



Seminar Winter 2013

The political consequences of the Great Recession

Hanspeter Kriesi

Thursdays 8:45 AM-10:45 AM, Badia Seminar Room 4

Registration with Maureen Lechleitner (Maureen.Lechleitner@EUI.eu)

Description

This seminar attempts to understand the political consequences of the Great Recession. We start with a discussion of the origins and economic consequences of this greatest economic crisis since the Great Recession? Next, we ask whether this time is different from what we know from the Great Depression and what kind of lessons have been learnt from the Great Depression? Can the concepts that have been used to analyze the governments' reactions to the Great Depression be applied to the analysis of their reactions to the present Great Recession? How has the Euro-Crisis in particular come about, how have governments tried to cope with it, and how has it been debated in the public?

After having discussed the policy-reactions to the crisis, we turn to its implications for electoral and protest politics. First, we analyze the electoral implications from the perspective of the two-dimensional preference structure that characterizes the European political space today. Next, we focus more specifically on economic voting – the general approach and its application on voting in the shadow of the Great Recession. Third, we turn to protest as a reaction of the citizens to the crisis. And finally, we ask how the specific conditions of the Central and Eastern European countries shape the preference structures and the electoral consequences of the economic crisis.

It is, of course, too early to tell how the Great Recession will work out politically. The political implications of the phenomenon are very recent and still highly uncertain. This means that the list of texts selected for this course is a highly tentative one. To a large extent, these texts have been published only very recently or have not yet been published at all.

Over the course of the seminar students are expected to submit three 500-word response papers to the readings for a given session and post that paper on the course website at noon on the day before class. These response papers are fundamental for the holding of a good discussion of the materials, as is a thorough reading of the assigned texts.

Writing a term paper is encouraged. Those who wish to write a term paper should submit it to me by email and in paper copy, with a cc to Maureen Lechleitner.

Sessions, topics and readings

1. Introduction: The origins and economic consequences of the crisis (January 10)

- Gorton, Gary and Andrew Metrick 2012. Getting up to speed on the financial crisis: a one-weekend-reader's guide, *Journal of Economic Literature* 50, 1: 128-150
- Reinhart, Carmen M. And Kenneth S. Rogoff 2009. *This Time is Different. Eight Centuries of Financial Folly*. Princeton University Press. Chapters 10, 14, 16: 141-173, 223-247, 248-273.
- Streeck, Wolfgang 2011. The Crises of Democratic Capitalism. *New Left Review* 71, Sept/Oct 2011, 5-29.

2. Lessons from the Great Depression of the 1930s (January 17)

- Gourevitch, Peter A. 1984. Breaking with orthodoxy: the politics of economic policy responses to the Depression of the 1930s, *International Organization* 38, 1: 95-129.
- Kindleberger, Charles P. 1987. *The World in Depression 1929-1939*, Chapter 14, pp. 288-305.
- Almunia, Miguel, Agustín Bénétrix, Barry Eichengreen, Kevin H. O'Rourke and Gisela Rua 2010. From Great Depression to Great Credit Crisis: similarities, differences and lessons, *Economic Policy*, April: 219-65.
- Bohle, Dorothea 2012. Responsible government and capitalism's cycles. *Paper prepared for the Conference "Responsive or Responsible? Parties, Democracy, and Global Markets – A Conference in Honour of Peter Mair,"* European University Institute, Florence, Italy, 26-28 September 2012.

3. Government reactions to the Great Recession: national reactions (January 24)

- Pontusson, Jonas and Damian Raess 2012. How (and Why) is This Time Different? The Politics of Economic Crisis in Western Europe and the United States, *Annual Review of Political Science* 15: 13-33.
- Armingeon, Klaus 2012. The Politics of Fiscal Responses to the Crisis 2008-2009, *Governance* 25, 4: 543-565.
- Lindvall, Johannes 2012. Politics and Policies in Two Economic Crises: The Nordic Countries, pp. 233-260 in Bermeo, Nancy and Jonas Pontusson, eds., *Coping with the crisis. Government reactions to the Great Recession*, New York: Russell Sage Foundation.
- Schelkle, Waltraud 2012. Policymaking in Hard Times: French and German Responses to the Eurozone Crisis, pp. 130-161 in Bermeo, Nancy and Jonas

Pontusson, eds., *Coping with the crisis. Government reactions to the Great Recession*, New York: Russell Sage Foundation.

4. Governments to the Great Recession: the Euro Crisis (January 29 – exceptionally)

- Eichengreen, Barry 2012. European Monetary Integration with Benefit of Hindsight, *Journal of Common Market Studies* 50, Number S1: 123-136.
- Scharpf, Fritz 2011. Monetary Union, Fiscal Crisis and the Preemption of Democracy, *MPlfG Discussion Paper* 11/11
- Armingeon, Klaus and Lucio Baccaro 2012. Political Economy of the Sovereign Debt Crisis: The Limits of Internal Devaluation, *Industrial Law Journal* 41, 3: 254-74.
- Featherstone, Kevin 2011. The Greek Sovereign Debt Crisis and EMU: A Failing State in a Skewed Regime, *Journal of Common Market Studies* 49, 2: 193-217.
- Kriesi, Hanspeter and Edgar Grande 2012. The Euro-Crisis: A Boost to Politicization of European Integration?, *Paper prepared for the EUDO 2012 Dissemination Conference on 'The Euro Crisis and the State of European Democracy'*

