

POLITICS IN THE AGE OF AUSTERITY

To the memory of Peter Mair, friend and model scholar, who passed
away on 15 August 2011, while this book with his contribution was
being prepared for publication

POLITICS IN THE AGE OF AUSTERITY

Edited by Armin Schäfer
and Wolfgang Streeck

polity

Copyright © Armin Schäfer & Wolfgang Streeck 2013

The right of Armin Schäfer & Wolfgang Streeck to be identified as Author of this Work has been asserted in accordance with the UK Copyright, Designs and Patents Act 1988.

First published in 2013 by Polity Press

Polity Press
65 Bridge Street
Cambridge CB2 1UR, UK

Polity Press
350 Main Street
Malden, MA 02148, USA

All rights reserved. Except for the quotation of short passages for the purpose of criticism and review, no part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of the publisher.

ISBN-13: 978-0-7456-6168-1

ISBN-13: 978-0-7456-6169-8 (pb)

A catalogue record for this book is available from the British Library.

Typeset in 10 on 12 pt Adobe Sabon
by Servis Filmsetting Ltd, Stockport, Cheshire
Printed and bound in Great Britain by MPG Books Group Limited, Bodmin,
Cornwall

The publisher has used its best endeavours to ensure that the URLs for external websites referred to in this book are correct and active at the time of going to press. However, the publisher has no responsibility for the websites and can make no guarantee that a site will remain live or that the content is or will remain appropriate.

Every effort has been made to trace all copyright holders, but if any have been inadvertently overlooked the publisher will be pleased to include any necessary credits in any subsequent reprint or edition.

For further information on Polity, visit our website: www.politybooks.com

Contents



<i>Contributors</i>	vi
1 Introduction: Politics in the Age of Austerity <i>Armin Schäfer and Wolfgang Streeck</i>	1
2 Public Finance and the Decline of State Capacity in Democratic Capitalism <i>Wolfgang Streeck and Daniel Mertens</i>	26
3 Tax Competition and Fiscal Democracy <i>Philipp Genschel and Peter Schwarz</i>	59
4 Governing as an Engineering Problem: The Political Economy of Swedish Success <i>Sven Steinmo</i>	84
5 Monetary Union, Fiscal Crisis and the Disabling of Democratic Accountability <i>Fritz W. Scharpf</i>	108
6 Smaghi versus the Parties: Representative Government and Institutional Constraints <i>Peter Mair</i>	143
7 Liberalization, Inequality and Democracy's Discontent <i>Armin Schäfer</i>	169
8 Participatory Inequality in the Austerity State: A Supply-Side Approach <i>Claus Offe</i>	196

vi	Contents	
9	From Markets versus States to Corporations versus Civil Society? <i>Colin Crouch</i>	219
10	The Normalization of the Right in Post-Security Europe <i>Mabel Berezin</i>	239
11	The Crisis in Context: Democratic Capitalism and its Contradictions <i>Wolfgang Streeck</i>	262
	<i>Notes</i>	287
	<i>Index</i>	303

Contributors



Mabel Berezin is Associate Professor and Chair of Sociology at Cornell University, Ithaca, New York.

Colin Crouch is Emeritus Professor at the University of Warwick.

Philipp Genschel is Professor of Political Science at Jacobs University, Bremen.

Peter Mair was Professor of Comparative Politics at the European University Institute, Florence.

Daniel Mertens is a Researcher at the Max Planck Institute for the Study of Societies, Cologne.

Claus Offe is Emeritus Professor of Political Sociology at the Hertie School of Governance, Berlin, and of the Humboldt University, Berlin.

Armin Schäfer is a Researcher at the Max Planck Institute for the Study of Societies, Cologne.

Fritz W. Scharpf is Emeritus Director at the Max Planck Institute for the Studies of Societies, Cologne.

Peter Schwarz is Visiting Professor of Public Economics at the University of Göttingen and a former Research Associate at Jacobs University, Bremen.

Sven Steinmo is Professor of Political and Social Sciences at the European University Institute, Florence.

Wolfgang Streeck is Director at the Max Planck Institute for the Study of Societies, Cologne.

10

The Normalization of the Right in Post-Security Europe¹

Mabel Berezin



1 What is normalization?

European right-wing parties and right-wing ideas have gained increased political traction in recent years. As the global financial crisis unfolded in the autumn of 2008 and a fully fledged European sovereign debt crisis hit in spring 2010, parties on the right began to accumulate significant electoral successes. Parties such as the Sweden Democrats that were marginal political players in their respective nation-states have won seats in parliaments, and in some instances have become part of governing coalitions. In the April 2011 Finnish legislative elections, the right-nationalist True Finn Party came in third place and achieved the same percentage of votes as the Finnish Social Democrats.

During this period, nationalist rhetoric and policy proposals that are usually the purview of the European populist right have become part of the centre-right and, in some instances, left political discourse. For example, in October 2010 the German chancellor, Angela Merkel, told a gathering of young members of the Christian Democratic Union Party that Germany's attempt to build a multicultural society had 'failed, utterly failed'. Although Merkel went on to say that immigrants were still welcome in Germany, the phrase 'failed, utterly failed' resonated in Germany and across Europe. David Cameron, the British prime minister, seconded Merkel's assessment of multiculturalism in a lecture on Islamist extremism delivered at the Munich Security Conference in early February 2011. A week later, the French president, Nicolas Sarkozy, declared during a television interview that 'clearly, yes' – multiculturalism was a

failure. Nationalist appeals to identities and practices are not new, but for the most part they have remained in the interstices of the European project. Whereas cultural conflict in the past arose from below, it now appears to be descending from above. Until recently, heads of state, especially heads of state that are committed to the European project, have not led the national identity charge. The events of 9/11 in the United States and subsequent terrorist activities in Europe have rendered it legitimate to argue that unassimilated immigrants, and specifically Muslims, are dangerous.

The economic events that began in the United States in autumn 2008 and soon travelled to Europe also made it legitimate to argue that Europe was a dangerous economic and political project. The European financial crisis trailed that in the United States by a few months. The struggle between national interest and the plans to preserve the European Monetary Union (EMU) began in spring 2009 with the Hungarian debt crisis. The conflict between national and European interests continues to plague attempts to adjudicate the full-blown European sovereign debt crisis that emerged in 2010, when Greece began to head towards default. In the spring of 2009, pundits and politicians spoke of a weakening European project and a potential failure of the eurozone. Editorials with titles such as 'Europe's gone missing' (Ash 2009), 'Eastern crisis that could wreck the eurozone' (Munchau 2009) and 'A continent adrift' (Krugman 2009) were common in major international newspapers. As early as January 2009, the French supply-side economist Éloi Laurent (2009) warned that the euro could not be allowed to fail and that member states needed to take action soon.

In spring 2009, policy-makers and politicians did not view the eurozone as being in danger. Public commentary had little effect upon them. The democratic deficit and the lack of accountability to ordinary citizens of EU institutions had long been a subject of discussion in EU academic debates. Yet no one seriously thought that the EU challenged democracy.² When faced with fiscal deficits and potential defaults, neither politicians nor commentators saw a serious challenge to European democratic practices or sentiments. Ideas that were inconceivable in spring 2009 are conceivable today.

