

Turning against the Union? The Impact of the Crisis on the Eurosceptic Vote in the 2014 European Parliament Elections

Abstract:

The 2014 European Parliament elections were held against the backdrop of the worst economic crisis in post-war Europe. The elections saw an unprecedented surge in support for Eurosceptic parties. This raises the question of whether the crisis, and the EU's response to it, can explain the rise of Eurosceptic parties. Our analysis of the 2014 European Election Study demonstrates that the degree to which individuals were adversely affected by the crisis and their discontent with the EU's handling of the crisis are major factors in explaining defection from mainstream pro-European to Eurosceptic parties in these elections. This suggests that far from being second-order national elections concerned only with domestic politics, European issues had a significant impact on vote choices.

Key words: Elections, European Parliament; Crisis, Economic voting, Euroscepticism

Introduction

The global financial crisis that erupted in September 2008 vividly demonstrated the interconnectedness of financial markets and national governments' limited room to manoeuvre. As the financial turmoil travelled from the United States of America to Europe, it evolved into a sovereign debts crisis. By 2012, eight out of 28 European Union (EU) member states had received some form of financial bailout (Cyprus, Greece, Hungary, Ireland, Latvia, Portugal, Romania and Spain). In return for these credit arrangements by the EU, jointly with International Monetary Fund (IMF), the debtor countries had to engage in significant fiscal retrenchment and structural reforms. The economic and social consequences of the crisis within the EU have been far-reaching.

At the time of the 2014 European Parliament (EP) elections, unemployment rates had reached a post-war high and citizens were increasingly blaming the EU for their woes (Hobolt and Tilley 2014; Cramme and Hobolt 2014). The situation was worst in Spain and Greece, where more than 25 per cent of the workforce were excluded from the labour market (Eurostat 2014). In 15 EU member states the unemployment rate was higher than 10 per cent, with youth unemployment a particularly serious problem in Southern Europe. The consequences were not only economic and social. The political backlash against austerity in many crisis-struck countries was pronounced. In Ireland for example, support for the centre-right party, Fianna Fáil, that had dominated the political scene for decades plummeted dramatically after problems in the country's banking sector became apparent. In Greece and Spain, we have witnessed the rise of challenger parties, Syriza and Podemos, who campaign against the austerity associated with the bailout programmes.

In this article we delve deeper into the political consequences of the crisis by examining electoral behaviour in the 2014 EP elections. The most notable aspect of these elections was the surge in support for parties that either campaigned for their countries to exit

the EU or called for radical reform of the EU across Europe. This raises the question of whether the crisis, and the EU's response to it, contributed to the success of these Eurosceptic parties. Scholars have traditionally conceived of EP elections as second-order national elections where vote choices are primarily based on domestic political considerations (Reif and Schmitt 1980; van der Eijk and Franklin 1996). However, recent evidence suggests that concerns about European integration and the euro do affect vote choices (Clark and Rohrschneider 2009; Hobolt et al. 2009; De Vries et al. 2011; Hobolt and Spoon 2012; Tillman 2012). The growing involvement of EU institutions in national economic policy during the crisis has further eroded citizens' perceptions that their own government is responsible for economic outcomes, and blame has partly been shifted to the EU (Hobolt and Tilley 2014). Consequently, we argue that the direct effects of the crisis as well as perceptions of EU's involvement in the crisis have shaped vote choices in the 2014 EP elections.

Specifically, we examine two questions: First, to what extent did the impact of the crisis on people's personal circumstances influence vote choices? Were those individuals negatively affected by the crisis more likely to vote for Eurosceptic parties? Second, how did evaluations of the EU's performance during the crisis and the experience of EU-led bailout programmes influence the type of Euroscepticism expressed in these elections (hard versus soft and left-wing versus right-wing Eurosceptic support)? We examine these questions by employing cross-national survey data from the 2014 European Election Study (EES). In line with our argument, the findings suggest that the degree to which individuals were adversely affected by the crisis, and their discontent with the EU's role in the crisis, are important factors in explaining defection from mainstream pro-European parties in the 2014 EP elections, but that the choice of Eurosceptic party was shaped by citizens' attitudes towards EU financial transfers and immigration as well as the national economic context.

The Crisis and the Eurosceptic Vote

The 2014 EP elections were held in the midst of the worst economic crisis in post-war Europe. The effects of the crisis on public perceptions about the EU were stark. According to a Eurobarometer survey in September 2010, for the first time ever, more citizens tended to mistrust the EU institutions than those who tended to trust them. This gap had widened to 56 per cent (mistrust) versus 31 per cent (trust) by the time of the EP elections. Similarly, the overall “image” of the EU suffered considerably in the wake of the crisis. Whereas in the past a large majority of Europeans had a “positive” image of the EU, in the spring of 2014 only 34 per cent still held this view, as opposed to 25 per cent who had a negative image (Eurobarometer 2014). How were citizens able to express this discontent in political terms?

