international/germany/pirate-party-fails-to-capitalize-on-nsa-scandal-a-923303.html>.

existence, this conservative, anti-euro, anti-bailout, yet not anti-EU movement narrowly missed the 5% threshold necessary to access the Bundestag in Germany's 2013 elections.¹⁴

Although the rise of anti-establishment movements has touched most European countries, this phenomenon is particularly relevant in southern Europe where the crisis has highlighted the structural deficiencies of national systems. Voters' distrust of their traditional political class is not only justified by the harsh consequences of the crisis but also by the poor management of national governments. According to Eurobarometer, from 2008 to 2011, trust in political parties in Spain, Greece and Italy dropped from 40% to 12%, 17% to 5% and 13% to 9% respectively.¹⁵ Growing distrust in traditional parties has led to political tsunamis in several southern member states. In Greece, the 2012 elections led to the near sweeping away of traditional parties by anti-systemic alternatives such as Syriza and Golden Dawn. The most extreme case is that of the Greek socialist party, PASOK, whose electoral support shrank from 43.9% in October 2009 to 12.28% in July 2012. In Italy's 2013 elections, the formidable rise of the Five Star Movement split the country into three political blocs. In Spain, traditional centre-right and left-wing parties collectively do not poll more than 65%, whereas smaller political parties, new political forces and social movements are on the rise.

2.1. Italy

In traditionally europhile Italy, the rise of the anti-establishment Five Star Movement (*Movimento Cinque Stelle*, M5S) led by comedian Beppe Grillo has led to a political earthquake. The M5S is not the first political force in Italy to challenge the European consensus. Other parties, traditionally on the extreme left (Communist Refoundation Party) and right (*Lega Nord*) have also been critical of EU (neo)liberal reforms. But the M5S is different for at least two reasons. First, the movement is not eurosceptical but rather eurocritical. Second, Beppe Grillo is amongst the first politicians to rely almost exclusively on the social media for his communication strategy and the organization of his party's campaign. In fact, the former comedian announced the birth of the M5S online, shunning the country's traditional media and declaring that the movement would ring the death knell of traditional Italian political parties. According to the *Observer* and *The Times*, Grillo's blog is amongst the nine most influential and the 25 best blogs in the world. The movement, rejecting representative democracy, supports direct democracy, which provides ordinary people with more influence over political decisions. The movement relies on both the internet and public speeches, in which Grillo, the showman, adopts populist language and oversimplifies current issues to create a theatrical show.¹⁶

As a single party and not a coalition, the M5S won the most votes in parliament, representing a third of the Italian electorate. It also outstripped the two main parties

¹⁴ Friederike Heine, "Next Stop, Brussels? German Euroskeptics' Breakthrough Moment", in *Spiegel Online*, 23 September 2013, <http://www.spiegel.de/international/germany/euroskeptic-alternative-for-germany-has-german-election-breakthrough-a-923950.html>.

¹⁵ Anna Bosco and Susannah Verney, "Electoral Epidemic: The Political Cost of Economic Crisis in Southern Europe, 2010-11", in *South European Society and Politics*, Vol. 17, No. 2 (2012), p. 129-154, <http://dx.doi.org/10.1080/13608746.2012.747272>.

¹⁶ Piergiorgio Corbetta and Elisabetta Gualmini (eds.), *Il partito di Grillo*, cit.

(although not their respective coalitions): Silvio Berlusconi's People of Freedom Party and the centre-left Democratic Party. Grillo has identified and popularized political themes that tap into the concerns of many Italians, namely corruption, sexual scandals and all the privileges of the so-called political "casta" (caste). Although Grillo describes the M5S as an association with a "non-statute", the movement can informally be labelled a "catch-all party", as its voters come from diverse social, political and generational groups. Nevertheless, citizens who voted for Grillo are mainly men, employees or students, with middle school or higher level of education, and they are concentrated in the centre-north, especially in the so-called "red zone", where traditional left of centre voters are the most disappointed by left-wing parties.¹⁷

The "stars" of the M5S represent five socio-economic issues dear to the movement: public water, transportation, development, internet connection and access, and the environment. Basically, the movement calls for sustainable development, reducing misguided economic production and extreme consumption, which are believed to pose significant risks both to human health and to the environment. Many of the proposals in its programme focus on political reforms aimed at reducing the cost of politics, boosting government transparency at all levels and enhancing the pluralism of information. However, what appears to be most striking is the number of areas not covered by the movement's agenda, including EU policies.