When, a week before the summit in Brussels on 21 July 2011, the news emerged that Italy was on the verge of default, the cover of *The Economist* (16–22 July 2011) captured the shift in public perception. A gold 1 euro coin teetered on the edge of a black cliff, the edge shaped as the Italian boot against a background of bold red. The caption read: 'On the edge: why the euro crisis has just got a lot worse'. A week later, in *The Guardian*, Nobel Prize-winning economist Amartya Sen (2011) linked the preservation of the eurozone to the preservation of European

democracy, and argued: 'It is . . . worrying that the dangers to democratic governance today, coming through the back door of financial priority, are not receiving the attention they should.' Two weeks after the Brussels summit, with global equity markets crashing, politicians as well as pundits began to view Europe as a threat not only to itself but also to others. Robert Samuelson (2011), writing in the *Washington Post*, warned: 'The big danger is Europe'. Walter Russell Mead (2011), in the *Wall Street Journal*, argued that maybe it was time for Europe to consider downsizing back to the national level. A recent *New York Times* (2011) 'Room for debate' feature, devoted to 'A Europe divided?', revealed that even some 'experts' remain divided on the future of Europe.

The *normalization of the right* is the analytical term that I developed to capture the twin phenomena of the electoral surge of the European right and the mainstreaming of nationalist ideas and practices. The *normalization of the right* has evolved in tandem with two global processes – the diffusion of terrorism and the onset of financial crisis. In *Illiberal Politics in Neoliberal Times* (Berezin 2009), I argued that the accelerated pace of Europeanization, including the creation of the EMU, fostered the emergence of a revitalized European right and ultimately promoted centre-right political coalitions. But *Illiberal Politics* did not anticipate the 2008 financial crisis, which by spring 2010 had become a full-blown European sovereign debt crisis. Since 2008, visions of a united, economically competitive and socially cosmopolitan Europe have blurred in the wake of the financial crisis. The sovereign debt crisis underscores the connection between the *normalization of the right* and the European project and also points to the fragility of that project.

Building upon Berezin (2009), this chapter argues that the global financial crisis has exacerbated economic fissures and cultural fault lines in the European project and has brought institutional problems into focus that were formerly adjudicated by nations. The sovereign debt crisis is forcing Europe to recalibrate itself as a *post-security polity*. Nation-states, the bedrock of pre-EU Europe, institutionalized a form of 'practical security' that lent collective emotional security to citizens. Political security was located in citizenship laws and internal and external defence ministries. National social welfare systems produced economic security and social solidarity as a by-product. Linguistic, educational and even religious policies created cultural security because they enforced assumptions, if not realities, of similarity and identity. In contrast to the 'old' Europe, where security, solidarity and identity were guaranteed, the *post-security polity* privileges markets, fosters austerity that threatens solidarity, and supports multicultural inclusion at the expense of nationalist exclusion.

This chapter develops a historical approach to the study of the right and argues that the breakdown of the institutions of 'practical security',

driven by expanding European integration and exacerbated by the financial crisis, has provided a political climate in which right-wing solutions to political issues appear *normal*. It explores the relation between the rise of the nationalist right and the weakening, if not outright imploding, of the European project. It describes and theorizes the effect of the financial crisis and the ensuing austerity measures on the flourishing of non-democratic political sentiments in contemporary Europe. Sentiments, rather than practices, more accurately capture events in contemporary Europe, since all European nation-states, with the exception of the European Union, are procedurally democratic.

The analysis in this chapter is two-pronged. First, it explores the developing political salience of the European right that began in the early 1990s. The political trajectory of the French National Front (*Front National*) – one of the oldest and most continually relevant European right-wing parties – is a core component of this story. The chapter then situates the French right and the right more generally within the current European context.

2 Analysing the right

Extremist political parties and movements have been a constituent feature of European politics since the early twentieth century. With the exception of the 1920s and 1930s, these parties and movements have remained for the most part extreme and at the margins of normal politics. The spectacular disaster of the Second World War overshadowed the fact that, even in the 1920s and 1930s, the Italian fascist regime was tepid. Mussolini met his downfall through his alliance with Hitler; and in Spain Franco prudently avoided war and alliances (Berezin 2009: 17–22). The right was outlawed in various European countries after the war, but it did not disappear. Former fascist parties regrouped, changed their names and generally existed in the interstices of European political life. In 1988, the journal *West European Politics* published a special issue devoted to ‘Right-wing extremism in Western Europe’. With the exception of the French National Front, the parties and movements that it discussed were not meaningful political actors even as few as ten years after its publication.

Social scientists developed an analytical response to the right that emerged in the 1990s. Political scientists (for example, Eatwell 2003; Mudde 2007; Rydgren 2007) tend to divide the available literature on the contemporary right along the analytical axes of *supply* and *demand*. *Supply* variables describe the availability of a right-wing party, and

demand variables speak to voter characteristics and preferences. Berezin (2009: 40–5) develops an alternative framework that uses *institutions* and *culture* as analytical axes. This framework captures nuances and contextual complexities that *supply* and *demand* tend to miss. Institutional approaches assume rational calculation. The legal system underlies institutional approaches. The cultural classification encompasses meaning in the broadest sense. *Organizations*, *agenda setting* and *labour markets* provide further specification of the institutional category. In contrast to institutional approaches, cultural approaches to the right assume non-rationality – that is, to borrow from Max Weber, actions oriented towards values and beliefs – and include theories based upon *post-materialist values*, *ressentiment* and *legacies*.

Organization theories have an implicit notion of efficiency built into them because they prioritize party strategy. The choice theoretic versions of these theories assume that marginality is a mark of strength and not weakness (Givens 2005; Norris 2005; Meguid 2008). Political scientists examine the logic of right-wing party coalitions and focus upon the right's ability to become a strategic player in electoral politics. *Organization* theories do a good job of explaining the regional success of right-wing parties because they can point to the intersection of local-level bargaining and political strategy. They are less able to explain right-wing success and failure in national elections.

Agenda-setting approaches assume political rationality and posit that the right garners political legitimacy by bringing marginal issues into the electoral arena ahead of mainstream political parties (Schain 1987). They confuse issues of perception and timing and conflate causes with effects. For example, the French state placed immigration on its agenda before the National Front identified it as a political issue (Schor 1985).

Labour-market explanations of the rise of the right assume that inefficiencies in the post-industrial labour market and subsequent unemployment due to structural obsolescence lead to the propensity to vote for a right-wing party. Kitschelt's (1995) influential political economy model of right-wing success argues that the new occupational structure of post-industrial society has pushed traditional left/right parties towards an undifferentiated centre and has left an ideological void that 'extremists' fill. He assumes that the right is a proponent of free-market capitalism – an assumption that, as Ivarsflaten (2005) has pointed out, does not fit the French case.³

Labour-market theories assume economic rationality; *ressentiment* theories assume emotional rationality – i.e., a fear of immigrants leads to support for the right (Betz 1993). *Ressentiment* posits that losers in the competition over scarce social goods and material resources respond in frustration with diffuse emotions of anger, fear and, in the extreme case,

hatred. While *labour-market* theories are structural and *ressentiment* theories are psychological and emotional, they share the assumption that an observed correlation between unemployment and immigration is causal with respect to right-wing ascendance.