5. Citizens' preference structures and party mobilization (in Greece) (February 7)

- Häusermann, Silja and Hanspeter Kriesi 2012. What do voters want? Dimensions and configurations in individual-level preferences and party choice, *Paper prepared for the conference „The Future of Democratic Capitalism“*, October 11-13th, Duke University, NC
- Halikiopoulou, Daphne, Kyriaki Nanou and Sofia Vasilopoulou 2012. The paradox of nationalism: The common denominator of radical right and radical left euroscepticism, *European Journal of Political Research* 51: 504-539.
- Katsanidou, Alexia 2012. The Euro-Crisis and new Dimensions of Contestation in National Politics, *Paper prepared for the 2012 EUDO Dissemination Conference: The Euro Crisis and the State of European Democracy*, 22-23 November 2012, Florence, Italy
- Tiberj, Vincent 2013. Values and the Votes from Mitterand to Hollande: The Rise of the Two-axis Politics, *Parliamentary Affairs* 66: 69-86

6. Electoral consequences: economic voting I (February 14)

- Duch, Raymond M. and Randolph T. Stevenson 2008. *The Economic Vote. Hows Political and Economic Institutions Condition Election Results*. Cambridge University Press, Chapters 2-3 (pp. 39-93)

- Powell, G. Bingham and Guy D. Whitten 1993. A Cross-National Analysis of Economic Voting: Taking Account of the Political Context, *American Journal of Political Science* 37: 391-414.
- Hellwig, Timothy and David Samuels 2007. Voting in Open Economies. The Electoral Consequences of Globalization, *Comparative Political Studies* 40, 3: 283-3006.
- Singer, Matthew M. 2011. Who Says 'It's the Economy'? Cross-National and Cross-Individual Variation in the Salience of Economic Performance, *Comparative Political Studies* 44, 3: 284-312.

7. Electoral consequences: economic voting II (February 21)

- Bartels, Larry M. 2011. *Ideology and Retrospection in Electoral Responses to the Great Recession*, Paper prepared for presentation at the conference on 'Popular Reactions to the economic Crisis', Nuffield College, June 25-26, 2011.
- Kriesi, Hanspeter 2011. *The political consequences of the financial and economic crisis in Europe: electoral punishment and popular protest*, unpubl. Ms.
- Marsh, Alan and Slava Mikhaylov 2012. Economic voting in a crisis: The Irish election of 2011, *Electoral Studies* 31: 478-84.
- Costa Lobo, Marina and Michael S. Lewis-Beck 2012. The integration hypothesis: How the European Union shapes economic voting, *Electoral Studies* 31: 522-528.

8. Reactions in the protest arena I (February 26 exceptionally) (with Swen Hutter)

- Hutter, Swen 2012. *Two waves of protest politics in Western Europe: Movements of the left and movements of the right reconsidered*, Paper prepared for the conference on the Future of Democratic Capitalism, June 16-18, Zurich.
- Ponticelli, Jacopo and Hans-Joachim Voth 2011. Austerity and Anarchy: Budget cuts and social unrest in Europe, 1919-2009, Discussion paper series No 8513, London: Centre for economic policy research
- Beissinger, Mark and Gwendolyn Sasse 2011. *An End to Patience? The 2008 Global Financial Crisis and Political Protest in Eastern Europe*, Paper prepared for the Oxford-Princeton Conference 'Popular Reactions to the economic Crisis', Nuffield College, June 25-26, 2011.
- Tarrow, Sidney 2011. Global, conventional and warring movements and the suppression of contention. Themes in contentious politics research, *Politica & Sociedade* 10(18): 25-49.

9. Reactions in the protest arena II (March 7) (with Swen Hutter)

- Anduiza, Eva, Cristancho, Camilo and Jose M. Sabucedo 2012. Mobilization through Online Social Networks: The Political Protest of the Indignados in Spain. Online <http://www.protestsurvey.eu/publications/1344588239.pdf>
- Castañeda, Ernesto 2012. The Indignados of Spain: A Precedent to Occupy Wall Street, *Social Movement Studies* 11(3/4): 309-319.
- Munoz, Jordi, Guillem Rico and Eva Anduiza 2012. Austerity policies and political involvement. Evidence from a panel survey in Spain (2010-2011). Unpubl. Ms. Universita Autonoma de Barcelona.
- Zamponia, Lorenzo 2012. 'Why don't Italians Occupy?' Hypotheses on a Failed Mobilisation, *Social Movement Studies* 11(3/4): 416-426.

10. Citizens preference structures and party mobilization in Central and Eastern Europe (March 14) (with Joshua Tucker)

- Neff Powell, Eleanor and Joshua A. Tucker 2012. Revisiting Electoral Volatility in Post-Communist Countries: New Data, New Results and New Approaches, *British Journal of Political Science* (forthcoming)
- Klasnja, Marko and Joshua Tucker 2012. *The Economy, Corruption, and the Vote: Evidence from experiments in Sweden and Moldova*, Unpubl paper.
- Linde, Jonas 2012. Why feed the hand that bites you? Perceptions of procedural fairness and system support in post-communist democracies, *European Journal of Political Research* 51: 410-434.
- Walter, Stefanie 2012. *Distributional politics in times of crisis: Eastern European policy responses to the 2008-2010 global financial and economic crisis*, paper prepared for the 2012 Annual MPSA Meeting in Chicago, April 2012