The most manifest expression of discontent in the EP elections was the surge in support for parties that either rejected the EU or sought wholesale reform of the Union. Eurosceptic parties won EP seats in 23 out of 28 member states, and in a number of countries – such as Britain, France and Denmark – a Eurosceptic party even topped the polls. We argue that vote choices were shaped by voters’ experiences with the crisis and their evaluations of the EU’s handling of the crisis. This argument goes against much of the existing literature on EP elections, based on the so-called “second-order national election” model pioneered by Reif and Schmitt (1980). Most scholarship on EP election thus far has conceived of EP elections largely as midterm elections in which vote choices are primarily guided by citizens’ national political concerns (see Reif and Schmitt 1980: 9; see also Van der Eijk and Franklin 1996; Marsh 1998; Hix and Marsh 2007; Marsh and Mikhaylov 2010). Given that less is at stake in second-order elections, it is argued that voters use them as an opportunity for signalling discontent with national governments. Yet, recent scholarship has shown that EU-specific motivations matter to vote choices in EP elections (Hobolt et al. 2009; De Vries et al. 2011; Hobolt and Wittrock 2011; Hobolt and Spoon 2012). For example, Hobolt et al. (2009)

have demonstrated that voters are more likely to defect from a governing party if they have more Eurosceptic preferences than the party (see also Clark and Rohrschneider 2009). Similarly, De Vries et al. (2011) have shown that attitudes towards Europe are an important factor deciding individual-level vote choice in the 2009 EP elections (see also Hobolt and Spoon 2012). In a systematic comparison of the “second-order” and the “Europe matters” theses, Hix and Marsh (2007), using aggregate-level data from six EP elections, show that large parties tend to lose votes in EP elections regardless of their position on European integration. However, they also find some electoral gains for anti-EU parties and parties that emphasise the European issue.

While this recent evidence suggests that people’s generic EU evaluations have an effect on vote choices in EP elections, it provides limited insight into which specific aspects of European integration affect people’s decisions at the ballot box. In this article, we aim to shed light on this by examining how people’s specific experiences with the economic crisis, and their evaluations of the EU’s involvement in the crisis, shape their electoral behaviour. Moreover, we examine how people’s attitudes towards fiscal transfers and immigration in Europe affect their party support. Given that the 2014 EP elections were held against the backdrop of the worst economic crisis in post-war Europe, and the EU itself became an object of blame in popular discourse, we expect citizens to express their discontent by casting a ballot for a Eurosceptic party.

To understand the ways in which the Eurozone crisis may have shaped vote choices in the 2014 EP election, we build on the vast literature on economic voting. Specifically, we focus on two drivers of Eurosceptic voting: first, the impact of changes to personal economic circumstances due to the crisis on vote choices, and second the impact of evaluations of the EU’s role in the crisis. When it comes to the effect of changes to personal finances, there is considerable disagreement in the literature about the extent to which citizens actually respond

to changes in their own economic circumstances at the ballot box. Traditionally, scholars have argued that citizens are not really able to relate changes in their own welfare to macroeconomic outcomes or incumbent performance. Personal experiences, or so-called pocketbook considerations, matter very little for voting decisions or turnout whereas sociotropic economic evaluations do (Kinder and Kiewiet 1979; Lewis-Beck and Stegmaier 2000, 2007). Yet, recently there has been somewhat of a revival of pocketbook approaches to electoral behaviour. A series of studies suggest that personal economic circumstances have a significant effect on electoral behaviour. Voters respond to specific policies with direct consequences for their own welfare, such as disaster relief or cuts in social expenditure, by adjusting their political preferences and vote choices (Bechtel and Hainmueller 2011; Healy and Malhotra 2010, 2013; Margalit 2012; Zucco Jr 2013). Likewise, economic self-interest is found to be a key determinant of welfare preferences, with income, employment risk and social protection being strong predictors of attitudes towards redistribution (Rehm 2011; Hacker et al. 2013).

Building on this recent work, we expect that the degree to which citizens are adversely affected by the crisis should affect their behaviour in the subsequent EP elections. The crisis could have influenced citizens in many different ways, but most significant was a loss of employment in the household and/or a significant reduction in household income. In national first-order elections, the expectation is that voters who are financially worse off will punish the incumbent. As Fiorina (1981:5) noted in his seminal book on US elections: “In order to ascertain whether the incumbents have performed poorly or well, citizens need only calculate the changes in their own welfare.” However, in EP elections voters are not voting to sanction and select the incumbent, since the link between these elections and the EU executive is tenuous at best. In the EU there is no easily identifiable partisan “government” or “incumbent” that would allow dissatisfied voters to simply “throw the rascals out” (Hobolt

and Tilley 2014). Hence, if voters want to punish someone for the effects of crisis, they can either punish their national government (the parties that make up the government), or the EU as a whole. Given the central role played by the EU during the crisis, both in terms of its origins and possible solutions, our expectation is that many adversely affected voters will turn to parties that are critical of the EU. This leads to our first hypothesis.

H1: Citizens who were adversely affected by the crisis are more likely to vote for Eurosceptic parties than those who were not adversely affected.

Hypothesis 1 focuses on pocketbook motivations for electoral behaviour in the wake of the crisis. Yet, in line with the literature on sociotropic economic voting, we also expect that citizens' evaluation of the changes in the national economy during the crisis will shape their electoral behaviour. Indeed the consensus in the economic voting literature has long been that while pocketbook considerations may matter, it is primarily assessments of the nation's economic condition that shape vote choices (see Kinder and Kiewit 1979; Fiorina 1981, Lewis-Beck and Stegmaier 2007).

