The European Union: The Populist Division

Niall Ferguson, a senior fellow at Stanford’s Hoover Institution, describes the five ingredients for a populist backlash to be: immigration, increased inequality, the perception of corruption, a major financial crisis, and, finally, a charismatic leader to mobilize the energy of the disaffected public in the wake of the political establishment’s failure. In the aftermath of Brexit, the future of the European Union has come into question as right-wing populist parties are gaining traction, and in some cases even office, across Europe. The wave of refugees and migrants on the shores of Southern Europe, increased inequality as a result of globalization, a widespread perception that European Union institutions are corrupt and undemocratic and the euro-crisis laid the groundwork for a populist backlash in the European Union. In order to understand the rise of populism in the European Union, and indeed most of the West, we’ll analyze the many factors that have led to a more divided Europe and the possible outcomes of this trend.

While the European Union has integrated politically and economically, the union lacks continent-wide financial institutions capable of substantively handling financial shock, such as the Euro-crisis or the Greek financial meltdown. In the aftermath of 2008, the United States proved more capable of handling the financial crisis because the US has a federal financial system with the authority to levy taxes and help shock the economy back to life. On the other hand, the Euro crisis in 2011 and 2013 revealed a critical design flaw in the European Economic and Monetary Union (EMU): “the fundamental mismatch between countries sharing a single currency yet running separate fiscal policies” (Ferguson 2). While this fundamental failure of the European Union exists, there were many leaders throughout
the short history of the European Union, like Jean Monnet, that fought for a more federal-like system; however, ironically, British prime ministers such as Margaret Thatcher abhorred the concept of a federal Europe and helped to push the Union towards a less fully integrated direction. The financial crisis was a particularly important moment when elites were exposed for their incompetence, hardly any politicians foresaw this crisis. People are understandably angry that enriched bankers and financial asset managers and politicians gains and ordinary people paid the penalties. Out of frustration with the status quo people are drawn to populism. In response to the euro-crisis, European bureaucrats have imposed more strict regulations to prevent another shock of this magnitude from recurring. The greatest irony of imposing these strict austerity measures is: “the most regulated entities in the financial system--banks” were at the epicenter of the financial crisis (Ferguson 4). Ferguson points out “the more we regulate our financial system, ironically, the more complex and therefore unstable it becomes” (Ferguson 8). The European Union is no stranger to imposing strict and often times complex directives onto the economic systems; indeed, the EU’s attraction to deep regulation and intervention is the source of a great deal of public discontent. There is a period in the aftermath of a financial shock that is focused on people just coping and surviving, but a post-crisis world will be more violent and undermine the legitimacy of the regimes people live under. The financial shocks of the early 21st century produced full on revolution in Middle East and North African countries. In the West, the financial shocks laid the groundwork for a huge political shift towards populism.

Britain’s vote to leave the European union was a vote against globalization. German political scientist Dieter Segert posed the timely question of whether “the developments in eastern Europe, interpreted by some as ‘deficient,’ were actually trendsetters for societies
under pressure of globalization” (Baier 70). Segert is right to assume that as the working class loses jobs overseas to globalization, the disaffected group is more likely to move towards populism and other fringe political parties as they perceive the political establishment as having failed them and their families. Sandbrook echoes this sentiment: “the tempest that broke across England [was] a gigantic revolt against political elite who, for far too long, had taken working-class voters for granted” (Matthews 1). Populists that promise to keep jobs inside their countries rather than succumbing to the pressures of globalization have received a great deal of support from European citizen. The European working class is competing for low wage jobs with immigrants as well as for state-provided education, healthcare and welfare (Matthews 3). Compounding the issues raised by fast paced globalization in the 21st century is increasing inequality.