Precisely, although Grillo has often expressed criticism of the EU's bureaucracy and the Euro, his political agenda does not reveal a clear strategy on EU issues. According to what he wrote on his blog on November 6 2012, "the decision whether or not to remain in the Euro should be taken by Italian citizens via a referendum". Thus, even though he personally "believes that Italy cannot afford the luxury of being in the Euro", whether or not to remain in the common currency should be decided by Italians and not by "a group of oligarchs or Beppe Grillo" himself. In this sense, the M5S is a populist rather than a eurosceptic party. Relying on the popular will expressed by Italians rather than defining an agenda for them essentially defines its stance towards the EU. The M5S calls for a different Europe and for different EU policies to promote the interests of Italian citizens, but leaves it up to Italians to decide whether or not to remain in the EU or the Eurozone.

2.2. Greece

Like Italy, Greece also experienced an electoral breakthrough of anti-establishment parties. However, in Greece the situation is more complex. During the legislative elections in May 2012, an extremely volatile electoral sentiment resulted in 36 parties running for office and in the collapse of the old political system under the pressure of new political movements. Traditional parties such as the Panhellenic Socialist Movement (PASOK) and New Democracy (ND) lost respectively 72% and 46% of their voters, obtaining one of the weakest scores registered since Greek independence.¹⁸

¹⁷ Fabio Bordignon and Luigi Ceccarini, "Five Stars and a Cricket Beppe Grillo Shakes Italian Politics", in *South European Society and Politics*, published online: 21 February 2013, <http://dx.doi.org/10.1080/13608746.2013.775720>.

¹⁸ Malcolm Lowe, "Why Greece Is In a Tailspin", in *Gatestone Institute website*, 25 May 2012, <http://www.gatestoneinstitute.org/3076/greece-elections>.

The qualitative collapse of PASOK is even worse than the quantitative story told by national figures. In the big urban centres, PASOK came in sixth or seventh position. In most of the working class districts, which were its former strongholds, it has been outdistanced by Golden Dawn, an extreme right neo-Nazi party. The latter, after being marginalized for a long period of time, came in fifth. Based on an anti-Western and anti-imperialist rhetoric, Golden Dawn, together with other less extremist right-wing parties, such as the Independent Greeks and LAOS (which, however, joined the Papademos coalition government from November 2011 to May 2012), blames traditional political forces (PASOK and ND) for having undermined Greek sovereignty, independence and identity by collaborating with the so-called Troika.

Apart from the above mentioned extreme right-wing movements, the party that obtained the most incredible result during the May 2012 election was the Coalition of the Radical Left (Syriza). By obtaining 16.7% of the votes, Syriza became the second largest Greek party, placing itself ahead of PASOK. Today, opinion polls suggest that the party could win over 20% or perhaps even 30% of the vote.¹⁹ The rationale behind Syriza's success is relatively easy to analyse. Greeks reject the austerity programme imposed by the Memorandum of Understanding between their government and the Troika.²⁰ Since Mr Tsipras, the party leader, has categorically refused these measures and the possibility of entering into a coalition government with political parties that accept them, the Greek working class electorate has shifted its support from PASOK to Syriza. In fact, Syriza registered an allegiance equivalent to its national average among 18-30 year olds. It obtained major support, superior to its national average, from the population at the heart of the working class (+30 years old). Its weakest showing instead was among the non-working population in rural areas (particularly farmers), as well as amongst retired people, stay-at-home mothers, the liberal professionals and self-employed workers.²¹

Stemming from the Communist family but at odds with the eurosceptic Communist Party of Greece (KKE), Syriza is very critical of EU economic policies.²² Calling for a fair model of wealth production and distribution, Syriza also aims at boosting participation in public policy-making. Unlike the M5S, Syriza's campaign was not strongly based on the internet but more on traditional forms of communication. Its messages were similarly populist however, reflecting people's aspirations to end austerity while keeping Greece in the euro area. Thus, like the M5S, Syriza does not necessarily hold eurosceptical ideas, but categorically refuses further national sacrifices for the sake of the common currency. Despite deep pessimism about the future of Europe and its ability to regain credibility, Syriza claims to stand for Greek interests in the European debate by proposing ambitious reforms for the EU's restructuring.