In a multi-level system such as the EU, however, it is not merely a question of whether voters perceive the economy to have deteriorated (or improved), but also to whom they assign blame (or credit) for these changes. During the crisis, voters became increasingly aware that both national governments and EU institutions (as well as other governmental and non-governmental actors) were involved in the policy responses to the crisis (Costa Lobo and Lewis-Beck 2012; Hobolt and Tilley 2014). Inside the Eurozone, countries had already lost the means to control their monetary policy-making, and many critics of the single currency have pointed at the problems of a one-size-fits-all monetary policy without fiscal federalism and political union (De Grauwe 2011; Cramme and Hobolt 2014; Laffan 2014). Moreover,

the EU responded to the crisis with a raft of Euro-rescue measures. These were targeted mainly at helping countries in a severe sovereign debt crisis, but also involved more formal institutional reforms of the governance of the European Monetary Union (EMU) aimed at more tightly constraining national fiscal policy-making. These policies were highly contested in the public spheres across Europe on a number of dimensions, including the threat to national sovereignty with the transfer of competences in fiscal policy-making to the EU level, the effects of austerity programmes especially in debtor countries, and the opposition of the redistribution of large sums of money across Europe (Cramme and Hobolt 2014; Laffan 2014). As the public became more aware of the EU's role in the crisis, it is also reasonable to expect that people's evaluations of the Union's performance played a role in shaping vote choices. We thus expect citizens who perceive the economy to have deteriorated and disapprove of the EU's performance during the crisis to be more likely to vote for a Eurosceptic party, regardless of whether they themselves suffered a loss of income or employment during the crisis. Hypotheses 2a and 2b summarize this intuition.

H2a: Individuals who perceive the economy to have deteriorated are more likely to vote for Eurosceptic parties.

H2b: Individuals who disapprove of the EU's performance during the crisis are more likely to vote for Eurosceptic parties.

People's perception of the crisis may not only shape whether they decide to vote for a Eurosceptic party, but also what type of Eurosceptic party they choose. Not all Eurosceptic parties oppose the integration process to the same extent. "Euroscepticism" can overall be broadly defined as a sentiment of disapproval towards European integration, and this

classification includes both ‘soft’ and ‘hard’ Eurosceptic parties (Taggart and Szczarbiak 2004). Soft Eurosceptic parties refer to those that accept the idea of European integration, but oppose specific policies or institutional aspects of the EU, such as Syriza in Greece, Podemos in Spain or the Conservative Party in Britain. Hard Eurosceptic parties include parties that reject the European integration project as such, and tend to advocate a country’s withdrawal from the EU, such as the Freedom Party in Austria, the Party for Freedom in the Netherlands and the UK Independence Party in Great Britain (see Table A.1 in the Appendix; see also Treib 2014). Our expectation is that pocketbook and sociotropic economic considerations will affect voting for both types of Eurosceptic parties, yet that such considerations will have a *greater* impact when it comes to voting for hard Eurosceptic parties, that express their opposition to the EU unambiguously, than when it comes to voting for soft Eurosceptic parties.

These Eurosceptic parties differ not only in the extent to which they object to the European project, but also in the reasons why. While conflict over European integration was initially seen as largely independent of the dominant dimension of political conflict (Gabel and Anderson 2002; Hix and Lord 1997), authors are increasingly arguing that issues regarding European integration are linked to the left–right dimension (Hooghe et al. 2002; Marks and Wilson 2000). Research demonstrates that party-level Euroscepticism can be found on the right and left extremes of the political spectrum (Hooghe et al. 2002; De Vries and Edwards 2009). Within this literature, the relationship between left-right placement and support for European integration is described as the ‘inverted U-curve’ (Hooghe et al. 2002: 968). The inverted U-curve indicates that parties in the centre of the ideological mainstream, i.e. Conservative, Social and Christian Democratic, are generally supportive of the integration process, as they have frequently been part of governing coalitions and were therefore largely responsible for the course of integration. Parties the fringes of the left-right spectrum,

however, most strongly oppose European integration. Parties on the right end of the political spectrum tend to oppose European integration with the defence of national sovereignty and opposition to immigration, while parties on the left end of the political spectrum reject the European project on the basis of its neoliberal character and austerity politics, which undermines the national welfare state (Hooghe et al. 2002; De Vries and Edwards 2009).

Against this backdrop we expect that the reasons for supporting a left- versus a right-wing Eurosceptic party as a means of expressing discontent with the EU's handling of the crisis will differ. Specifically, we expect that citizens' who oppose fiscal transfers to other member states experiencing financial difficulty and open borders that allow intra-EU migration are more likely to vote for right-wing parties. In recent years Eurosceptic right-wing parties, like the Danish People's Party, the Dutch Party for Freedom and the French Front National, combine an anti-immigration rhetoric with a defence of national sovereignty and a nationalist discourse of welfare state protectionism. These parties suggest that being a member of the EU infringes on national sovereignty and waters down national identity. They are also highly critical of increased levels of intra-EU migration in recent years, arguing that this has led to a large influx of cheap foreign labour during the crisis which at the same time threatens the sustainability of existing levels of welfare state provision and undercuts the existing restrictions on immigration (see, for example, PVV 2012). Right-wing Eurosceptic parties provide a voice for those voters who object to intra-EU migration and fiscal transfers based on concerns about a weakening of national identity and national sovereignty. In contrast, voters who are dissatisfied with the current policy status quo in the Union for reasons other than opposition to immigration and intra-EU transfers are more likely to support a left-wing Eurosceptic party. Most left-wing Eurosceptic parties are critical of the European project due the EU's focus on austerity and lack of economic solidarity, both of which are seen to undermine the national welfare state (see for example Podemos 2015).