Piketty's research in Capital analyzes inequality of capital across Europe and the United States, and the results are far from optimistic. Ferguson describes increasing inequality as one of the key ingredients to a populist backlash, and the European Union does not fail to provide the condition. For example, “in the early 2010s, the richest 10 per cent own around 60 per cent of national wealth in most European countries, and in particular France, Germany, Britain, and Italy” (Piketty 257). Piketty provides us the unprecedented research to analyze the increase in inequality Western Europe has faced since the 1950s. Piketty comments on the economic conditions in Europe that make it “almost inevitable that inherited wealth will dominate wealth amassed from lifetime’s labor by a wide margin” (Pickett 26). Balzac’s “Pere Goriot” published in 1835 explains this idea in a very clear way through Vautrin’s lesson. The setting is Parisian society in the 1810s and Vautrin, a criminal, is explaining a valuable lesson of capital and wealth in European society. The lesson is that even if
Rastignac, an aspiring lawyer, is to rise to the top of his class and achieves success at the highest levels as a judge, he will still only amass a mediocre fortune. Therefore, Rastignac will never be welcomed into the upper echelons of Parisian society (Balzac). In other words, no matter the amount of hard work and diligence a man or woman pours into his or her career, the wealth amassed over a lifetime will never exceed the wealth amassed through capital already held. Despite the leap in time, the same can be said to be true today in French society and Europe as a whole. This is further disheartening as this level of inequality is “potentially incompatible with the meritocratic values and principles of social justice fundamental to modern democratic societies” (Picketty 26). The backlash to democratic societies has materialized through the rise of populists promising closed borders and jobs for the working class. Populists are able to mobilize political movements in the European Union because of the perceived failure of the political elite to stall the growing inequality seen across the western world.

In nearly all member states there is at least one populist party, and the common trait between them is their hostile stance on immigration, refugees, and migrants. The European Union viewed the Arab Spring through an idealistic lens in which it was merely a benign phenomenon that would replace dictators with democracies; as a result of this viewpoint, European member states “cut their defense budgets so far that Europe has never in its modern history allocated such a small share of national income to military” (Ferguson 7). Whether or not more military spending and intervention in the Middle East would’ve resulted in fewer migrants and refugees seeking asylum is up for debate; however, Europe’s new role in the
greatest humanitarian crisis of our time is not. A massive humanitarian crisis has called for action by the European Union, and Angela Merkel and others have responded through welcoming an unprecedented amount of migrants into their respective countries. Although on the surface it’s easy to villainize populist parties and their supporters for promising to end, or even reverse, the mass migration of asylum seekers and migrants, there are sound reasons European citizens have for opposing such a huge swell of immigration into their respective countries. One of those reasons is the rampant unemployment that is seen across Europe, and in particular in Southern member states that are bearing most of the burden of the migration crisis.

Unlike the United States where the rate of unemployment for natives and foreign-born are more or less similar, “on the European continent foreign-born workers are much more likely to be unemployed than people born in the country in question”(Ferguson 6). In Germany, for example, the unemployment for foreign-born immigrants is 74 per cent higher than for everyone else, according to the Organization for Economic Cooperation and Development(OECD). A major tenant of a modern society is its ability to offer jobs and assimilate or integrate newcomers. Inviting young, unskilled men to flood over borders into a highly skilled economy that has no jobs to offer them is a recipe for disaster; young men sitting around with nothing to do in an environment that is increasingly hostile in the wake of numerous terrorist attacks are ripe for radicalization. Furthermore, the benefits paid to asylum claimants alone represent an improvement in living standards from their origin countries thus making a reverse migration to their war-torn homes unlikely. The original idea that these migrants would return to their home countries was further debunked when Merkel admitted in October 2010: “we kidded ourselves a while. We said, ‘they won’t stay, sometime they will
Another factor that has led European citizens to reject the humanitarian impulses of their political leaders is the skewed gender ratio of migrants entering the European Union. According to the International Organization of Migration, 66.26 per cent of adult migrants registered through Italy and Greece are male (IOM). Moreover, more than 20 per cent of migrants are underage, and the IOM estimates that more than half of them traveling to Europe are unaccompanied minors. Of which 90 per cent are male (IOM). This poses a serious threat to the gender ratios of the millennial generation, specifically in Sweden. Anthropologist Barbara Miller has “persuasively argued, a normal sex ratio is a ‘public good’ and therefore deserves state protection” (Hudson 3). Societies that are dominated by men are more prone to violence of all sorts, and, unsurprisingly, violence against women rises in such societies. In the aftermath of the Cologne attacks in which some 1,500 men, “including some newly arrived asylum seekers and many other immigrants” began robbing and sexually assaulting hundreds of people (NYTIMES). One victim, Johanna, an eighteen year old German girl, reported: “I was grabbed continually. I have never experienced such a thing in any German city” (Smale 2). While mainstream media often paints populist parties and their followers as outright racists against Muslims, there are sound, non-racist reasons for rejecting asylum seekers. The political establishment has failed to effectively integrate immigrants through providing jobs. Worse yet, the European Union’s inability to streamline intelligence agency’s information and surveillance has led to the public’s distrust of the ability to thwart the onslaught of gruesome terrorist attacks that have bloodied European soil.

