

Fleeing the Centre:

The Rise of Challenger Parties in the Aftermath of the Euro Crisis

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The Eurozone crisis has altered the party political landscape across Europe. The most visible effect is the rise of challenger parties. The crisis not only caused economic hardship, but also placed considerable fiscal constraints upon a number of national governments. Many voters have reacted to this by turning their back on the traditional parties and opting instead for new, or reinvigorated, challenger parties that reject the mainstream consensus of austerity and European integration. This article argues that both sanctioning and selection mechanisms can help to explain this flight from the centre to challenger parties. First, voters who were economically adversely affected by the crisis punish mainstream parties both in government and in opposition by voting for challenger parties. Second, the choice of specific challenger party is shaped by preferences on three issues that directly flow from the Euro crisis: EU integration, austerity and immigration. Analysing both aggregate-level and individual-level survey data from all 17 Western EU member states, this article finds strong support for both propositions and shows how the crisis has reshaped the nature of party competition in Europe.

‘There is No Alternative’ was the recurring refrain from many national governments during the Eurozone crisis, referring to the necessity of austerity and structural reforms. The consequences of the sovereign debt crisis that followed the global financial crisis of 2008 have been felt acutely in many European countries. Yet, in most of Europe, the policy response by the mainstream, on both the left and right, focused on tackling debt rather than reducing unemployment. The external constraints on national governments’ room to manoeuvre also became more obvious, especially in the countries facing a sovereign debt crisis. Governments of debtor states were asked to impose severe spending cuts and structural reforms in return for bail-outs from the European Union (EU) and the International Monetary Fund (IMF). The emergency politics of the crisis dramatically limited the political choices available to citizens (Scharpf 2011; Cramme and Hobolt 2014; Hobolt and Tilley 2014; Laffan 2014).

Voters have reacted by rejecting the traditional parties and turning instead to challenger parties. Challenger parties seek to challenge the mainstream political consensus and do not ordinarily enter government. These parties are unconstrained by the responsibilities of government and tend to compete on extreme or “niche” issue positions (Adams, Clark, Ezrow et al. 2006; van der Wardt, De Vries and Hobolt 2014). There are multiple examples of the success of challengers in the aftermath of the Euro crisis. These include the emergence of new successful challenger parties, such as the Alternative for Germany, the Five Star Movement (Italy) and Podemos (Spain), the surge in support for the established radical right parties across Northern Europe, and notably the election of a radical leftwing Syriza-led government in Greece in 2015.

Why did certain voters defect from mainstream political parties and opt for challenger parties in the aftermath of the crisis? We offer two explanations. The first is rooted in the classic theory of retrospective voting, where voters punish incumbents for poor economic

performance. The expectation is that voters will “throw out the rascals” in government when the economy performs poorly. However, given the perception that mainstream parties, whether currently in government or not, were responsible for the economic woes, we expect the sanctioning to extend beyond government parties to all mainstream parties, including those currently in opposition. We thus hypothesize that voters negatively affected by the crisis, e.g. through job loss or reduced earnings, will punish mainstream parties and turn to challenger parties instead.

This retrospective model of economic voting helps to explain the electoral punishment of governing parties during the crisis, but it cannot be the full story. Our second explanation thus focuses on the specific appeal of different challenger parties. Our argument is that defectors choose challenger parties because they offer a rejection of, and an alternative to, the mainstream response to the crisis. Whereas the mainstream left and right have converged on a policy of austerity and an adherence to the fiscal policy-making guidelines of the EU, successful challenger parties have sought to offer clear alternatives. On the left, challenger parties reject the austerity agenda and are critical of the EU’s insistence of reduced government welfare spending. On the right, the focus is on the desire to reclaim national sovereignty, specifically to control immigration and repatriate powers from the EU. In both cases, challenger parties reject the “there is no alternative” argument and instead claim that national governments can control their own destiny and offer distinct policies.

To test these propositions we examine who defected from mainstream West European parties after the onset of the crisis. First, we track the changes in the success of challenger parties since the beginning of the crisis and show that there has been a sharp increase in support across Western Europe after 2010. Then we use the 2014 European Election Study to show that retrospective economic voting matters to people’s decision to defect from the mainstream to challenger parties: people who were personally adversely affected by the crisis

are more likely to defect. Crucially, we demonstrate that voters not only punish parties in government, but also mainstream opposition parties. Defection is most likely when individuals are disconnected from mainstream party policy, not least regarding three issues that are closely tied to the EU and the Euro crisis: EU integration, austerity measures and immigration. We conclude by discussing whether the rise of challenger parties is likely to be a temporary blip due to the crisis or a more permanent feature of West European politics.