Hence, voters who are critical of the EU's handling of the crisis, but favour EU fiscal transfers, are more likely to support a left-leaning Eurosceptic party. We then thus formulate the following third hypothesis:

H3: Voters who are opposed to financial redistribution between EU member states and immigration are more likely to vote for Eurosceptic parties on the right, whereas those who favour EU redistribution and immigration are more likely to vote for Eurosceptic parties on the left.

In addition to individual-level attitudes, we also expect the national economic context to influence support for left- and right-wing Eurosceptic parties. Specifically, citizens in countries that were hardest hit by the crisis - most notably in those member states in receipt of financial bailout funds during the crisis - should be more likely to vote for a left-wing Eurosceptic party in the 2014 EP elections, as also argued by Treib (2014). This is mainly due to the fact that opposition to the EU in these contexts stems primarily from the austerity measures implemented as a conditionality associated with the bailout programmes provided by the EU and the IMF. Left-wing Eurosceptic parties like Sinn Féin (Ireland), Syriza (Greece) and Podemos (Spain) are vocal opponents of these austerity policies that the Council and Commission support and aim to uphold, and demand more solidarity between richer and poorer member states. Our final expectation about the way in which bailout experiences affect which type of voice is expressed in the 2014 EP elections can be summarized as follows:

H4: Voters in countries that were in receive of financial bailout from the EU with associated austerity programmes are more likely to vote for Eurosceptic left-wing parties than voters in countries without such bailout programmes.

Data and Operationalization

These propositions are tested by analysing the European Election Study (EES) 2014; a post-election survey with representative samples in each of the 28 member states (Schmitt et al. 2015).¹ This EU-wide survey allows us to examine how the crisis influenced citizens to vote for a Eurosceptic party in the 2014 EP elections. *Eurosceptic voting* is captured the vote choice question “Which party did you vote for in these recent European Parliament elections?”.² Parties have been classified as Eurosceptic if a significant proportion of their rhetoric and manifesto in the 2014 EP election campaign rhetoric and manifesto were devoted to a critique of the EU (see Table A1 in the Appendix for a list of parties).³ According to the EES survey, around 19 per cent of voters voted for a Eurosceptic party in the 2014 EP elections, with the highest proportion in Hungary, Greece and the UK and the lowest in Malta, where there was no significant Eurosceptic party on the ballot (see Table A.2 in the Appendix for descriptive statistics of Eurosceptic vote choices by country).

To test our propositions, we divide Eurosceptic parties into two sets of categories. First, we distinguish between hard and soft Eurosceptic parties (Taggart and Szcznerbiak

¹ Approximately 1,100 respondents were interviewed in each EU member country, totalling 30,064. respondents. The EES 2014 was carried out by TNS Opinion between 30 May and 27 June 2014. All the interviews were carried out face to face. More information can be found here: <http://eeshomepage.net/voter-study-2014/>, where the EES questionnaire can also be found.

² We have also examined the impact of the crisis on abstention and found that being adversely affected by the crisis significantly increases the likelihood of abstaining.

³ These classifications of parties into soft and hard and left and right Eurosceptic parties have been cross-validated with expert judgements in the Chapel Hill Expert Survey (CHES), as well as other academic work on Eurosceptic parties, notably Treib (2014). See Table A1 for classifications as well as CHES expert scores on the left-right and EU dimensions.

2004), where soft Eurosceptic parties refer to those that accept the idea of European integration, but oppose specific policies or institutional aspects of the EU, whereas hard Eurosceptic parties include parties that reject the European integration project as such, and tend to advocate their country's withdrawal from the EU. Hard Eurosceptic parties in the EP often belong to the "Europe of Freedom and Direct Democracy" and the "Europe of Nations and Freedom" political groups, or among the non-affiliated MEPs, whereas soft Eurosceptic parties are more likely to belong to political groups, such as "European Conservatives and Reformists" and the "European United Left–Nordic Green Left".

Second, we distinguish between Eurosceptic parties on the basis of their ideological leanings. Eurosceptic parties are usually found on the fringes of the left-right political spectrum, although a few adopt more centrist positions (such as the British Conservative Party and the Polish Law and Order party) and others reject any left-right classification (such as the Italian Five Star Movement). While these parties share a critical, or even hostile, attitude to the EU and a nationalist often populist rhetoric (Halikiopoulou et al. 2012), they vary considerably in the nature of their position on the left-right spectrum and therefore also in their views on other issues, such as redistribution, immigration and civil liberties. As discussed above, the left-right positions also translate into differences in the critique of the EU. The right-wing criticism is traditionally centred on nationalism and thus an opposition to the external threats to national sovereignty and to immigration. In contrast critique from left-wing parties of the EU is rooted in an anti-capitalist ideology and call for greater state intervention and redistribution both nationally and internationally (Hooghe et al. 2002, De Vries and Edwards 2009). The classification of parties is shown in Table A.1 in the Appendix.