The European Union has become a bureaucratic juggernaut that many critics have
pointed to be conducive to corrupt Eurocrats. The European Union is infamous for enormously complicated directives and policies that are not easily understandable or accessible to the common European citizen. Absurd regulations like: “the minimum distance that must separate a wall from a newly planted tree (1.4 metres)” only fuel the fire of discontent among European citizens at being over regulated by an institution many feel is overreaching. Brussels is full of unelected Eurocrats that have become the figures of scorn across the European Union for ignoring European citizens’ will. Historically and even as recently as 2008, there have been multiple instances in which democracy was overlooked in favor of a more desirable outcome: “Denmark voted against both the Maastricht treaty that sketched out monetary union in 1992 and the European Constitution; in 2005 France rejected the Constitution at the same time Irish voters refused to ratify the Lisbon Treaty, which updated the enlarged EU’s institutions in 2008” (Hudson 10). In lieu of listening to the will of the European people, more referendums were scheduled and more money thrown at the European people until the desired outcome was realized. Despite European citizens voicing their displeasure with the European Union’s course, their voices were ignored and the pursuit of an ever closer union continued. This outright defiance of democracy by the European Union is the source of many of the valid criticisms that populist leaders have used to decry and denounce the institution.

Many Europeans have turned against a political establishment that has failed to deal with rising inequality, a migration crisis, terrorism, financial shocks, and the pressures of globalization. The result of these factors and more is a growing public distrust and disdain for traditional politicians and media. Just as in the United States, the loss of credibility of political systems from the perspective of the European citizens has decreased over time. Baier’s study
found that “in 2003, 46 per cent” of Europeans “said that they had no confidence in the national parliaments, 53 per cent no confidence in the governments and 74 per cent no confidence in political parties; and in 2006, 60 per cent of those asked placed ‘national-level politicians’ at the top of the list of sectors they saw as corrupt” (Baier 41). The perception of corrupt, untrustworthy politicians is one of the key ingredients that leads to a populist backlash according to Ferguson, and the European Union has the ingredient in spades. Across the world we see the perception that political elites have failed, and the sentiment is not unfounded. It was the elites that brought us the financial crisis and the Iraq world. It’s possible that as Coles et. al. discuss in their book Radical Futures Past: Untimely Political Theory the public realizes that the “oxymoronic outgrowth of global corporate capitalism is well on its way to insulating the institutions and spaces from popular control” and populist alternatives provide the only option for regaining some semblance of public control over government(Coles et al. 182); however, I am more persuaded by the concept that “populism draws on the contradiction between the promise and of the reality of democracy” (Baier 76).

The contradiction between the equality democracy promises the people and the actual inequality that economic order continually reproduces is the fertile soil from which populism can spring. Thus, the proliferation of populism across Europe can be seen as “a serious crisis for democracy” (Baier 76). Populism gains most of its momentum from its oppositional rhetoric which mobilizes the demands of the people against the failures of the established institutions such as the EU and its thick, bureaucratic framework. Baier asks us to view the conflict between the neoliberal governments of EU member states and the right-wing populists not as a theatrical display on our twitter feeds or traditional media channels, but as a power struggle. Baier explains, “now what is involved is the whole: the nation, which
according to the rhetoric has been betrayed by the elite and must be rescued by the people” (Bier 86). Populists’ explosive rhetoric against the dominant ideological discourse leads to a general crisis of society overall, as the public begins to question and distrust the government and the media as a whole. Thus, an atmosphere of ungovernability emerges from the wreckage of a failed political system.