Fleeing the centre

The financial crisis that erupted in late 2008 vividly demonstrated both the interconnectedness of financial markets and the increasingly limited power of national governments. As the financial turmoil travelled from the US to Europe, it evolved into a sovereign debt crisis. By 2012, eight out of 28 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 the IMF, the debtor countries had to engage in significant fiscal retrenchment and structural reforms, mainly to social welfare programmes. The economic and social consequences of the crisis within the EU have been far-reaching with high levels of unemployment and low levels of growth. This situation was worst in debtor countries in Southern Europe, notably in Greece, Spain and Portugal, where a quarter of the workforce were unable to find a job in 2014,¹ whereas other countries such as Germany enjoyed a considerable current account surplus and relatively low levels unemployment. The contrast with the reluctantly provided rescue credit to debtor states under rigid ‘conditionalities’ formulated by the EU/IMF/ECB ‘Troika’ is stark (Scharpf 2014). Looming over these unpopular decisions by certain national governments were the constraints that European integration has imposed. Even in areas at the very heart of state

¹ Source: Eurostat (seasonally adjusted figures from May 2014).

power, namely fiscal policy-making, national governments looked impotent (Laffan 2014). Unsurprisingly, there has been a political backlash. The most notable sign of this reaction has been the rise of challenger parties that reject the mainstream consensus. Challenger parties highlight issues such as European integration and immigration that have often been downplayed by the mainstream, and foster new linkages with voters who feel left behind by established parties (Meguid 2008; Wagner 2012; van der Wardt et al. 2014).

A variety of terms have been used to describe such parties that challenge the mainstream, including “niche parties” (Meguid 2008; Adams et al. 2006; Jensen and Spoon 2010), “challenger parties” (Hino 2012; van der Wardt et al. 2014), “populist parties” (Mudde 2007; Pauwel 2012; Kriesi 2014) and “new politics parties” (Poguntke 1987). Regardless of nomenclature, all these authors focus on parties that defy existing patterns of party competition by rejecting the traditional economic dimension of politics and mobilizing on new issues or adopting more extreme positions on existing issues. In the case of populist parties, this also involves a more wholesale rejection of the existing “corrupt” elite and the claim that they alone are the true voice of the people (Canovan 1999; Mudde 2007; Kriesi 2014).

Not surprisingly, there is no consensus on how to define or measure such parties in the literature. As an example, niche parties have become one of the most used labels in the literature (see e.g. Meguid 2005, 2006; Adams et al. 2006; Jensen and Spoon 2010; Wagner 2012), yet there is no agreement on the actual distinction between niche and mainstream. Some studies define niche parties as those that reject the traditional class-based orientation of politics, raise novel issues (Meguid 2005, 2008), and “compete primarily on a smaller number of non-economic issues” (Wagner 2011). Others propose a more inclusive definition where niche parties represent “either an extreme ideology (such as Communist and extreme

nationalist parties) or noncentrist “niche” ideology (i.e. the Greens)” (Adams et al. 2006: 513).

This paper also seeks to identify parties that challenge the mainstream party political consensus, but we adopt a novel approach to the measurement that focuses on participation in government. We argue that measuring whether or not parties ordinarily participate in government has the advantage that it indirectly captures many of the features of niche and populist parties (the mobilization of new issues and/or extreme positions on existing issues as well as the rejection of the political establishment), yet with greater parsimony and simplicity than measuring what qualifies as “niche”, “populist” or “extreme”. Moreover, it highlights an important aspect of challenger parties that is not captured by existing classifications, namely the degree to which a party has government responsibility for political outcomes for which they can be held to account.