[Figure 1 about here]

Figure 1 shows the percentage of Eurosceptic Members of the EP (MEPs) after the 2014 elections, across countries. As shown, the majority of Eurosceptic parties are found both on the left and on the right. The popularity of radical right-wing Eurosceptic parties is particularly pronounced in Northern Europe creditor states: Denmark, the Netherlands, Finland and the UK. The Eurosceptic right also did very well in Italy and France, as well as in Central and Eastern Europe, Bulgaria, Hungary, Latvia, Lithuania, Poland and Slovakia. Yet, we also saw the success of the radical left Eurosceptic parties in a handful of countries. The figure shows that the Eurosceptic left did well in the Southern European countries that experienced the most severe anti-austerity programmes and conditionality associated with their bailout packages, namely in Greece, Cyprus, Spain, Ireland and Portugal, where the parties polled an average of 24 per cent, although left-wing parties were less successful in Eastern European countries in receipt of bailout (Hungary, Latvia and Romania). These aggregate-level results lend preliminary support to our fourth hypothesis, namely that countries where austerity programmes were imposed as a condition for bailout financing voters were more likely to vote for left-wing Eurosceptic parties.

Our other key explanatory variables are measured at the individual-level and captured by the EES survey. First, to test the effect of being adversely affected by the crisis (H1), we create a variable based on responses to two question items about whether an individual had experienced loss of income or a loss of job in the household over the last 24 months. This additive variable ranges from 0 for those who experienced no loss of income or employment in their household to 2 for those who experienced both. Second, to measure sociotropic economic voting (H2a), we use the standard question on retrospective economic evaluations: “What do you think about the economy? Compared to 12 months ago, do you think that the general economic situation in [COUNTRY] ...?”. Third, to measure individuals’ disapproval with the EU’s handling of the crisis (H2b) we measure

responses to the question to you disapprove or approve of “the actions of the EU during the last 12 months”. Fourth, to measure people’s attitudes towards redistribution across EU member states and immigration (H3) we include responses (agreement or disagreement) to the statements “In times of crisis, it is desirable for the UK to give financial help to another European Union Member State facing severe economic and financial difficulties” as well as views on “a restrictive policy on immigration”. Finally, we include a dummy variable that captures countries that have been in receipt of some form of financial bailout from the EU during the crisis (Cyprus, Greece, Hungary, Ireland, Latvia, Portugal, Romania and Spain).

These variables are all concerned with the *demand* for Eurosceptic parties. However, in our analysis we face the issue that either soft or hard Eurosceptic or left- or right-wing Eurosceptic parties are absent in some countries (or in the case of Malta and Croatia where there were no significant Eurosceptic parties standing). This may, at least in part, be due to a lack of demand for such parties, but other factors may also be the lack of supply. Since there is no within-country variation in vote choice in countries without party supply, we have chosen to exclude countries where such parties are not present in our analysis of party choice.⁴ To ensure that we are capturing the effect of the crisis, and perceptions of EU’s response to the crisis, we control for other variables that are also known to be related to both turnout and vote for Eurosceptic parties. We include a set of demographic variables (gender, age, education,⁵ political interest,⁶ occupation⁷ and unemployment). Moreover, we

⁴ This also means that we have run separate models for turnout and vote choices, since some countries are excluded from the latter set of analyses. However, as a robustness check we also run the same models with all countries and the main results remain the same.

⁵ Age of ending full-time education.

⁶ To what extent the respondent is “very interested in politics” (1-4).

⁷ Dummies for respondents in a working class occupation (unskilled or skilled manual labour) and in a professional/ managerial position.

control for attitudes towards the government,⁸ which is a key explanation for why people vote for smaller and fringe parties in EP elections according to the second-order national elections model of EP elections.

Moreover, we also check the robustness of our main results by using a matching technique in order to isolate the effect of being adversely affected by the crisis by matching respondents on a whole set of demographic variables. We employ the nearest-neighbour matching (NN matching) as an optimization method for finding the closest (or most similar) individuals. Closeness is expressed in terms of a dissimilarity function: the less similar the individuals, the larger the function values (Rubin 1973). It selects for each treated individual the control individual with the smallest distance from the treated individual. NN matching allows us to estimate the effect of being adversely affected by the crisis by accounting for the covariates that predict the likelihood of being affected in the first place (like employment status, level of education, age, etc.). These results are reported in the Table A.4 in the Appendix. The ensuing section discusses the results.

Results

We estimate a series of multilevel logistic regression models to identify the crisis effects on the propensity to vote for a Eurosceptic party in the in the 2014 EP elections. We use multilevel analysis since neglecting the hierarchical structure of the EES data could lead to an underestimation of standard errors and spurious inferences (Steenbergen and Jones 2002). A multilevel approach corrects for dependence of observations within countries (intra-class correlation) and makes adjustments to both within and between parameter estimates for the clustered nature of the data (Snijders and Bosker 1999). Moreover, a random-effects approach allows us to explicitly model differences in voting behaviour

⁸ Disapproval of “The government’s record to date”.

according to the specific economic context that would not be possible with a fixed effects model. Our unit of analysis at the higher level is party systems rather than countries.⁹

Table 1 shows the models of the predictors of hard and soft Eurosceptic party choice. In the first and third model, we examine the effect of being adversely affected by the crisis on voting for a hard and a soft Eurosceptic party respectively, including all the relevant demographic controls. We find a positive and significant effect of being affected by the crisis for both types of vote choices, as hypothesized (H1). Given that the model includes controls for unemployment and the socio-economic status of the respondents, being “adversely affected” captures primarily the effect of the crisis itself on individual circumstances. This is further corroborated by that fact that the results hold when we isolate the effect of being adversely affected by the crisis by matching respondents on a whole set of demographic and attitudinal variables (see Table A.4 in the Appendix). These “pocketbook” effects are not enormous, but they are also not negligible: someone who experienced the loss of employment and a reduction in income are about 4 percentage points more likely to vote for a hard Eurosceptic party and 2 percentage points more likely to vote for a soft Eurosceptic party compared with someone who did not experience such a change in circumstances, all other things being equal. Demographic factors also influence the likelihood of voting for a Eurosceptic party: younger voters, those with lower levels of education are more likely to vote for these parties, and men and working class voters are particularly attracted to hard Eurosceptic parties.