When considering the impact of Brexit on the rise of populism in the European Union it’s important to keep in mind that Britain had a fairly flexible, more independent agreement with the EU than most other EU member states. For example, Britain retained its own currency, the pound. Britain is outside of the Schengen Agreement and has control over its own borders with the outside world. In comparison with the Eurozone’s almost stagnant economy, Britain’s economy is booming. According to the Office for National Statistics, the U.K.’s unemployment “is running at just 13 per cent according to the Office of National Statistics, compared with 45 per cent in Spain and a staggering 48 per cent in Greece” (Clegg). By most metrics, Britain was profiting and succeeding from its relationship with the EU, but populism won out for those 45 years or older. In Le Penn’s own words, “France has possibly 1,000 more reasons to want to leave the EU than the English” (Hudson 12), and she’s perhaps right. France is subject to far more reach by the EU than Britain ever was. Populist parties across Europe hailed Brexit as a triumph including Dutch anti-immigration politician Geert Wilders, Italy’s Northern League leader Matteo Salvini, anti-immigration Sweden democrats declared Swexit next, and Alternative fur Deutschland party wrote “the EU has failed as a political union” (Hudson 13). It’s important to keep in mind that while populism has sprouted throughout Europe, the aims of their various leaders vary greatly. As Baier points out “the right wing radical and populist parties UKIP, FPO, FIDESZ, Front
National, the Finns, the Danish People’s Party, etc., objectively unite under the banner of their opposition to the EU...this is nothing other than a formula for resuscitated nationalism” (Baier 78). The irony is that these nationalist groups form a coalition together in the European Parliament, and can widely be seen as international nationalists attempting to push the politics as far right as possible even though without the EU they lack visibility and access to the EU money.

The rise of populism is only superficially an economic phenomenon, and is much more a reaction against the cultural changes that are associated with globalization. When we take a look at the demographics involved in Britain’s vote to leave the EU and among populist parties across Europe an age divide becomes clear. The older British generation did not show up more because they had a more sophisticated idea of the relationship with the EU, but because the older generation was intent on rejecting a more multicultural society and the range of things that come with that. Also, voting to leave the EU is a proxy for a generalized protest against modernity. A study carried out for the Freidrich-Elbert-Stifung contends that “the new right is differentiated from the old right by ‘softening of its anti-democratic rhetoric and its readiness to play by the rules” (Baier 78). This softening of anti-democratic rhetoric has contributed to the new found success of populist parties in the 21st century. Success that has amassed a fifth of the Members of the European Parliament (MEPs), although many are unaffiliated with any of the three blocks that other far right nationalist EPs belong to: the European Conservatives and Reformists (ECR) the Europe of Freedom and Direct Democracy (EFDD), and the Europe of Nations and Freedom (ENF), the latter formed only one year after the elections under the leadership of Marine Le Pen(Baier 68). In several European countries, including Finland, Hungary, Latvia, Lithuania, Norway, and Switzerland, right-wing parties
have taken the reins of government. And even where right-wing populists haven’t gained power, groups such as Britain’s UKIP, the French Front National, and Germany’s Alternative für Deutschland are enjoying record popularity. Europe faces a dilemma. The continent’s problems can only be addressed through increased cooperation, which is unlikely in the face of nationalists and populists calling for the end of cooperation. This poses the question of whether populist parties have enough power to sway European regional and supranational policy. The Islamic State is losing ground in the Middle East and its likely that we will see an increase in terrorist attacks as a result which will only further fuel the public’s feeling of dissatisfaction with their dominant political parties, and with 2017 elections looming on the horizon, it is, in fact, very likely that populists will gain enough traction to truly influence and shape EU policy in the coming years, or break it apart completely.