Hence, in our classification, mainstream parties are those parties that frequently alternate between government and opposition. Their policy platforms are likely to be affected by both their past experience in office and their desire to enter office again. In the eyes of voters, such parties find it difficult to escape responsibility for prolonged crises, such as the Eurozone crisis. By their very nature, mainstream parties, in opposition and in office, are also more cautious in mobilizing around new issues or adopting positions far from other parties, since both would make it more difficult to enter into coalition government (Tavits 2008; van der Wardt et al. 2014; Hobolt and de Vries 2015). By contrast, challenger parties are untarnished by office. While these parties are not necessarily new, they have not formed part of government. Rather they have instead sought to reshape the political landscape by putting new issues on the agenda (De Vries and Hobolt 2012).² Successful challenger parties include

² Most of these challenger parties are also “niche parties” (Adams et al. 2006; Meguid 2008) and/or “populist parties” (Mudde 2007). However, in this article we focus specifically on government experience as the

Front National in France, Podemos in Spain, and the Five Star Movement in Italy. Such parties have changed the nature of party competition and restructured the political agenda, in most cases without ever setting foot in government. Indeed their appeal is partially based on the fact that they are not tainted by holding office when the seeds of the crisis were sown. Just as importantly, their lack of government experience and limited incentive, and opportunity, to join future government coalitions enables them to adopt more risky political platforms. This allows challenger parties to offer a clear alternative narrative to the mainstream consensus. Challenger parties on the left reject the notion that austerity politics is a necessary evil. On the right, challenger parties argue that powers should be repatriated from the EU to national government and parliaments, and that they can stem the threat of globalization (especially foreign immigrant labour).

In this paper we examine the causes of the rise of these challenger parties, focusing on the individual-level motivations of voters. Since the very notion of challenger parties assumes that there is an established party system to defy, our empirical focus is on Western European members of the EU that have established party systems.³ To illustrate the change that has

distinguishing factor, since this affects whether such parties can be held to account by voters and also their ability to challenge the mainstream policy consensus (van der Wardt et al. 2014). To check the robustness of our party classification in comparison to other measures, we have replicated all of our analyses using the standard Adams et al. (2006) operationalization of niche parties based on the Comparative Manifesto Project classification of parties into party families. Parties belonging to the Green/Ecological [10], Communist/ Socialist [20], and Nationalist [70] party families as well as Special Issue parties [95] with non-centrist niche ideologies are classified as niche parties. All our main findings hold using this alternative operationalization (see Tables A2 and A3 in the Appendix). Table A4 in the Appendix lists all parties (in 2014) included in both the challenger and niche party categories.

³ Although party systems and party competition are beginning to stabilize in Central and Eastern Europe, these political systems are still characterized by high volatility which makes it difficult to clearly identify mainstream parties (Bakke and Sitter 2005).

occurred since the onset of the crisis, Figure 1 plots the vote shares of mainstream and challenger parties across the 17 West European members of the EU between 2004 and 2015. We define three types of challenger party. All three types are parties that were not part of any national-level government in the 30 years preceding the Euro crisis (1970-2010).⁴ We also use the Chapel Hill Expert Survey (CHES) to distinguish between right-wing and left-wing challenger parties (Bakker et al. 2015), using the general left-right question in CHES: “Please tick the box that best describes each party's overall ideology on a scale ranging from 0 (extreme left) to 10 (extreme right)”. Parties scoring more than 5 are classified as right-wing and parties scoring less than 5 are classified as left-wing.⁵ While challenger parties often mobilize issues that do not clearly coincide with the classic economic left-right dimension (Meguid 2008; Wagner 2012), such as issues relating to immigration, the environment and European integration (Kriesi et al. 2006; van der Wardt et al. 2015), most parties are nonetheless perceived by experts and citizens alike as belonging to either the general “left” or the “right” of politics.⁶

FIGURE 1 ABOUT HERE

⁴ Any cut-off point in terms of government experience to determine when a party is, or is not, a challenger party is somewhat arbitrary. However, this operationalization offers both parsimony and captures parties without any recent government experience. Using a slightly different operationalization that looks at post-war participation in government yields very similar results.

⁵ For parties scoring 5, we classify them on the basis of coalition partners or their membership of European Parliament political groups. Green parties are those parties whose ideology centres on the principles of green politics and environmentalism. The full list of challenger and mainstream parties can be found in the Appendix Table A4.

⁶ One exception is the Five Star Movement in Italy which is very difficult to classify. Our results are robust to the classification of this party in either of the three challenger party categories.