The relation between xenophobia and immigration policy has dominated *labour-market* and *ressentiment* approaches to the European right (for example, Schain 1996). The riots in the *banlieues* of Paris in autumn 2005 and 2007 demonstrated that increased numbers of unemployed and disenfranchised second- and third-generation immigrants are genuinely problematic (Mucchielli 2009). Xenophobia is a contingent but not a necessary response to the social problems that immigrants pose. *Labour-market* theories establish a correlation between the presence of the right and unemployment. They fail to account for why a hypernationalist movement should be the outcome of the fear of unemployment. Widespread unemployment could as easily trigger a reinvigorated European left as an emergent European right.

Cultural approaches draw inspiration from Inglehardt's (1977) concept of 'post-materialist values' and from new social movements theory. These theories describe the right as comprised of protest parties and movements with anti-system goals that are not easily identified as left or right (for example, Kriesi 1999). Cultural theories sometimes echo mass society theory from the 1940s, since they focus on persons who, because of the dislocation of advanced capitalism, have become anomic and now feel an attraction to political parties and movements that offer certainty.

Organization and *agenda-setting* approaches, based on different forms of means/end rationality, are formal theories that fail to capture the content of politics as they are equally applicable to left, right or centre parties. *Labour-market* and *ressentiment* approaches identify correlations among social phenomena but fall short of explaining the social mechanisms behind those correlations. Post-materialism describes the instability of political preferences but does not account for left/right variation or answer well for extreme nationalism.

3 Legacies that matter: situating the right in the new Europe

Legacy theories that suggest that the past will repeat itself are empirically weak, as contemporary right-wing parties and movements do not map neatly onto interwar right-wing parties and movements.⁴ Yet legacies do have analytical power if properly deployed. A robust account of the

normalization of the right requires a historical approach – meaning an account that situates the right in broad patterns of social, economic and political change. The legacy that matters is not the legacy of whether a country had a fascist party or regime in the past but the legacy of the particular national iteration of the relation between people and polity. The institutional matrix that embeds a people in a national polity includes the legal system, the structure of the welfare state, citizenship prerequisites, education, the labour market and even the location of religion. Institutional configurations vary from nation-state to nation-state across the European continent, but they share an important similarity: European nation-states in the postwar period were secure states, in that the relation between people and polity, although different across Europe, was stable within national states (Eichengreen 2007).

The social science literature on the contemporary European right is party-centric and assumes deep party commitment. Analysts focus on variables, defined either as actor preferences or as structural factors, and pay less attention to national and international context. For this reason, the social science literature illuminates only partially the transient commitments that drove the right in the 1990s and does not account well for the current *normalization of the right*.

Illiberal Politics in Neoliberal Times (Berezin 2009) located the emergence of right-wing populism in the accelerated process of Europeanization that included political, economic and cultural integration and failed to account for the conflict between culture and institutional realignment. Market liberalism – the Archimedean principle of the new European project – challenged the social safety nets that had been firmly put in place during the postwar period. This social and political fact is behind the cultural strife and broad-based national yearnings that are emerging across contemporary Europe. If right-wing populism was simply a response to economic liberalization in various national states, then Europeanization should have provided an opening to the left. The opposite has occurred: the traditional European left has weakened in the years since 1992.⁵

Theories that overlook the historical legacy of postwar trans-European security miss the relation between Europeanization and the right of the 1990s. If analysts fail to grasp this prior relation, the current normalization of the right appears puzzling. Yet the normalization process is an extension of what preceded it in the period between 1990 and the current financial crisis.

Right-wing populism, its more respectable cousin national affirmation, and European integration gained momentum during the 1990s – a temporal coincidence that matters. The accelerated pace of European integration disequibrated the existing mix of national cultures and

legal norms that governed nation-states. An unintended consequence of disequilibrium was a weakening of national social contracts, which threatened to make the national space unfamiliar to many of its citizens. Unfamiliarity has practical consequences: it produces insecurity in feeling and in fact. Right-wing populist parties and movements – a label of classificatory convenience rather than strict analytic precision, as these parties and movements have as many differences as commonalities – thrived in the European climate of insecurity. Until the European financial crisis began, the right had been singularly effective in foregrounding fear in the political discourse.

4 France and the National Front: a paradigmatic case of the normalization of the right

4.1 *Winning the battle of ideas*

The political trajectory of the French National Front provides insight into the current ethnocentric turn in European politics and political rhetoric. In the years between 1997 and 2007, the period during which the National Front appeared to be a political threat, its political positions and those of its leader, Jean-Marie Le Pen, often intersected with public opinion and mainstream policy. Events of that period provide context for the current French attitudes towards Islam, national identity and globalization. They also suggest a model of how social scientists might view other national iterations of similar processes.

In the early 1980s, when the French media establishment was vociferously criticizing Le Pen for his anti-immigration positions, the French state was quietly designing laws that restricted immigration. The right publicized the issue of immigration, but the immigration policy practices in France, and in European states more generally, did not map onto whether a government was left or right. In June 1993, the French state revised the French Code of Nationality to rescind automatic citizenship for the French-born children of immigrants and to require new citizens to assimilate to French culture (Weil 2002). In March 1998, Jean-Marie Le Pen's National Front shocked the French public and political establishment when it gained 15 per cent of the votes in the French regional elections (Perrineau and Reynié 1999).

A year later, the National Front split in two and analysts predicted the end of the party. The downward trajectory applied only to the National Front's electoral possibilities – not to its ideas, which were gaining wide acceptance. The National Front's issues were becoming increasingly French issues even though the party appeared to be in decline.

Europeanization as an iteration of the globalization that Le Pen had once labelled the 'new slavery of today' became a particularly salient French issue during this period.

The first round of the 2002 French presidential elections temporarily revived Le Pen, who came in second place, with 16.86 per cent of the vote. His presence on the ballot shocked the nation and returned Jacques Chirac, the sitting president, to office, with 82 per cent of the vote. Just about everyone who took note of such things in France – the media, the political science community and the candidates themselves – failed to observe in 2002 that Le Pen's ideas, if not his person, had been gaining strength, particularly his attacks on Europeanization and globalization and his defence of social solidarity and increased public security. The events of 21 April 2002 showed that his ideas and problems were French issues, not National Front issues – because ordinary citizens, and not only cadres of party militants, voted for him in the first round of the presidential election.

The French fears and anxieties around the issues of Europeanization and globalization that Le Pen had articulated reached their climactic moment on 29 May 2005, when French citizens rejected the European constitution. Between the 2002 and 2007 presidential elections in France, Le Pen's ideas on crime, immigration and national identity, as well as Europe, became a normal component of French public discussion. In 2003, the then minister of the interior, Nicolas Sarkozy, pushed a domestic security law through the National Assembly that vastly increased the powers of the French police. Sarkozy would reinforce this tough image during the 2005 riots in the poor suburbs on the outskirts of Paris, when he called the rioters 'thugs' and threatened to 'clean the neighbourhoods with a Kärcher' (a high-speed German water hose). Later in 2003, the Stasi Commission published a report recommending that the wearing of religious symbols be banned in public, which for all practical purposes meant the Islamic headscarf.

Sarkozy continued to capitalize on Le Pen's narrative in his 2007 presidential campaign. On 22 April, Le Pen received only 11 per cent of the vote in the first round of the presidential election. This was the lowest percentage he had received since he first ran for president in 1974. Once again, Le Pen and the National Front's political efficacy seemed to have evaporated. But Le Pen's issues (globalization, Europe, and the need to develop viable policies that integrate second- and sometimes third-generation immigrants into French society) did not disappear. As he proclaimed on the evening of his defeat, 'We have won the battle of ideas: nation and patriotism, immigration and insecurity were put at the heart of the campaign of my adversaries.' In the French case, the ramifications of European integration moved the right's issues into the

mainstream of French politics and diminished the political capacity of the extreme right.