¹⁹ Philippe Marlière, "Syriza is the expression of a new radicalism on the left: excerpt of an interview with Stathis Kouvelakis in late May", in *OpenDemocracy*, 19 June 2012, <http://www.opendemocracy.net/node/66563>.

²⁰ Georgios Karyotis and Wolfgang Rudig, "Blame and Punishment? The Electoral Politics of Extreme Austerity in Greece", in *Political Studies*, published online 13 September 2013.

²¹ Philippe Marlière, "Syriza is the expression of a new radicalism on the left...", cit.

²² Alex Callinico, "The second coming of the radical left", in *International Socialism*, No. 135 (28 June 2012), <http://www.isj.org.uk/?id=819>.

2.3. Spain

In Spain, the austerity measures imposed by the European Union and the consequent partial loss of economic sovereignty resulted in general discontent spreading throughout the country. The dramatic social and economic implications of the global and ensuing European economic crisis were worsened by growing income inequality, high unemployment rates (26% in the overall population, 57% among 16-25 years old) and the expectation that the economy was not going to grow.²³ Corruption scandals affecting almost all institutions (royal family, main political parties, trade unions, local governments) have also become a major issue in the Spanish public debate. The results of the Transparency International annual corruption index show that Spain dropped 10 places in the annual global corruption ranking in 2013.²⁴

Increasing disaffection towards political elites, growing political uncertainty, the pauperization of the middle classes and Catalan aspirations for independence have all fuelled the mobilization of a broad strand of smaller parties, protest groups and citizen platforms aimed at contrasting what are considered to be the abuses of the political and economic system.

On May 15 2011, 400 groups brought together by the *Democracia Real Ya* digital platform organized a massive peaceful protest in Madrid against the financial sector, the political class and austerity policies. Since then, the so-called *Indignados* movement spread across Spain, bringing hundreds of thousands of people to the streets of more than fifty cities all over the country to ask for greater political participation.²⁵ Some of these activists have formed a new political force (*Partido X*), others are associated with existing leftist political parties, but a significant segment refuses to channel their demands through political parties. Leftist parties such as *Izquierda Unida*, *Iniciativa per Catalunya Verds*, *Compromís* and *Candidatura d'Unitat Popular* have backed some of their demands. In fact, these parties are expected to obtain a significant number of votes according to recent polls. In particular, the leftist coalition could more than double their seats in the Spanish parliament. Yet, besides political parties, the *Indignados'* initiatives have been channelled mainly towards social movements and platforms such as *Juventud sin Futuro*, *Yayoflautas*, *Plataforma de Afectados por la Hipoteca*, *Procés Constituent* and *Frente Cívico*. These movements mobilize through online social networks and media to communicate and share information. Generally rejecting the current economic policies, they oppose not only the two major traditional political parties - People's Party (PP) and Socialist Workers' Party (PSOE) - but are also deeply critical of European Union policies and institutions.

²³ Eva Anduiza, Camilo Cristancho and José M. Sabucedo, "Mobilization through Online Social Networks: the political protest of the indignados in Spain", in *Information, Communication and Society*, published online 18 June 2013.

²⁴ Spain's ranking fell from 30 in 2012 to 40 in 2013 (with 1 being the least corrupt). In 2013 Spain scores 59 on a scale from 0 (highly corrupt) to 100 (low levels of corruption), while the country's score in 2012 index stood at 65. See Transparency International, *Corruption Perceptions Index 2013* and 1012, <http://www.transparency.org/research/cpi>.

²⁵ Sandra González-Bailón, Javier Borge-Holthoefer and Yamir Moreno, "Broadcasters and Hidden Influentials in Online Protest Diffusion", in *American Behavioral Scientist*, Vol. 57, No. 7 (July 2013), p. 854.

In parallel, two relatively new political forces, Union Progress and Democracy (UPyD), registered in 2007, and *Ciutadans* (created in 2006, represented in the Catalan Parliament but ready to constitute a larger Spanish political platform called *Movimiento Ciudadano*) are becoming stronger. They do not fit in the category of “anti-establishment” forces and pre-date the economic crisis but, nonetheless, they are challenging mainstream political parties and are expected to play a significant role in Spanish politics (according to recent polls, UPyD could obtain 7% of the votes and *Ciutadans* could become the third political force in the Catalan parliament). These parties advocate the regeneration of Spanish politics, blame the two mainstream parties for the structural problems of the country, call for a simplification of the administration and, with nuances, advocate a recentralization of the Spanish state. Interestingly, although these parties can be seen as an expression of Spanish nationalism, they are committed to the European integration process which they see as a factor that can dissuade secessionist trends inside Spain.