In model 2 and 4, we test the effect of citizens’ views on the EU’s response to the crisis. The results corroborate our second hypotheses, as we find that citizens who thought the economy had deteriorated and disapproved of the EU’s performance were significantly

⁹ Both Belgium and in the UK effectively operate with two separate party systems: the Walloon and the Flemish in the Belgian case, and the British and Northern Irish in the UK case. Furthermore in the case of the UK, Northern Ireland and Great Britain had very different electoral systems in place to select the EP candidates.

more likely to vote for a Eurosceptic party, although perceptions of the economy only has a significant effect of voting for a hard Eurosceptic party. The magnitude of this sociotropic effect is large: those who thought the economy had deteriorated in the last 12 months were 7 percentage points more likely to vote for a hard Eurosceptic party than those who thought it had improved, and those who disapproved of the EU's action during the crisis were 9 (5) percentage points more likely to vote for a hard (soft) Eurosceptic party compared to those who approved, all other things being equal. Overall, and in line with our expectations, we find that being adversely affected by the crisis and being dissatisfied with the EU's handling of the crisis makes it more likely for voters to cast a ballot for a Eurosceptic party, even controlling for satisfaction with the national government. This effect can be found for both soft and hard Eurosceptic voters, although the effects are greater for hard Eurosceptic support.

[Table 1 about here]

In Table 2, we examine the differences between voting for right-wing and left-wing Eurosceptic parties. Models 1 and 2 examine vote for right-wing Eurosceptic parties, whereas Models 3 and 4 look at the left-wing Eurosceptic vote. In line with hypothesis 1, we observe that being adversely affected by the crisis increases the likelihood of voting of a Eurosceptic party, on both the right and the left, even when controlling for occupation, employment, political interest and education. The effect size is of similar magnitude as discussed above: about a 2-3 percentage point increase in the likelihood of Eurosceptic voting for both the left and the right for citizens who experienced a loss of employment and income in the household. Again, we tested the robustness of these findings by isolating the effect of being adversely affected by the crisis using NN matching (these results are

presented in Table A.4 of the Appendix). Note that while the result for voting for left-wing Eurosceptic parties remains the same, being adversely affected by the crisis does not significantly increase the likelihood of voting for right-wing Eurosceptic parties after matching. This may not be entirely surprising given that below we demonstrate that the effect of being adversely affected by the crisis on right-wing Eurosceptic party support is substantially weakened when attitudinal controls are included in the model. Let us discuss these results in further detail.

In Table 2 Models 2 and 4, we examine the effect of attitudinal variables on electoral support for left-wing and right-wing Eurosceptic parties. We find that a significant effect of sociotropic economic evaluations (H2a) on Eurosceptic left-wing support: a 5 percentage point increase in the likelihood of voting for such a party if a voter perceives the national economy to have deteriorated compared to voters who think it improved. Notably, the pocketbook effects of being adversely affected remains significant for the left-wing Eurosceptic vote even when controlling for sociotropic evaluations. However, these economic voting effects are not significant in the full model when it comes to right-wing Eurosceptic support (see model 2).

In support of hypothesis 2b, we do find that those who disapproved of the EU's performance during the crisis were more likely to vote for Eurosceptic parties, both on the left and on the right. This holds when controlling for government approval, thus suggesting that these elections were not simply "second-order national elections", but that the surge in support for Eurosceptic parties also related to the people's perceptions of the EU's involvement in the crisis.

Overall, these findings suggest that while the economic effects of the crisis (pocketbook and sociotropic) were very important in mobilizing support for left-wing Eurosceptic parties, such factors were slightly less important for right-wing support. Instead,

discontent with the EU's handling of the crisis was a major factor shaping support. Our third and fourth hypotheses look more closely at why some voters support choose a right-wing Eurosceptic parties and others a left-wing Eurosceptic party (in countries where such parties are present). Since the right-wing and left-wing criticism of the EU differs significantly, we also expect that supporters differ in their attitudes. Voters who oppose greater EU redistribution and open borders are more likely to be attracted to right-wing parties, whose critique of the EU is centred on the protection of national sovereignty and opposition to immigration. In contrast the left-wing critique is focused on anti-austerity and calls for greater state intervention and redistribution both nationally and internationally. In line with our expectation, we find that negative attitudes towards EU redistribution and immigration make voters significantly more likely to vote for a right-wing Eurosceptic parties. These effects are very substantial: all other things being equal, someone opposed to financial transfers to other EU member states is 8 percentage points more likely to vote for a right-wing Eurosceptic parties, while opposition to liberal immigration policies increases the probability by 10 percentage points. In comparison, Eurosceptic left-wing voters are not significantly more opposed to EU redistribution than voters for pro-European parties, and they are slightly more in favour of liberal immigration policies.