4.2 *Looking towards 2012: a post-crisis presidential election*

In June 2007, as the newly elected president of France, Sarkozy went to Brussels to renegotiate the European constitution that his party had supported in 2005. Upon his return to France, he proclaimed that he had succeeded in eliminating a clause in the new treaty that supported ‘free and undistorted competition’ and that this signalled ‘the end of competition as an ideology and dogma’ (*The Economist* 2007: 59). Sarkozy’s comments, uttered from a place of political expediency rather than conviction, reflected the ambivalence towards Europe and globalization that characterizes all segments of French society.

In anticipation of his presidency of the EU in the second half of 2008, Sarkozy commissioned Laurent Cohen-Tanugi, a lawyer specializing in international mergers and acquisitions, to draw up a plan that would ‘convey our vision of a Europe that is capable of combining economic growth, innovation and a high level of social protection and employment’ (Cohen-Tanugi 2008: 205). Cohen-Tanugi’s *Euromonde 2015: une stratégie européenne pour la mondialisation* (published in English in 2008 as *Beyond Lisbon: A European Strategy for Globalisation*) included a survey on ‘Perceptions of globalisation and France’s relative specificity’. Respondents were asked whether they viewed globalization as a ‘good opportunity’ or as a ‘threat to employment and companies in (OUR COUNTRY) [*sic*]’. Sixty-four per cent of the French respondents viewed globalization as a threat – the highest percentage among all of the national respondents sampled. French attitudes have shifted little since then. In a recent survey (Fondapol 2011) on European sentiment among the French (*Le sentiment européen chez les Français*), 52 per cent of respondents viewed ‘globalization as a menace’. In the same poll, 62 per cent of respondents associated ‘unemployment’ with Europe, as opposed to 40 per cent who associated ‘prosperity’ with Europe.

The 2007 presidential election was the high point of Sarkozy’s popularity in France. Support for his presidency among French citizens began a downward slide less than four months after he took office and did not rise above 41 per cent after 2008. In response to his growing unpopularity, he initiated a conversation on French national identity. In a joint address to Parliament and Congress, Sarkozy (2009) began with the financial crisis and government response to it, but then quickly moved on to France’s favourite *bête noire*: globalization. He was soon peppering the speech with phrases such as ‘our common values’ and ‘our common heritage’, and eventually arrived at the importance of upholding *laïcité*

– the French version of the separation of church and state. The national identity debate had no appreciable effect on Sarkozy’s approval ratings and unleashed a barrage of criticism from the left.⁶ Critics from the left and within his own party accused him of fanning the flames of cultural conflict and of providing an opportunity for the National Front to re-emerge as a force in French politics.⁷

In preparation for the spring 2010 regional elections, the National Front launched a ‘No to Islamification!’ campaign that echoed the government discussion. The Socialist Party was the big winner in the regional elections, but the National Front did better than expected. In the second round, the Socialist Party came in first, with 49 per cent of the vote, and Sarkozy’s Union for a Popular Movement party (Union pour un Mouvement Populaire, or UMP) came in second, with 33 per cent of the vote. The National Front came in third, with 9 per cent of the vote. The Socialist Party’s position was somewhat weaker than its numbers suggested because its voting share came not only from socialists but also from members of Europe Écologie, a coalition of Greens and environmentalists. The National Front’s position was somewhat stronger than its numbers suggested.

National identity was not the foremost preoccupation among the French in 2010. According to a TNS Sofres (2011b) poll (see table 10.1) that mapped the concerns of the French in 2010, 74 per cent of the respondents listed ‘unemployment’ as their principal worry. The figure remains constant even when the data is disaggregated for gender and age. The second concern was ‘retirement’, and the third was ‘health’. Gender and age did affect what came in second and third place, with women placing health ahead of retirement and men placing ‘buying power’. From age eighteen to thirty-four, ‘buying power’, ‘school’ and the ‘environment’ figured in the list. Among those aged thirty-five and older, ‘health’ and ‘retirement’ remained in second or third place, depending

Table 10.1: Preoccupations of the French in rank order for 2010

	All	Gender		Age				
		Men	Women	18–24	25–34	35–49	50–64	>65
Unemployment	1	1	1	1	1	1	1	1
Retirement	2	2	3	–	–	3	2	2
Health	3	–	2	–	–	2	3	3
Buying power	–	3	–	–	2	–	–	–
Environment	–	–	–	2	–	–	–	–
School	–	–	–	3	3	–	–	–

Source: TNS Sofres (2011b).

on birth cohort. In July 2011, the Ministry of Labour announced that unemployment in France had reached a high of 9.5 per cent (S. Laurent 2011). Both the Socialist Party and the National Front immediately and publicly blamed Sarkozy's failed policies for the rise in unemployment.

The unemployment statistics suggest that Sarkozy miscalculated the current priorities of the French (TNS Sofres 2011c). In addition to the unemployment rate, Sarkozy's role in negotiating the European sovereign debt crisis combined with his long-standing association with European Union politics and globalization contributed to his weakening political position. In the five years between the 2002 and 2007 presidential election, events occurred in France, Europe and the world to move the National Front's positions closer to mainstream public opinion and official politics than they had been in the past. While this benefited Sarkozy in 2007, it worked against him in the 2012 French presidential election.

4.3 *Marine Le Pen: seizing the economic moment*

In January 2011, the French National Front elected Marine Le Pen to replace her father, Jean-Marie Le Pen, as head of the party. A lawyer who has held several local elected offices, Marine Le Pen is articulate and a frequent commentator on French national television. In December 2010, she set off a fury in the French and international media when she claimed that Muslims who knelt to say their daily prayers on the street in certain neighbourhoods of Paris evoked a 'state of occupation'. The word 'occupation' used in the political sphere always suggests the German occupation of France during the Second World War. The press and public officials widely accused Marine Le Pen of equating French Muslims to Nazis. Accusations aside, Marine Le Pen's goal is to make the National Front sufficiently respectable so as to attain national, rather than simply local, offices. She made this objective clear in her inaugural speech on 16 January 2011 (my translation): 'Dear friends, this is the moment that will date the irresistible rise to power of our movement. From this Congress [forward] will begin an unprecedented effort to transform the National Front.'

Marine Le Pen's inaugural speech focused squarely on economic issues. She argued that 'the Europe of Brussels . . . bypasses or goes against the will of the people' and was unleashing the 'destructive principles of ultraliberalism and free exchange' that made France's miserable economic growth, the worst in twenty years, seem less extreme given current economic realities. Instead of more Europe, Le Pen advocated 'economic patriotism and social patrimony'. She posed a 'grand alternative' for 2012, rather than the 'monitoring and patching of a system that is collapsing before our eyes': 'For the French, the choice in 2012 will

be simple, clear and even binary: the choice will be globalization that is deregulation, alignment with the lowest social bidder, demographic submersion, the dilution of the values of our civilization . . . [or] the choice will be the nation.'