Ferguson’s final requirement for a populist backlash is the demagogue, or a charismatic leader that is widely appealing to the disaffected masses. It’s impossible to discuss the rise of populism without touching on the enigmatic qualities of most populist leaders. Nigel Farage, a famously outspoken man who smokes and is known for getting drunk on bar crawls through pubs across England, gained a disproportionate amount of media attention as a result of his unique character. Especially when placed next to the boxed men and women dressed in grey suits that are typical to Britain politics. Marine Le Penn is a blonde beauty that is as brazenly outspoken as she is charismatic. Baier points out Marine Le Penn’s tactic that distinguishes her from her father and other populists from days past are her unique positions on social policies: “left positions in terms of social policy with traditional right-wing arguments is often viewed as an indicator of the new populist right’s overcoming a clear right/left distinction(Baier 80). Marine Le Penn and other European populists are
especially interesting in comparison with late 19th century populists in that they are economically very far right while adjusting their position on social policies to be very open gay marriage, women, and non-Muslim ethnic minorities. In a frequently cited study, “two US political scientists, Herbert Kitschelt and Anthony McGann, have therefore concluded that the European right-wing radical parties enjoying the broadest approval are those which couple radical market-economy ideology to authoritarian, ethnocentric- even racist- messages” (Baier 78). Populists leaders begin with an outsider stance against the dominant political discourse. In order to distinguish themselves from the traditional politician, they break taboos and say things that normally could not be politely said, while, on the other hand, the populists of Europe exhibit a salient conformist and conservative message. Populists in the 21st century have evolved to become more liberal on social policy, less anti-democratic overall, and racist towards a new group- Muslims.

The founders of Europe saw integration as the cure to nationalism and to the war-torn world after World War II. German Chancellor Konrad Adenaur saw supranational integration as “the modern antidote to nationalism” (Haas 32). Jean Monnet, a man who shaped the EU we know today, opined that integration would create “a silent revolution in men’s minds” to finally “go beyond the concept of nation” (Haas 39). And yet, in 2016, we are facing a European Union that is starkly divided along national lines. The greatest irony is perhaps that populists like Le Penn and Trump are “nearly always part of a global phenomenon” with 2016 having generated a populist backlash against globalization” and this crisis itself being “global in scope” (Ferguson 14). As alarming as the rise of populism in European Union member states is, we must keep in mind that the rise in populism across the Western world is not a new phenomenon. If we look back to the 1880s in Europe, we see that
populists were not more likely to go to war, and, in fact, “did achieve significant reductions in globalization: not only immigration restrictions, but also higher tariffs” (Ferguson 9). The populists of the late 19th century were against free trade, against immigration, and their fury was directed at financial elites, much like the populists we see today. The populist high tide for Europe was in the 1880s, and the aftermath of the movement was a rise in socialism in Europe, so perhaps we should not despair. Instead, we should ride out this populist tide and wait for more socialist or democracy-friendly waters.

We must not overstate our case by calling the sprouting populists across Europe and the West fascists. Late 19th century populism is much closer to what we see today. Fascism is about uniforms, parades and war. Populism isn’t about those things. Populists are not militaristic. The populist tradition is isolationist and focuses on domestic issues through imposing tariffs and bashing big banks who seem to be the beneficiaries of globalization. Historically, “experiments in radical democratic populism have enacted the people and democracy in ways that open both to contest and redefinition and have created spaces for new visions and practices of democracy to emerge” (Coles et. al. 177). It’s imperative that the elite and the working class listen to each other and their ideals and do not dismiss the other side as racist or privileged. Unfortunately, 2016 is the year that shocked many establishment politicians and hardworking men and women around the world into the realization that our political systems are fallible or broken. While we wait for this populist tide to wane, it’s important that those who believe in the future of the European Union begin to mend the relationship between the elite and the common working class European citizen. We must begin to build trust between our established political systems and the people for which they work. In the coming years there are many obstacles that Europeans must choose to face either
divided as individual nations or together as a union. Hopefully, they choose the latter.

Works Cited