The left-hand figure clearly demonstrates the decline in the vote shares of mainstream parties. In 2004 mainstream parties on the left and right dominated West European party systems with 86 per cent of the total vote share. This declined by 14 percentage points to 72 per cent in 2015. Mainstream parties on the centre-left and on the centre-right saw similar falls in their vote share, around 7 percentage points, over the 11 year period. In the right-hand figure, we observe a corresponding increase in support for challenger parties on both the left and the right, while green challenger parties have experienced less change. Overall challenger parties have increased their vote share from around 10 to 23 per cent during the period.⁷ On the right, these include the Finns Party in Finland, the Swedish Democrats in Sweden and the Danish People's Party in Denmark, whereas on the left these include the Red-Green Alliance in Denmark, Syriza in Greece (although in government after the crisis) and Die Linke in Germany.

Of course, different shades of challenger party politics have unsettled Europe long before the onset of the sovereign debt crisis, as parties like the Front National in France, the Northern League in Italy, or Geert Wilders' Freedom Party in the Netherlands successfully exploited popular anxieties about migration, globalization, Islam and European integration. Could the success of challenger parties simply be a product of the secular decline of the mainstream left and right parties, or what some have called the end of the "age of party democracy" (Mair 2013; Dalton and Wattenberg 2000)? Our aggregate data suggest not, in that most of the change is more recent. After all in 2004 only 10 per cent of voters supported challengers. Nonetheless aggregate data cannot tell us whether the rise of challenger parties is

⁷ Less than 100 per cent of vote shares were allocated, since only parties with over 1% of the vote (or at least one MP) were classified. This estimate of challenger parties is therefore conservative, since most of these very small parties and candidates are likely to belong to the challenger party category.

linked to people's experiences during the crisis. To answer this question, we need to examine the motivations of voters who defected from the mainstream to challenger parties over the last few years.

We argue this type of defection is, at least in part, determined by the economic crisis, and the governmental response to the crisis. The choice to defect to a challenger party is about *sanctioning* and *selection* (Banks and Sundaram, 1993; Fearon 1999). If we understand elections as mechanisms for political accountability, then they must function as a sanctioning device in which voters reward or punish incumbents on the basis of past performance (Key 1966; Fiorina 1981; Manin 1997; Powell 2000). This is the core intuition of the economic voting model, which suggests that voters punish governments for bad economic performance and reward them for good performance (Lewis-Beck and Stegmaier 2000; Nannestad and Paldam 1994). In times of crisis, we would thus expect governments to be more likely to be thrown out of office. Bartels' (2013) aggregate level analysis of the "Great Recession" has shown that this pattern holds. Citizens punished incumbent governments for slow economic growth during the crisis, although it does appear that heightened perceptions of the EU's economic responsibility somewhat reduced domestic economic voting in Southern Europe (Lobo and Lewis-Beck 2012).

Most empirical studies of economic voting use either macro-level indicators of the economy (e.g. unemployment and inflation) or survey data on people's view of economic change as an indicator of macro-economic performance (see Lewis-Beck and Stegmaier 2000, 2007 for overviews). These studies have shown a strong relationship between the economy and incumbent performance. There are, however, reasons why we may want to focus on people's direct experience with the crisis, rather than indicators of macro-economic change. First, country-level studies using aggregate data make it difficult to disentangle the individual-level motivations for defection. Second, although perceptions of the economy are

normally highly correlated with party choice, there is increasing concern that the direction of causality is actually from party support to economic evaluations (Evans and Andersen 2006; Evans and Pickup 2010). By focusing on personal experiences, or what is known as the pocketbook model of economic voting, we circumvent many of these problems. There is also increasing evidence that personal economic circumstances, such as declining wages, benefit cuts or unemployment, are important determinants of voting behaviour (Bechtel and Hainmueller 2011; Margalit 2011; Richter 2006). In the context of the crisis, we expect that people who experienced a deterioration in their personal financial situation, e.g. through job loss or reduced income, will be more likely to defect from mainstream parties. This leads to our first hypothesis:

H1: People who were adversely economically affected by the economic crisis are more likely to defect from mainstream parties to challenger parties.

However, the pocketbook voting model does not in and of itself explain why voters turn to challenger parties rather than to other mainstream parties in opposition. Voters do not see elections as simply sanctioning devices, but also as opportunities to choose a political representative with the right set of preferences and qualities (Besley, 2005; Fearon, 1999). This is about the prospective *selection* of specific parties, rather than retrospective *sanctioning* of the government. Our argument is that the convergence among mainstream parties during the crisis has led to defection to challenger parties from people who are dissatisfied with that consensus. During the crisis, the mainstream consensus was based on a shared acceptance of fiscal austerity deference to the discretionary authority of the EU (Scharpf 2014; White 2014). While challenger parties are united in the fact that they offer an alternative to established mainstream policies and often mobilize new issues, they differ significantly in their focus.