Current European financial realities lend cogency to Marine Le Pen's economic ideas. Even politicians on the left acknowledge that 'economic protectionism' is popular among the French and that the euro is not (Schwartz 2011). On 10 March 2011, Angela Merkel and Nicolas Sarkozy outlined a 'Euro pact' (quickly retitled from its original designation, the 'competitiveness pact') that was one of their proposed long-term solutions to the European debt crisis. Marine Le Pen responded to their proposal immediately on her website. She advocated replacing the Euro pact with the 'People's Pact' and argued that her proposal had two 'simple objectives': first, that 'the people and social politics should not be sacrificed on the altar of the euro'; and, second, that the economy would be relaunched with an effective monetary policy – which for Le Pen meant leaving the EMU. The Euro pact that Merkel and Sarkozy had proposed in February advocated the abolition of wage indexation and the adjustment of the pension system to account for changing demographics. In another political world, it would be the classic left, and not the classic right, that would be arguing against this pact.

As of yet, no analyst or politician, and perhaps not even Marine Le Pen herself, believes that France can exit the eurozone and revert to the franc, but the political resonance of her arguments is apparent. In April 2011, the National Front posted its 'economic project' on its website (Front National 2011). The core proposal of this project is 'free money' in the face of the 'failure of the euro'. The document begins by invoking Martin Feldstein, an economics professor at Harvard who as early as 1999 described the euro as a 'risk'. The National Front ascribes many economic ills to the euro, from unemployment to national debt to declining purchasing power. It argues that Sarkozy's decision to save the euro 'at all costs' is ideological and represents nothing more than 'social rampage'. In contrast, the National Front's position on the euro is 'pragmatic' and requires a 'gradual exit' from the EMU.

On 21 July 2011, Sarkozy went to Brussels for a European summit and entered into a pact to save the euro. This meant a second bailout for Greece. Upon his return, he wrote a public letter to members of the French Parliament to explain his decision (Sarkozy 2011). The letter reminded French deputies and citizens that the European Union was born out of the wars and disasters of 'old Europe' and that France, as a founding member of Europe, should view Europe as one of its children. Sarkozy argued that he was certain that the Europe that would emerge from the financial crisis would carry on 'the dream of those who, after

surviving the totalitarian nightmare of the last century, wanted to leave us [the French] a heritage of peace and prosperity'. Sarkozy called the prospect of a Greek bailout 'our common responsibility in the face of History [capitalization in original]'. Marine Le Pen denounced Sarkozy's letter immediately on the National Front website.

The current National Front party slogan is 'With Marine, it is the moment!' Sarkozy's personal unpopularity, his association with the European bailouts and his neoliberalism, coupled with the vagueness of the French left, provided Marine Le Pen and the National Front with a political opening. But this is an excessively parsimonious explanation of a broader and deeper political and social phenomenon. The fault lines that make Marine Le Pen a viable political candidate were present in 2005, when French citizens voted against the European constitutional referendum (Berezin 2006). The significance of the 2005 referendum was not lost on Le Pen, who commemorated its fifth anniversary on her website in a post entitled 'The spirit of 29 May'. Sarkozy and his UMP party were not celebrating, nor was any other French political party. Commemoration was a savvy political move on Le Pen's part. In May 2010, the bailout of Greece was foremost in the French mind: at that moment, the 2005 vote against the European constitution could hardly have seemed like a bad idea.

4.4 Financial crisis and austerity across the French political spectrum

In 1985 the Socialist prime minister Laurent Fabius made the frequently cited remark 'M. [Jean-Marie] Le Pen raises real problems, but gives bad answers'. The polling firm TNS Sofres regularly tests public opinion on the National Front. A poll in 2011 (TNS Sofres 2011a) revealed several trends that are favourable to the National Front, suggesting that the valence between the 'real problems' and 'bad answers' was shifting. Between January 2010 and 2011, there was an upward trend in popular agreement with several classic positions of the right, including the defence of traditional values, the presence of too many immigrants in France, the fact that Islam was being granted too many rights in France, and that the police did not have enough power.

When respondents were asked if they agreed with the National Front's social criticisms but not the solutions that they proposed, 32 per cent of the sample agreed, while 55 per cent supported neither the NF's criticisms nor its solutions (TNS Sofres 2011a; table 10.2). The more disturbing figure emerges when the polling sample is disaggregated. Among 'right sympathizers' the agreement rate was 45 per cent, and this figure jumped to 48 per cent among members of Sarkozy's party, the UMP. Public perception of Marine Le Pen follows a similar trajectory (TNS Sofres 2011a;

Table 10.2: Attitudes towards the French National Front (percentages)

Question: Regarding the National Front, do you agree with:				
	All	Right	UMP	FN
1) neither their social criticism nor their solutions	55	34	45	16
2) their social criticism and their solutions	7	16	6	58
3) their social criticism but not their solutions	32	45	48	32

Source: TNS Sofres (2011a).

Table 10.3: Attitudes towards the French National Front leader (percentages)

Question: How do you perceive Marine Le Pen today?					
	All	Left	Right	UMP	FN
1) as an extreme-right xenophobe and nationalist	46	61	32	39	3
2) as a patriot of the right attached to traditional values	37	28	56	46	94
3) no opinion	17	11	12	15	3

Source: TNS Sofres (2011a).

table 10.3): when asked whether she is a ‘patriot of the right attached to traditional values’ or an ‘extremist nationalist xenophobe’, 37 per cent of the entire sample chose the ‘patriot’ option. When the sample is disaggregated, the figures changed in ways that favoured Le Pen: 56 per cent of the right and 46 per cent of the UMP saw her as a ‘patriot’.

Even a cursory perusal of the National Front’s website reveals that the majority of their recent political tracts and posters emphasize economic issues. A sampling of poster and brochure titles demonstrate this point: ‘France in permanent insecurity!’, ‘With Sarkozy, it is a new tax every month!’, ‘Euro: the winning countries are those that leave’. A flyer entitled ‘Financial crisis: the French victims of globalization!’ attributes increased unemployment, precarious employment, housing shortages, increased national debt and the tightening of credit to Sarkozy’s failure to abandon the ‘ideological straightjacket’ of globalization. The 2012 presidential election was the first major French election since the financial crisis and the sovereign debt crisis. During the campaign and the months leading up to it, Marine Le Pen seized the economic moment. The National Front shifted the focus of its public discourse from cultural issues to economic issues just as national leaders were discussing multiculturalism while negotiating trans-European austerity measures.

During the first day of the October 2010 strikes to protest the raising of the retirement age, the French Socialist Party organized a grand march through the centre of Paris. The official party organizers gave out stickers with sayings such as 'Retirement is life, not survival' and '60 years is freedom'. Plastered through the streets of central Paris were posters designed and distributed by a group calling itself the New Anticapitalist Party. The poster displayed a picture of Sarkozy and François Hollande, the Socialist Party candidate for president, on a €500 note. Referring to the politicians and the banknote, the poster proclaimed in bold letters 'GET OUT! [*Dehors!*]: Because they are worth nothing'. While many political analysts speak of an electoral alliance among parties of the right, Marine Le Pen's future may include co-opting fringe parties of the left. The National Front has always been popular among the French working classes (Viard 1997). Marine Le Pen is increasingly the preferred presidential candidate among French workers who feel abandoned by the Socialists and the centre-right (Piquard 2011), though it is unlikely that she would actually win a presidential election. In the months before the election in spring 2012, analysts began to talk about a repeat of 2002, when her father, Jean-Marie Le Pen, was runner up to Jacques Chirac in the first round (Fressoz and Wider 2011). On 22 April 2012, Marine Le Pen won by losing: she came in third place behind Sarkozy, with 17.9 per cent of the first-round vote, receiving a higher percentage of votes than her father did in 2002. The future is before her.