Like the M5S and Syriza, most emerging political forces and new social movements in Spain are not eurosceptical but eurocritical. Stressing the lack of equality inside the EU, they believe that European politics is based on a logic of power between member states and not on the principle of equality among states and citizens. While the idea of Europe and European integration is cherished, the EU’s institutional set-up and policies are perceived as deeply unfair. These groups reflect a general feeling shared by the majority of Spaniards that the crisis has revealed a deep asymmetry between member states, with German hegemony over European policymaking, and a structural EU democratic deficit.

Emerging political forces are capitalizing on the mobilization of the *Indignados*, the disenchantment with mainstream parties and the frustration with how Spanish governments and European institutions have dealt with the economic and political crises. These parties are optimistic about their electoral prospects in the upcoming European and national elections, but this will depend a lot on their capacity to forge broad political platforms including several parties and social movements. Indeed voters’ support for Prime Minister Mariano Rajoy’s governing PP has plummeted since the November 2011 elections, but this fall has not seen a corresponding rise in support for the socialist PSOE. This could open a political vacuum that may be filled by smaller parties, protest movements and citizen platforms.

3. Anti-establishment forces and European integration

Up until today, European integration has by and large been an elite project. Citizens have accepted the EU in view of the prosperity it delivered. As the current crisis has challenged this equilibrium, a new brand of euroscepticism is on the rise. European citizens’ economic hardship, coupled with their distance from the EU’s arcane decision-making machinery have opened the way to protest movements, which often provide populist answers to complex problems.

Specifically, in southern member states, the conviction that the EU has imposed policies that run counter to the interests of the people has fuelled anti-EU feelings amongst the publics. According to the 2013 Eurobarometer, most respondents in

Greece (89%), Italy (78%) and Spain (77%) believe that their voice does not count in the EU.²⁶ This has allowed the spread of new anti-establishment movements, which unlike smaller eurosceptic parties in northern Europe, do not base their platforms on nationalism and sovereignty. This new brand of anti-EU groups are “eurocritical” rather than “eurosceptical”: rather than against Europe, they position themselves in favour of a “different Europe”. Moreover, their criticism is not directed exclusively at the EU. Their protest is as much against the EU as it is against their national institutions and policies. In fact, national privileges and misguided national policies are considered to be the first cause of the current instability and crisis.

Movements such as the M5S, Syriza and *Indignados* claim that their governments have been unable to defend the rights of their citizens, yielding instead to German hegemony over EU economic policies. They also contest the lack of equality among member countries, arguing that a German citizen has greater chances to influence EU policies than a Spaniard, Greek, Portuguese or Italian. Following this line of reasoning, the M5S calls for direct democracy at EU level, including online consultations or referendums in order to oblige member states to take citizens’ will into consideration. In other words, the emphasis is put first on the national state, which needs to be made more responsible and empowered to promote the interests of its citizens at EU level. In fact, it is strongly believed that in order to overcome EU-imposed austerity, anti-establishment movements must first win their political battles at the national level.

3.1. *The anti-establishment critique of the economic handling of the crisis*

The general idea supported by all anti-establishment movements discussed so far is that the economic crisis requires a decisive U-turn in the actions pursued by the European Union and its member states, aimed at sustaining growth, mitigating recession and social hardship. Austerity measures are blamed for having triggered a crisis of confidence and the collapse of domestic demand, suffocating, in the meanwhile, any prospect of recovery. In this respect, Syriza and others strongly oppose the balanced budget rule imposed by the Fiscal Compact. On top, some question the desirability of having lost national competences over monetary policy, particularly in the absence of a common fiscal policy. The growing influence exerted by the international financial system on national economies uncapped by EU rules has added fuel to the southern European fire.²⁷ Prior to the crisis, low interest rates channelled cheap credit from the core to the periphery, creating a credit bubble in peripheral countries. The creation of the bubble was accommodated by a high degree of integration in the banking sector, which was also facilitated by numerous bank mergers and acquisitions. In this context, the European Central Bank (ECB) bears the brunt of responsibility, since it failed to effectively monitor the European financial system and prevent the building-up of imbalances. It is also argued that, at the initial stage of the turmoil, the ECB failed to intervene in a timely fashion and, even if it had had the will to undertake this task, it would have lacked the authority to do so, since its role was exclusively restricted to preserving price stability in the euro area.