Radical right challenger parties tend to mobilize support along the cultural or “new politics” dimension, emphasizing the repatriation of powers from the EU and the introduction of more restrictive immigration policies, often with a distinct ethno-centric message (Kitschelt and McGann 1995; van der Brug et al. 2005; Rydgren 2008). While left challenger parties share the opposition to the political establishment and elite, they propose more extreme left-wing positions on the economic left-right spectrum. These typically reject the neoliberal character of the responses to the crisis, and are often accompanied by mobilization on more novel political issues such as anti-globalization, freedom of information, and direct democracy (see e.g. March and Mudde 2005). Some left-wing challenger parties are also Eurosceptic, arguing that the EU is a vehicle of global capitalism and a threat to the national welfare state (Hooghe and Marks 2009; Halikiopoulou et al. 2012). Building on this literature, we thus expect that individuals who reject a pro-European mainstream consensus are more likely to defect to challenger parties on the right, while those opposed to neo-liberal economics and austerity are more likely to turn to challenger parties on the left. This leads to the following two hypotheses:

H2a: People who are Eurosceptic and more opposed to immigration are more likely to defect from mainstream parties to a right wing challenger party.

H2b: People who strongly favour more economic redistribution are more likely to defect from mainstream parties to a left wing challenger party.

Explaining defection from the mainstream

As Figure 1 shows challenger parties have become increasingly important components of party systems across Western Europe, especially in the aftermath of the crisis. Our analysis here focuses on the questions of why some people have defected from mainstream parties, of left and right, and lent their support to these various challenger parties.

To do this we analyse the 2014 European Election Study (EES), which is ideally suited to examine individual level motivations for defection as it asks identical questions of vote intention, vote recall, financial situation and policy preferences of representative samples of voters all EU member states (Schmitt et al. 2015).⁸ We focus on why certain individuals have switched support between parties over the electoral cycle in different countries in Western Europe. Specifically we look at people that previously cast a vote for a mainstream party in the last national election, but by 2014 supported a challenger party. Before looking at the reasons behind defection, it is important to note how defection from the mainstream has been crucial to challenger party success on both the left and right.

TABLE 1 ABOUT HERE

Table 1 shows how people in the seventeen Western European member states said they voted in the previous national election and how they would choose to vote in June 2014 when they were interviewed. It is noteworthy that the pattern of change that we see here matches the aggregate data shown in Figure 1. Both mainstream right and left parties have fewer people supporting them in 2014 than they did in the previous national election. Who benefits from these defections? Challenger left and challenger right parties benefit roughly equally. Both increase their support by about half.

TABLE 2 ABOUT HERE

⁸ Approximately 1,100 respondents were interviewed in each EU member country, totalling 30,064 respondents. Our analysis only focuses on the 17 West European member states. The EES 2014 was carried out by TNS Opinion between the 30th May and 27th 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.

Table 2 shows more clearly the flow of voters. The figures show the percentage vote for different types of parties as a percentage of previous party type. Loyal supporters, those who previously supported a particular party type and continue to do so, are shown on the diagonal. Roughly 8 out of 10 supporters of both mainstream right and left parties are loyalists. While there is some switching between left and right, overall to the benefit of the left, and some mobilization from previous non-voters, the overwhelming picture is of stability. The makeup of challenger party support is very different to mainstream party support. All three types of challenger party have barely half of supporters that are loyalists. Challenger parties pick up support from both mainstream parties and from previous non-voters. Almost half of support for challenger parties is due to defection from the mainstream or mobilization from non-voting. But that does not mean that defection is that common. In total about 9 per cent of people who voted previously and now express a vote intention switch from the mainstream to the challengers (there are only 1 per cent that switch the other way). While that is not a huge proportion of the electorate, it is a proportion that has transformed challenger parties from insignificant to significant players. That raises the question of what makes those people switch. Why has a tenth of the electorate turned their back on mainstream parties?