5 Timing matters: France in the European context

Animus towards Europe became a National Front issue in the late 1990s. The vote to reject the European constitution in 2005 made it apparent that antipathy towards Europe at worst, or ambivalence at best, was widespread among the French. The European sovereign debt crisis confirmed that anti-Europe sentiment was more widespread than public opinion polls suggested (Berezin 2011). When national leaders asked European citizens to support bailouts of financially troubled euro-zone members, collective popular resistance emerged. Euro enthusiasm was restricted to the governing elite – and even the elite are far from united in this project. The first stage of the European crisis occurred in March 2009, when Hungary seemed on the verge of financial collapse. Politicians discussed the resistance to bailing out Hungary as an issue of national 'protectionism'. The more severe and ongoing debt crisis began in May 2010, when Spain, Ireland and Portugal followed in Greece's footsteps. Angela Merkel balked at bailing out less solvent EMU

members, and the German public supported her decision. PIGS was the unfortunate acronym used to describe Portugal, Italy, Greece and Spain – all of which were getting dangerously close to state bankruptcy.

The European sovereign debt crisis fanned the flames of cultural conflict, legitimizing nationalism by making it appear to be a rational response to potential economic disaster. The European Parliament election in spring 2009 was an important harbinger of political direction. The centre-right dominated, the left did extremely poorly and far-right politicians won seats.

The extreme right is not the only political faction now questioning a commitment to a neoliberal Europe and urging a retreat into the nation. Between July 2009 and April 2011, there were fourteen parliamentary elections and one presidential election in EMU member states.⁸ There were identifiable trends in the results across Europe. First, voters tended to desert parties that had previously led in voting. For example, in Ireland, the Fine Gael party overturned the dominance of Fianna Fáil, a longstanding conservative party. The left performed better in countries such as Greece and Portugal, which had required bailouts and austerity measures and had been sites of mass protest. The trends present in these elections suggest that France is not alone in its retreat into national identity and in the presence of a revitalized right. The two most salient features of European elections since the spring of 2009 have been a tendency to overthrow parties that had been in power for some time, and a gain in electoral spoils for the nationalist right.

On 9 June 2010, Geert Wilder's Party of Freedom came in third place in the Dutch parliamentary elections. Much of Wilder's agenda focuses upon free-market liberalism – as long as it remains Dutch and not European. Wilders and his party are now minority partners in the current Dutch coalition government. Four days after the Dutch election, a Flemish nationalist party that wanted to secede from French-speaking Belgium captured the largest share of the votes in a parliamentary election there. On 19 September 2010, the Swedish right-wing populist party the Swedish Democrats received 5.7 per cent of the vote, which made the party eligible for a seat in Congress. The party's leader, 31-year-old Jimmie Åkesson, is now a member of the Swedish Parliament. The Swedish Democrats decorated their campaign mailings with blue and yellow flowers – the colours of the Swedish flag. 'Safety and tradition' was their motto. 'Give us Sweden back!' was their *cri de coeur*.

The Finnish election of April 2011 is perhaps the most startling: here a nationalist right-wing party replaced an entrenched socialist party.⁹ The populist party True Finns received 19 per cent of the vote in the parliamentary election. This percentage provides a sharp contrast to the 4.1 per cent that they received in the 2007 election. In 2011, the True

Finns received the same percentage of votes as the Social Democrats (19 per cent) and 1 percentage point less than the Liberal Conservatives (20 per cent). Writing in the *Wall Street Journal*, Timo Soini (2011), head of the True Finns, explained why he did not support bailing out Europe:

At the risk of being accused of populism, we'll begin with the obvious: it is not the little guy who benefits. He is being milked and lied to in order to keep the insolvent system running . . . I was raised to know that genocidal war must never again be visited on our continent and I came to understand the values and principles that originally motivated the establishment of what became the European Union. This Europe, this vision, was one that offered the people of Finland and all of Europe the gift of peace founded on democracy, freedom and justice. This is a Europe worth having, so it is with great distress that I see this project being put in jeopardy by a political elite who would sacrifice the interests of Europe's ordinary people in order to protect certain corporate interests.

6 The political power of exogenous events: scarcity and insecurity

Since the Maastricht Treaty became operational in 1992, two visions of Europe have dominated social science analysis, European policy initiatives and public discussion. The first vision is primarily institutional: that Europe and its expansion encompassing ever more countries is a technical solution to competition from global markets.¹⁰ In practice, this vision captures the neoliberal dimension of the European project. The second vision is primarily cultural: it focuses upon the creation of a European identity.¹¹ Public opinion polls such as the Eurobarometer continually attempt to measure European identity. Much empirical research has suggested that ordinary Europeans tend to think in national rather than European terms (for example, Díez-Medrano 2003; Favell 2008; Fligstein 2008).

The European sovereign debt crisis and the European public's response to it challenge both visions of Europe. If the European project was perceived simply as an improved set of institutional arrangements, then the bailouts of member nations would not be problematic. If the citizens of EU member states identified themselves as European, then one would expect a willingness to bail out fellow Europeans in financial difficulty. But exactly the opposite has occurred. Even in nation-states such as Finland, which formally agreed to the bailouts, the nationalist opposition is strong. National attachment and sentiment has never been absent

from European public opinion, but analysts and policy-makers have chosen not to emphasize it or have argued that it was not consequential. Nationalist sentiment was behind the widespread resistance to a European constitution. In contrast to national elections, voter turnout for European Parliament elections is historically low and declines at every election period.

The European Union, as conceived in the early 1990s, was a project of plenty – more nations, more people, more money, more regulations – not a project of scarcity. This current global crisis, especially in European iterations, is a crisis of scarcity and contraction. The potential consequences of scarcity are multiple, but they highlight one of the central contradictions in the European project as it expanded in the last twenty years – a contradiction for which theories and practices of Europeanization, globalization, post-nationalism and ‘new world order’ ideas have failed to account.

The European right was the first to label immigrants, market liberalism and Europeanization as security threats. In the presence of plenty, the right seemed recidivist at best and racist at worse. But exogenous security shocks made it possible for even mainstream politicians to resort to language and policies that previously had been the exclusive domain of the right. The combined shocks of the 2008–9 financial crisis and the 2010 sovereign debt crisis made it easier to argue that some nations were less virtuous than others and undeserving of financial aid. It also made it possible for the right plausibly to argue, as Marine Le Pen does in France and Timo Soini does in Finland, that Europe as a concept *and* the European Union as an institution are dangerous.

The European sovereign debt crisis expedited the *normalization of the right* that had begun to gain ground in the late 1990s. It pushed mainstream politicians to the centre right, as opposed to being comfortably in the centre. Politicians, to borrow from Mair (chapter 6 in this volume), were ‘responsive’ rather than ‘responsible’. It is difficult to imagine that the EU as a political institution will disappear. Yet its future trajectory, particularly monetary union, is uncertain. Instead of the optimistic dream of a multicultural, united Europe, we can expect nostalgia politics and cultural conflict coupled improbably with enthusiasm for the free market. If the familiar sources of social, economic and cultural security not only seem tenuous but actually become so, fear and pessimism will become dominant political emotions. A collective sense of insecurity weakens the social largesse and empathy that lie at the core of democratic sentiment and normalizes ideas that many Europeans previously viewed as unacceptable and right-wing. How this will play out politically remains to be seen.

