



Lay Summary SNF projekt “Years of Turmoil”

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Title of Research Project

Years of Turmoil: The Political Consequences of the Financial and Economic Crisis in Europe

Lead

This research project analyzes the political reactions of European citizens to the momentous series of events that have destabilized the world economy in recent years.

Aim and content of the project

The critical moment that triggered the global meltdown of financial markets was the collapse of Lehmann Brothers in September 2008, which then led to a severe recession with a slump in economic production, increasing levels of unemployment and soaring public debt. In the course of this ‘Great Recession’, some national economies were caving in more substantially than others, and it is still too early to tell when and how all European economies will eventually recover. Nevertheless, we believe that it is time for a closer analysis of the political fallout of the crisis in Europe, especially because we can so far observe a large variation of political conflicts in reaction to the crisis. Take two heavily affected countries as exemplary cases of these differences in political reactions: While the Irish vehemently turned to the electoral arena and spectacularly ousted the long-term governing party Fianna Fail in the 2011 parliamentary election, Greece is shattered by waves of large-scale and disruptive protests since 2010.

Study design

We start out by identifying the *socio-structural potentials for protest* in the different European countries; and then to study the political repercussions of the crisis in three steps: 1) explaining *individual reactions* to the crisis; 2) explaining *societal reactions* to the crisis; and 3) *comparing* the individual and societal levels of protest.

Methodologically, we therefore intend to explore the protest reactions to the crises with a series of multilevel approaches. The data are combined from existing surveys and contextual data sets, reports on regional, national, and European elections as well as a protest event analysis of news wires. The country sample includes 28 European states; and the time period spans from 2006 until the end of 2012, which allows for pre- and post-crisis comparisons.

Relevance of the research

While political economists so far have mostly looked at *government* reactions to the financial, economic, and sovereign debt crises, their impact on *political contestation* have not been much studied so far. This project will explore the political reactions by utilizing the quasi-experimental setting provided by the crisis: As similar as the original stimulus of the unfolding financial crisis was for European countries, as diverse are its economic impact and, correspondingly, the political reactions in the European countries. Following a political economy perspective, we ask how European citizens react to the economic hardship and how the individual reactions play out at the societal level. In doing so, we take into account the interactions of politics in two different arenas of political mobilization: the electoral arena and the protest arena which also includes the arena of industrial conflict. The literatures focusing on the two arenas tend to lead quite separate lives and hardly ever take notice of each other. We must, however, try to bring together these types of studies, because we are convinced that it is only by taking into account the interaction of of political mobilization in the different arenas that we can fully understand the dynamics of political reactions to the Great Recession in Europe today.