As discussed above there are two major drivers of electoral behaviour: sanctioning and selection. Our argument is that both sanctioning on the basis of economic experiences determines and selection on the basis of policy preferences determines whether people defect. Our dependent variable is thus defection. We restrict our analysis to those individuals who supported mainstream parties in the previous national election and we see what factors made

people more or less likely to defect, in terms of supporting a different party today, to challenger parties.⁹

To capture sanctioning and selection, we use two sets of independent variables. Economic sanctioning is modelled by including a measure that captures how the crisis affected individuals financially. This consists of two questions. The first asks whether the respondent, or someone in their household, lost their job over the last two years. The second asks whether the respondent's household saw a decrease in income over the last two years. We add up the number of adverse impacts, so people who said their income decreased and someone lost their job score 2, people that just mention one adverse impact score 1 and people that mention neither score zero. 48 per cent of people in the 17 Western European states score zero, 32 per cent score 1 and 20 per cent score 2.

To capture selection based on policy preferences, we use a series of 11 point policy scales. These concern the redistribution of wealth, raising taxes to spend more on public services, restricting immigration, furthering European integration and the trade-off between environmental protection and economic growth.¹⁰ We have recoded these so that the more

⁹ One issue is the coding of non-voters. We have excluded all people who refused to answer the previous vote question (9 per cent of respondents) but included 'don't knows' (2 per cent of respondents) as non-voters along with the 23 per cent of people who stated that they did not vote previously. In terms of current party support, we include anyone who did not give a party name as a non-voter, including people who answered 'don't know', did not give an answer, and people who specifically said that they would not vote. In total this includes 32 per cent of respondents. The only difference we make in terms of coding challenger party support is to categorise support of very minor parties that fail to make the 1 per cent threshold that we applied to the aggregate data.

¹⁰ Respondents were asked on the extent to which they agreed/ disagreed with the following statements on an 11-point scale: 'You are fully in favour of the redistribution of wealth from the rich to the poor'; 'You are fully in favour of raising taxes to increase public services'; 'You are fully in favour of a restrictive policy on immigration', 'The EU should have more authority over the EU Member States' economic and budgetary policies'; 'Environmental protection should always take priority even at the cost of economic growth'.

‘right-wing’ responses are higher numbers. This means that high scores indicate that a person is against redistribution, against increasing taxes, against further European integration, favours economic growth over environmental protection, and favour restricting immigration further.¹¹

We include a number of demographic variables in the models: age, occupational social class, religiosity, sex, education, citizenship and trade union membership.¹² We also include political interest as an important control when looking at switches to non-voting, this is measured on a 1-4 scale from not interested to very interested. Finally, we include a series of dummy variables for each country (fixed-effects) to control for country effects.

Table 3 shows the first two models that test hypothesis 1:¹³ does sanctioning happen and does it affect all mainstream parties? Because the sanctioning model is focused on the punishment of governments, we separate out those who previously voted for a mainstream party in government from those who previously voted for a mainstream party outside government. According to the classic model of economic voting, we would only expect it to affect governing parties. However, if voters are sanctioning the mainstream consensus then

¹¹ We have also recoded ‘don’t know’ responses to the mid points of the scale (6) in order to maximise the number of cases included in the models. Don’t knows make up 4-5 per cent of the responses, and including them in this way makes no material difference to the results.

¹² The occupational social class categories are self-employed, managerial, professional, white-collar worker, skilled manual worker, unskilled manual worker, student, unemployed and out of the labour force. Education is based on terminal age of education and consists of three categories: education finished before 16, education finished before 19, education finished at 20 or over. Religiosity is measured using church attendance divided into four categories: weekly, monthly, yearly and never. Age is measured in years, trade union members are distinguished from non-members and citizens are distinguished from non-citizens.

¹³ All of the main results are robust to a different classification of challenger parties using instead the Adams et al. (2006) operationalization of niche parties. These results are shown in Tables A2 and A3 in the Web Appendix.

we should expect it to affect all mainstream parties. The two models presented here are thus multinomial logit models which compare either 1) defection from mainstream governing parties to challengers or non-voting or 2) defection from mainstream opposition parties to challengers or non-voting. We group all challenger parties together.

Included in this model are the measures of the economic impact of the crisis on individuals, political interest and demographic controls mentioned earlier, although we just show the coefficients for economic impacts and political interest in the table. In the main, the effect of any of the social characteristics is small, with the exception of age. Older people are generally less likely to switch away from mainstream parties, no doubt because they have stronger partisan loyalties built up over many years (Converse 1969; Tilley 2003).