References

- Art, D. (2006) *The Politics of the Nazi Past in Germany and Austria*. Cambridge: Cambridge University Press.
- Arter, D. (2010) The breakthrough of another West European populist radical right party? The case of the True Finns, *Government and Opposition* 45(4): 484–504.
- Arter, D. (2011) Taking the guilt off the conservatives' gingerbread: the April 2011 Finnish general election, *West European Politics* 34(6): 1284–95.
- Ash, T. G. (2009) Europe's gone missing, *Los Angeles Times*, 26 March; available at: <http://articles.latimes.com/2009/mar/26/opinion/oe-gartonash26> (accessed 29 March 2009).
- Berezin, M. (2006) Appropriating the 'no': the French National Front, the vote on the constitution, and the 'new' April 21. *PS: Political Science and Politics* 39(2): 269–72.
- Berezin, M. (2009) *Illiberal Politics in Neoliberal Times: Culture, Security, and Populism in the New Europe*. Cambridge: Cambridge University Press.
- Berezin, M. (2011) Europe was yesterday, *Harvard International Review*, 7 January; available at: <http://hir.harvard.edu/europe-was-yesterday?page=0> per cent2C2 (accessed 29 February 2012).
- Betz, H.-G. (1993) The new politics of resentment: radical right-wing populist parties in Western Europe, *Comparative Politics* 25(4): 413–26.
- Bowyer, B. T., and Vail, M. I. (2011) Economic insecurity, the social market economy and support for the German left, *West European Politics* 34(4): 683–705.
- Capoccia, G. (2005) *Defending Democracy: Reactions to Extremism in Interwar Europe*. Baltimore: John Hopkins University Press.
- Checkel, J. T., and Katzenstein, P. J. (eds) (2009) *European Identity*. New York: Cambridge University Press.
- Cohen-Tanugi, L. (2008) *Beyond Lisbon: A European Strategy for Globalisation*. Brussels: Peter Lang.
- Cronin, J., Ross, G., and Shoch, J. (eds) (2011) *What's Left of the Left: Democrats and Social Democrats in Challenging Times*. Durham, NC: Duke University Press.
- Díez-Medrano, J. (2003) *Framing Europe: Attitudes to European Integration in Germany, Spain, and the United Kingdom*. Princeton, NJ: Princeton University Press.
- Eatwell, R. (2003) Ten theories of the extreme right, in P. H. Merkl and L. Weinberg (eds), *Right Wing Extremism in the Twenty-First Century*. London: Frank Cass, pp. 47–73.
- The Economist* (2007) The Sarko show, *The Economist* 30 June.
- Eichengreen, B. J. (2007) *The European Economy since 1945: Coordinated Capitalism and Beyond*. Princeton, NJ: Princeton University Press.
- Erlanger, S. (2009) Europe's socialists suffering even in downturn, *New York Times*, 29 September; available at: www.nytimes.com/2009/09/29/world/europe/29socialism.html (accessed 29 September 2009).

- Favell, A. (2008) *Eurostars and Eurocities: Free Movement and Mobility in an Integrating Europe*. Oxford: Blackwell.
- Fligstein, N. (2008) *Euroclash: The EU, European Identity, and the Future of Europe*. New York: Oxford University Press.
- Fondapol (Fondation pour L'innovation Politique) (2011) *Le sentiment européen chez les Français*. Paris: TNS Sofres.
- Fresso, F., and Wider, T. (2011) Pour la présidentielle, 'un scénario de type 2002 ne peut être exclu'. *Le Monde*, 2 November.
- Front National (2011) Projet économique du Front National: les grandes orientations, available at : www.frontnational.com/pdf/projet-eco-fn-orientations.pdf (accessed April 2011).
- Givens, T. E. (2005) *Voting Radical Right in Western Europe*. New York: Cambridge University Press.
- Holmes, D. R. (2000) *Integral Europe: Fast-Capitalism, Multiculturalism, Neofascism*. Princeton, NJ: Princeton University Press.
- Inglehart, R. (1977) *The Silent Revolution: Changing Values and Political Styles among Western Publics*. Princeton, NJ: Princeton University Press.
- Ivarsflaten, E. (2005) The vulnerable populist right parties: no economic realignment fuelling their electoral success, *European Journal of Political Research* 44: 465–92.
- Kitschelt, H. (1995) *The Radical Right in Western Europe: A Comparative Analysis*. Ann Arbor: University of Michigan Press.
- Kriesi, H. (1999) Movements of the left, movements of the right: putting the mobilization of two new types of social movements into political context, in H. Kitschelt, P. Lange, G. Marks and J. D. Stephens (eds), *Continuity and Change in Contemporary Capitalism*. Cambridge: Cambridge University Press, pp. 398–423.
- Krugman, P. (2009) A continent adrift, *New York Times*, 16 March; available at: www.nytimes.com/2009/03/16/opinion/16krugman.html (accessed 18 April 2011).
- Laurent, É. (2009) Eurozone: the high cost of complacency, *Economists' Voice* 6(1): 1–4.
- Laurent, S. (2011) Chômage: cinq ans d'annonces, cinq ans d'insuccès, *Le Monde*, 28 July.
- Mead, W. R. (2011) Europe's less than perfect union, *Wall Street Journal*, 9 August; available at: <http://online.wsj.com/article/SB10001424053111903454504576488563809331544.html> (accessed 2 November 2011).
- Meguid, B. M. (2008) *Party Competition between Unequals: Strategies and Electoral Fortunes in Western Europe*. New York: Cambridge University Press.
- Moravcsik, A. (2005) Europe works well without the grand illusions, *Financial Times*, 14 June; available at: www.ft.com/cms/s/0/12e2b18a-dc71-11d9-819f-00000e2511c8.html#axzz2454nn8jr (accessed 29 February 2012).
- Moravcsik, A. (2006) What can we learn from the collapse of the European constitutional project?, *Politische Vierteljahresschrift* 47(2): 219–41.
- Mucchielli, L. (2009) Autumn 2005: a review of the most important riot in the