Finally, turning to the effect of the economic context, we also find that the type of Eurosceptic support expressed in these elections was crucially shaped by the effect of national economic conditions. In countries that have been in receipt of some form of bailout and associated austerity programmes, we find much higher support for left-wing Eurosceptic parties (H4). As shown in Figure 1, the left-wing Eurosceptic parties performed much better in Eurozone countries in receipt of bailout, such as Greece, Portugal, Ireland and Spain. This suggests that voters in the so-called debtor states were attracted to parties that were critical of the EU's austerity policies and called for greater trans-European solidarity.

[Table 2 about here]

Conclusion

This article has examined the political consequences of the Eurozone crisis for electoral behaviour in the 2014 EP elections. The literature on EP elections generally describes them as second-order national contests. Yet, this study focuses on a truly pan-European component of these elections, namely the effect the EU-wide economic downturn on electoral support for parties that were critical of, or even hostile to, the European project. The elections were characterized by a surge in electoral support for Eurosceptic parties on both the left and right of the political spectrum. This article has examined whether the economic crisis and the EU's role during the crisis are important drivers of support for such parties.

Our results demonstrate that the crisis did indeed shape electoral behaviour: citizens who were personally negatively affected by the crisis and who disapproved of EU actions during the crisis were more likely to cast a ballot for a Eurosceptic party. Generally, our findings suggest that the economic effects of the crisis had a greater effect on support for left- than for right-wing Eurosceptic parties, whereas discontent with the EU was a more important factor shaping support for the right. We also show that individual-level attitudes, such as support for fiscal transfers and immigration, as well as the national economic context, crucially affect the kind of Eurosceptic party people support. Voters who are opposed to financial transfers to other EU member states and liberal immigration policies are more likely to support the Eurosceptic right, while Eurosceptic left-wing voters are not significantly more in favour of EU redistribution than voters for pro-European parties, but slightly more supportive of liberal immigration policies. Finally, we also find much higher support for left-wing Eurosceptic parties in countries that have been in receipt of some form of bailout and associated bailout programmes.

Our results are important as they suggest that voters who are critical of the EU's performance and support Eurosceptic parties do so for very different reasons. While Eurosceptic left-wing support appears to be a response to the economic hardship and austerity policies generated by crisis, voters of the Eurosceptic right appear to be mobilized less by economic concerns and more by their opposition to the EU's fiscal transfers and open borders. These signals of discontent require very different solutions, and it may be almost impossible for EU actors to cater to both these constituencies simultaneously. While creating a fiscal Union with transfers from richer to poorer member states requires further integration in Europe and a harmonization of a large set of policies, restricting intra-EU migration and EU-wide redistribution would ultimately bring about a repatriation of powers. Bridging this apparent divide between left-wing and right-wing Eurosceptics provides a real challenge to ways in which European integration should be structured in the future.

Our results also provide valuable insights for the debate amongst scholars of electoral behaviour about the extent to which personal economic considerations shape the vote. Traditionally, scholars have argued that citizens are not really able to relate changes in their own welfare to macroeconomic outcomes or incumbent performance, but recent studies suggest that personal economic circumstances have a significant effect on electoral behaviour. Voters respond to specific policies with direct consequences for their own welfare. Our findings provide further support for the idea that personal economic circumstances do affect vote choices.

Finally, our results speak to the ongoing discussion about the nature of EP elections. While the traditional second-order model as developed by Reif and Schmitt (1980) suggests that EP elections mimic mid-term elections in which voters express their grievances with national governments, more recent contributions suggested that domain-specific knowledge and EU-related concerns are increasingly important for understanding electoral behaviour in

EP elections (De Vries et al. 2011; Hobolt and Spoon 2012). Our findings show that even when we control for government approval, those who disapproved of the EU's performance during the crisis were more likely to vote for Eurosceptic parties. The fact that evaluations of the EU's actions in response to the crisis affect electoral behaviour in the 2014 EP elections suggests that voting decisions did not merely reflect national considerations as the second-order model would suggest. Rather, the surge in support for Eurosceptic parties in 2014 is rooted in people's perceptions of the EU's involvement in the crisis and the degree to which they were adversely affected.