²⁶ European Commission, “Public Opinion in The European Union”, in *Standard Eurobarometer 79* (Spring 2013), cit., p. 77.

²⁷ Paul De Grauwe, “Crisis in the eurozone and how to deal with it”, in *CEPS Policy Briefs*, No. 204 (February 2010), <http://www.ceps.be/node/2928>.

While generally sharing the criticism about the economic handling of the crisis, anti-establishment groups have contrasting opinions about the future of the euro. On the one hand, there is widespread support for the idea that the euro from its inception was bound to generate imbalances and inequalities. The monetary union was the cornerstone of an economic system that was meant to foster competition among private sector players on a level playing field. However, while monetary policy was fully centralized depriving member states of the instrument of currency devaluation, the competitiveness of national economies remained grossly uneven.²⁸ The lack of joint decision-making on financial, economic and social policies that would have allowed for fair distributional mechanisms sharpened existing structural imbalances between national economies. The current account surpluses produced by a relatively under-appreciated euro in some member states was paralleled by the deficits in member states that had to live with a relatively over-appreciated euro, entailing that the latter had little choice but to dampen domestic demand through deflationary measures.²⁹ Therefore, according to anti-establishment groups, in the absence of common economic and fiscal policies, the single currency was bound to exacerbate imbalances between member states.

On the other hand, although southern European anti-establishment movements consider exiting the euro as an opportunity to boost exports and growth, they do not shy away from criticizing the structural weaknesses of their national economic systems for which they hold establishment parties responsible. Specifically, the neoliberal oriented economic policies implemented by member states prior to the crisis, which aimed at liberalizing markets and fostering free trade resulted in reduced real wages, welfare cuts and widening income inequalities. Thus, leaving the Eurozone is not viewed as the panacea to exit the crisis, rather what is needed is a deep restructuring of national and EU economic policies.

The lack of decisive and timely responses to the crisis by member states and EU institutions, combined with the structural deficiencies of the Eurozone's architecture and the chronic structural weaknesses of southern economies are all held responsible for the emergence and unfolding of the crisis. The mismanagement of the downturn made things worse since frontloaded austerity policies dampened all prospects for recovery. Alongside having failed to cut public debt and foster growth, austerity measures have undermined the welfare state, Europe's greatest achievement in the 20th century. And it is precisely the European social model that these movements reclaim, and whose reinstatement they would warmly support at the EU and not simply at the national level. In this respect these movements share little with the traditional "sovereignist" brand of euroscepticism. In their criticism of the EU, anti-establishment groups often end up calling for more, not less, Europe.

²⁸ Fredrik Erixon, "Money Mischief in the Eurozone: Reforming the European Monetary Union", in *ECIPE Occasional Papers*, No. 1/2013 (May 2013), http://www.ecipe.org/media/publication_pdfs/OCC12013.pdf.

²⁹ Eckhard Hein and Achim Truger, "Fiscal Policy and Rebalancing in the Euro Area: A critique of the German Debt Brake from a Post-Keynesian Perspective", in *Levy Economics Institute Working Papers*, No. 776 (September 2013), <http://www.levyinstitute.org/publications/?docid=1889>; Achim Truger, "Austerity in the Euro area: The sad state of economic policy in Germany and the EU", in *IPE Working Papers*, No. 22/2013 (2013), http://www.ipe-berlin.org/fileadmin/downloads/working_paper/ipe_working_paper_22.pdf.