- history of French contemporary society, *Journal of Ethnic and Migration Studies* 35(5): 731–51.
- Mudde, C. (2007) *Populist Radical Right Parties in Europe*. Cambridge: Cambridge University Press.
- Mudge, S. L. (2011) What's left of leftism? Neoliberal politics in Western party systems, 1945–2004, *Social Science History* 35(3): 337–80.
- Munchau, W. (2009) Eastern crisis that could wreck the Eurozone, *Financial Times*, 22 February; available at: www.ft.com/cms/s/0/06a45f2a-0118-11de-8f6e-000077b07658.html#axzz2454nn8jr (accessed 24 February 2009).
- New York Times* (2011) Room for debate: a Europe divided?, *New York Times*, 12 September; available at: www.nytimes.com/roomfordebate/2011/09/12/will-culture-clash-splinter-the-european-union (accessed 28 February 2012).
- Norris, P. (2005) *Radical Right: Voters and Parties in the Electoral Market*. New York: Cambridge University Press.
- Nunes, E. (2011) Ce que Nicolas Sarkozy a fait du discours de Grenoble, *Le Monde*, 7 July.
- Perrineau, P., and Reynié, P. (eds) (1999) *Le Vote incertain: les élections régionales de 1998*. Paris: Presses de Sciences Po.
- Piquard, A. (2011) Marine Le Pen, candidate préférée des ouvriers, *Le Monde*, 4 April.
- Rydgren, J. (2007) The sociology of the radical right, *Annual Review of Sociology* 33: 241–362.
- Samuelson, R. (2011) The big danger is Europe, *Washington Post*, 9 August; available at: www.washingtonpost.com/opinions/the-big-danger-is-europe/2011/08/08/gIQABzq02I_story.html (accessed 10 August 2011).
- Sarkozy, N. (2009) Déclaration de M. le président de la République devant le Parlement réuni en Congrès, *L'Année Politique 2009*. Paris: Editions Evenements et Tendances.
- Sarkozy, N. (2011) La lettre de Sarkozy aux parlementaires, *Le Monde*, 26 July.
- Schain, M. A. (1987) The National Front and the construction of political legitimacy, *West European Politics* 10(2): 229–52.
- Schain, M. A. (1996) The immigration debate and the National Front, in M. A. Schain and J. T. S. Keeler (eds), *Chirac's Challenge: Liberalization, Europeanization and Malaise in France*. New York: St Martin's Press, pp. 169–97.
- Schmitter, P. C. (2000) *How to Democratize the European Union . . . and Why Bother?* New York: Rowman & Littlefield.
- Schor, R. (1985) *L'Opinion française et les étrangers en France, 1919–1939*. Paris: Publications de la Sorbonne.
- Schwartz, A. (2011) Le gauche française bute sur l'Europe, *Le Monde Diplomatique* 667: 1.
- Sen, A. (2011) It isn't just the euro: Europe's democracy itself is at stake, *The Guardian*, 22 June; available at: www.guardian.co.uk/commentisfree/2011/jun/22/euro-europes-democracy-rating-agencies (accessed 15 July 2011).

- Soini, T. (2011) Why I don't support Europe's bailouts, *Wall Street Journal*, 9 May; available at: <http://online.wsj.com/article/SB10001424052748703864204576310851503980120.html> (accessed 4 August 2011).
- TNS Sofres (2011a) *Baromètre d'image du Front National*, January. Paris: Sofres.
- TNS Sofres (2011b) *Baromètre des préoccupations des Français-bilan 2010*, February. Paris: Sofres.
- TNS Sofres (2011c) *Les Français et l'urgence économique et sociale*, September. Paris: Sofres.
- Viard, J. (1997) *Pourquoi des travailleurs votent FN et comment les reconquérir*. Paris: Seuil.
- Weil, P. (2002) *Qu'est-ce qu'un Français? Histoire de la nationalité française depuis la Révolution*. Paris: Grasset.

- the change, away from vote-maximizing, catch-all parties and their broad bases of support, to clientelistic parties who cater only to special interests and specific segments of the constituency, while their agendas ignore the interests of all those who are unlikely to support them in the first place.
- 14 See recent challenges to these assumptions, however: Berger (2011); Saunders (2011)
 - 15 ‘Most Americans are much more concerned with the business of buying and selling, earning and disposing of things, than they are with the “idle” chatter of politics’ (Lane 1962: 25).
 - 16 States are preferred clients because so-called sovereign debtors have a number of advantages that are absent from ordinary borrowers of financial means: they have the authority to extract revenues from citizens, they can print money, and they have no choice but to bail out ‘systemic’ financial institutions if they fail.
 - 17 Had it not been for an intervention of the German Constitutional Court, an ad hoc installed special committee of the Bundestag consisting of just nine members would have been allowed exclusive decision-making rights on urgent European Financial Stability Facility (EFSF) affairs, thereby pre-empting the right of Parliament as a whole to approve of international treaties that could cost taxpayers dozens of billions of euros or more. Another initiative to bypass elected legislatures (this time the European Parliament) occurred when not even the EP president was allowed to be present (in contrast to representatives of ‘systemic banks’) when eurozone heads of government negotiated a ‘Fiscal Pact’ on 31 January 2012. The role of parliaments is evidently in danger of being suspended in favour of the rating agencies.

Chapter 10 The Normalization of the Right in Post-Security Europe

- 1 I wish to thank Armin Schaefer and Wolfgang Streeck for their thoughtful comments on the first version of this chapter, as well as for their invitation to the conference on ‘Democracy in Straightjackets’ held in Schloss Ringberg, Germany, on 24–5 March 2011. Their comments and the discussion of conference participants helped shape my revisions. In addition, I thank Richard Swedberg for his reading of my draft chapter, Alexa Yesukevich for her assistance in manuscript preparation and Jenny Todd for designing the tables.
- 2 Schmitter (2000) captures the irony of this position.
- 3 In contrast, Holmes (2000) argues that the ‘fast capitalism’ of globalization has given rise to right-wing impulses across the European continent.
- 4 Art’s (2006) study of how German and Austrian politicians used national memory to influence public debate displays a sophisticated use of legacy theory. Analysts tend to invoke legacy only to dismiss it (Capoccia 2005: 83–107).
- 5 This perception has been a standard feature of accounts by journalists such as Steven Erlanger (2009) and is working its way into the academic literature.

- See, for example, the essays in Bowyer and Vail (2011); Cronin et al. (2011); and Mudge (2011).
- 6 Sarkozy's popularity experienced a small upturn in April 2011 because of his support for Libya.
 - 7 Results from a variety of public opinion polls converge on the point that Sarkozy's national identity campaigns, coupled with his attack on the Roma, further weakened him politically (Nunes 2011).
 - 8 The data for this section come from the following websites: www.nsd.uib.no/european_election_database/country/france/presidential_elections.html and www.parties-and-elections.de/
 - 9 Arter (2010, 2011) describes this party and election in the context of Finnish electoral politics.
 - 10 Moravcsik (2005, 2006) is a leading proponent of this position.
 - 11 The essays in Checkel and Katzenstein (2009) introduce this topic, which has been over-theorized and under-empiricized.

Chapter 11 The Crisis in Context

- 1 Sections of this chapter appeared in *New Left Review*, 71 (2011).
- 2 For example, through nationalization of key firms and sectors or, as in Germany, through 'economic democracy' in the form of worker rights of 'co-determination' in large companies.
- 3 The exact content of such rights may change and obviously differs between social and geographical locations. But certain elements seem universal – for example, that someone who puts in a 'good day's work' should not be poor, meaning that his income should enable him and his family to participate fully in the life of his community. Other common principles of moral economy include the insistence on attributions of social worth different from economic worth and on values and entitlements that cannot be expressed in terms of market prices.
- 4 This, to me, is the essence of what Polanyi (1957 [1944]) means when he writes of a 'counter-movement' against the commodification of labour (Streeck 2009: 246ff.).
- 5 That is, that they are not just functionalist efficiency theories.
- 6 In a seminal essay, Michal Kalecki identified the 'confidence' of investors as a crucial factor determining economic performance (Kalecki 1943). Investor confidence, according to Kalecki, depends on the extent to which current profit expectations of capital owners are reliably sanctioned by the distribution of political power and the policies to which it gives rise. Economic dysfunctions – unemployment in Kalecki's case – ensue when business sees its profit expectations threatened by political interference. 'Wrong' policies in this sense result in a loss of business confidence, which in turn may result eventually in what would amount to an investment strike by capital owners. Kalecki's perspective makes it possible to model a capitalist economy as an interactive game, as distinguished from a natural or machine-like mechanism. If the economy is in a Kaleckian way conceived as interactive, the point at