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Tables & Figures

Figure 1 Eurosceptic MEPs in 2014 European Parliament

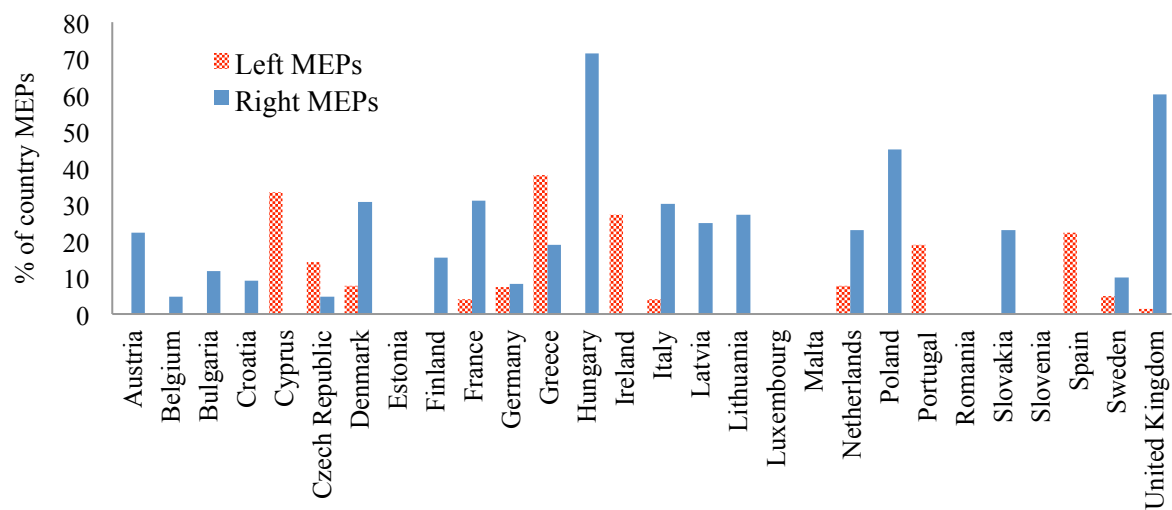


Table 1: Explaining the Eurosceptic vote (Hard and Soft Euroscepticism)

	Hard Eurosceptic						Soft Eurosceptic					
	Model 1: Pocketbook effect of the crisis			Model 2: EU's response to the crisis			Model 3: Pocketbook effect of the crisis			Model 4: EU's response to the crisis		
	<i>Coef</i>	<i>SE</i>	<i>Sig</i>	<i>Coef</i>	<i>SE</i>	<i>Sig</i>	<i>Coef</i>	<i>SE</i>	<i>Sig</i>	<i>Coef</i>	<i>SE</i>	<i>Sig</i>
Constant	-1.36	0.34	**	-3.28	0.35	**	-2.73	0.37	**	-3.38	0.40	**
Age	-0.01	0.00	**	-0.01	0.00	**	-0.01	0.00	**	-0.01	0.00	**
Working class	0.49	0.10	**	0.42	0.10	**	0.05	0.10		0.03	0.10	
Unemployed	0.06	0.12		-0.04	0.12		0.10	0.11		0.09	0.11	
Professional	-0.34	0.11	**	-0.31	0.12	**	-0.27	0.11	*	-0.26	0.11	*
Female	-0.47	0.06	**	-0.49	0.06	**	-0.04	0.06		-0.03	0.06	
Education	-0.15	0.04	**	-0.10	0.04	*	-0.03	0.04	**	-0.01	0.05	
Political interest	0.00	0.04		0.07	0.05		0.15	0.04	**	0.18	0.04	**
Adversely affected by the crisis	0.22	0.04	**	0.10	0.04	*	0.11	0.04	**	0.06	0.04	
Negative economic evaluations				0.19	0.04	**				-0.03	0.03	
Gov't performance disapproval				0.31	0.04	**				0.27	0.04	**
EU performance disapproval				0.61	0.04	**				0.29	0.04	**
<i>Context</i>												
EU bailout	-0.38	0.56		-0.34	0.61		1.18	0.54	*	1.14	0.56	**
<i>AIC</i>	8441			7870			8433			8247		
<i>N, groups</i>	12406, 23			12406, 23			13064, 25			13064, 25		

Table 2: Explaining the Eurosceptic vote (Left and Right-wing Euroscepticism)

	Eurosceptic Right-wing						Eurosceptic Left-wing					
	Model 1: Pocketbook effect of the crisis			Model 2: EU's response to the crisis			Model 3: Pocketbook effect of the crisis			Model 4: EU's response to the crisis		
	<i>Coef</i>	<i>SE</i>	<i>Sig</i>	<i>Coef</i>	<i>SE</i>	<i>Sig</i>	<i>Coef</i>	<i>SE</i>	<i>Sig</i>	<i>Coef</i>	<i>SE</i>	<i>Sig</i>
Constant	-1.33	0.32	**	-3.69	0.33	**	-3.84	0.48	**	-5.08	0.53	**
Age	-0.01	0.00	**	-0.01	0.00	**	-0.01	0.00	**	-0.01	0.00	*
Working class	0.32	0.09	**	0.24	0.09	**	0.05	0.13		0.02	0.13	
Unemployed	0.01	0.11		0.04	0.11		0.23	0.12	*	0.18	0.12	
Professional	-0.19	0.10		-0.10	0.10		-0.28	0.15		-0.27	0.15	
Female	-0.39	0.05	**	-0.38	0.06	**	-0.06	0.07		-0.08	0.07	
Education	-0.22	0.04	**	-0.13	0.04	**	0.05	0.05		0.08	0.05	
Political interest	0.05	0.04		0.13	0.04		0.05	0.05		0.11	0.05	*
Adversely affected by the crisis	0.15	0.04	**	0.06	0.04		0.22	0.05	**	0.11	0.05	*
Negative economic evaluations				-0.02	0.03					0.18	0.04	**
Gov't performance disapproval				0.22	0.03	**				0.42	0.05	**
EU performance disapproval				0.31	0.04	**				0.32	0.05	**
Anti-EU redistribution				0.28	0.03	**				-0.02	0.04	
Anti-immigration				0.14	0.01	**				-0.07	0.01	**
<i>Context</i>												
EU bailout	-0.68	0.58		-1.39	0.86		2.04	0.74	**	1.92	0.77	**
<i>AIC</i>	9943			9297			5908			5694		
<i>N, groups</i>	14547, 25			14547, 25			12775, 21			12775, 21		

Source: EES 2014.

Note: Multilevel logistic regression model. Comparison with pro-EU vote choices (excluding non-voters). Excludes countries without a significant Eurosceptic left- or right-wing party.