3.2. *The anti-establishment critique of European democracy and decision-making*

Anti-establishment groups also strongly criticize what they view as the EU's deficient democracy. This is due to the distance between citizens and EU institutions and to the lack of public accountability of EU-level actors and decisions. Generally, the European Parliament is not seen as bridging the gap between Europeans and EU institutions. The European Council, which has led reforms during the crisis, is far removed from citizens, while the European Central Bank, the Commission, and the European Court of Justice are hardly subjected to democratic controls.³⁰ Anti-establishment groups in southern Europe also contest the fact that citizens in the south were not consulted through referendums on EU Treaties, including highly contested ones such as the Fiscal Compact. They appreciate that parliamentary ratification took place, but the parliaments in question at the time were controlled by the political establishment "caste". Furthermore, ratification is a blunt instrument which does not allow for meaningful debate, less still for the possibility of proposing amendments to the text under discussion. The EU's structural democratic deficit and the pre-eminence of the European Council in EU decision-making have allowed German hegemony over economic reforms. By trying to balance national budgets at the expense of social security, public services and collective goods, southern European governments have been the passive recipients of rules determined by Berlin. Consequently, anti-establishment movements advocate the re-appropriation of their member states' dignity at EU level. They often flirt with the idea of exiting the euro as a presumed tool to strengthen their bargaining hand with respect to Germany.

4. Challenges and opportunities

By channelling social discontent within both the national and EU establishments, new social and political actors notably in southern Europe have been gaining considerable traction. Apart from Spain, where elections are scheduled in 2015, in Italy and Greece M5S and Syriza are now integral parts of the respective political systems. In principle their entry into official institutions, would allow them to put forth alternative policy agendas. Yet fear of compromising their reputation by collaborating with the establishment is resulting in their general refusal to collaborate with traditional parties. To the extent that anti-establishment groups represent sizeable minorities at the most and have refused to enter government in coalition with traditional parties their agenda have not yet become visible in public policy.

Neither have these groups engaged meaningfully with one another. As this paper has shown, the critique advanced by anti-establishment groups in Greece, Italy and Spain, amongst others, with respect to both their national governments and the EU, are remarkably similar. Since the M5S, Syriza and Spanish social movements share a broad eurocriticism but has little to do with classic nationalistic euroscepticism, they could probably benefit from closer cooperation at EU level. Through the establishment of a pan-European platform to promote alternative EU policies and institutions in

³⁰ Jürgen Habermas, *Democracy, Solidarity And The European Crisis*, Lecture delivered on 26 April 2013 in Leuven, <http://www.kuleuven.be/communicatie/evenementen/evenementen/jurgen-habermas/en/index.html>.

response to the crisis, these anti-establishment groups could gain greater collective weight, both domestically and at EU level.

Specifically, as European parties gear up for the European Parliament election, an “Alter Europe” platform could become a common home for all those parties and movements that are in principle europhile and strive for a more integrated Europe. However, they oppose the current EU institutional and policy approach, and propose radical alternatives in their stead. In a recent meeting in Berlin, a number of actors from these parties and movements converged on key issues regarding both economic policy and democratic decision-making, and the need to unite in a common platform for their pursuit.

As far as economics is concerned, these groups converge on the need to propose alternative production and consumption systems: they are all in favour of reclaiming the welfare system and functioning social security, and call for an unconditional basic income to be financed at EU level through Tobin taxes, the fight against tax evasion and the eradication of fiscal paradises. But alongside this classical left-wing agenda, these groups also espouse the need to instil democracy within European economic systems. Specifically, they emphasize the need to reinvent employment opportunities to cater particularly to the young and promote jobs in high-technology sectors. They support cooperatives, participatory budget-making and social entrepreneurship. As far as democracy is concerned, these parties and movements insist on the imperative to establish and expand virtual as well as physical spaces for public deliberation, providing citizens with better access to and better quality of information, as well as greater scope for participation, spanning from European town halls to the creation of a European Peoples Assembly or a European constituent process.

There is unquestionably much energy and sense of purpose behind these groups and individuals. So far the European debate has, understandably, tended to view them with a good dose of caution if not outright opposition. But as this paper has aimed to show, many of these groups are not and should not be viewed as anti-European. They criticize a system that has manifestly failed to deliver. And the solutions they propose are only marginally focussed on reclaiming national sovereignty. In fact, much of their criticism is directed precisely at their respective national systems. On the whole, the proposals they put forth are European in spirit. Ranging from a European constituent assembly to EU level initiatives to boost high quality youth employment, the mind-set of these actors is unquestionably European. It is for this reason that the establishment of a eurocritic “Alter Europe” platform should be warmly welcomed. Not all of these proposals will come to fruition. Not all are feasible. But all represent a genuine push to forge a new European consensus, and in this spirit should be encouraged.

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