TABLE 3 ABOUT HERE

A clear story emerges from these results. People who defected from mainstream parties to challengers are those disproportionately affected by negative economic factors in their own lives. Crucially this is true whether the mainstream party they previously voted for is currently in government or not. People are not simply punishing governing parties, they are voting against mainstream parties as a whole. In fact, people in poor economic circumstances are actually more likely to defect to challengers from mainstream parties outside government than from mainstream parties within government. Hence, in line with our first hypothesis we find that those who experience economic hardship during the crisis are more likely to turn their backs on all mainstream parties. Figure 2 shows the rates of defection from mainstream parties in government and in opposition for people who experienced no negative economic effects compared to those in households that experienced both unemployment and declining

income. Positive numbers indicate that parties attract more voters negatively affected by the crisis.

FIGURE 2 ABOUT HERE

The left hand figure shows how defection rates differ by economic circumstance for people who previously supported a governing party. There is clearly an effect of poor economic circumstances on defection to mainstream opposition parties, they get more defectors from those severely affected by the crisis. But so do challenger parties. In fact the effect on defection to challengers is greater. More importantly though, the right hand figure shows defection from mainstream *opposition* parties given different economic experiences. In contrast to classic economic voting models, we find that adverse experiences generate more defection to challengers from people who previously voted for mainstream opposition parties even though those mainstream parties are not in government. These are fairly sizable effects as well. The average defection rate from both mainstream governing and opposition parties to challengers is about 25 per cent (given the specific type of person described in the figures). Moving from good to poor economic experiences thus makes a substantial difference to the possibility of defection.

Hence, there is evidence of economic sanctioning and support for our first hypothesis, but on what basis do voters decide which party to select? Table 4 shows the coefficients from a multinomial logit model that predicts defection from mainstream parties (both in government and in opposition) to the three different types of challenger party and also to non-voting. It is first worth noting that all four types of defector are more likely to have directly experienced economic problems. Interestingly, the question of which specific party they defected to is not affected by the impact of the economic crisis; the size of the economic

effect is rather similar across all four types of defector. How do we explain which specific party these defectors turn to?

In line with our second set of hypotheses (H2a and H2b), table 4 shows that there is significant variation in the ideological profile of defectors to different parties. People who left the mainstream to join the challenger right parties are much more anti-immigration and anti-EU than mainstream loyalists, but they differ very little in terms of their views on the environment and redistribution, and are only very slightly more in favour of restricting government spending. Defectors to the challenger left are a little more anti-EU and a little more pro-environment and immigration than mainstream party loyalists, but these are not big differences. The big difference between loyalists and defectors to the challenger left is attitudes towards redistribution. Those in favour of greater redistribution are much more likely to defect to challenger left parties. This is also the case for challenger green parties, although unsurprisingly the best policy predictor is support for environmental protection. Finally the best predictor of people who become non-voters is not ideology, but political interest. While political interest appears to have little effect on defection from mainstream to challenger parties, it is the politically uninterested that leave mainstream parties and exit the system altogether.¹⁴

FIGURE 3 ABOUT HERE

¹⁴ Table A1 in the Appendix shows similar models that look at mobilisation from non-voting to voting for the different party types. The results here echo, albeit more weakly, the same processes that we see for defection from mainstream parties. Moreover, as we might expect mobilised voters are more politically interested than those that stay non-voters, but there are no real differences in how political interest affects mobilisation to different types of party.

These effects are not trivial. Figure 3 shows how a two standard deviation move (from a position of one standard deviation below the mean to one standard deviation above the mean) on the three most important policy scales affects rates of defection. These are clearly substantial effects given the relative rarity of defection. Challenger right parties get substantially more defectors from those who are opposed to EU integration and immigration, in line with findings in the existing literature on the far right (see e.g. van der Brug 2005; Rydgren 2008), whereas challenger left parties get substantially more defectors from those in favour of redistribution. Mainstream parties hang on to supporters who are more in tune with the mainstream party consensus on EU integration, immigration and redistribution. It is rejection of this mainstream consensus, in any of its forms, that motivates people to leave the embrace of mainstream parties, but the policy area that is being rejected is a crucial predictor of which challenger party will benefit from that defection.

Conclusion

Challenger parties are the political success story of the aftermath of the Euro crisis. Both on the left and the right it is parties that have not recently been in government that have benefitted from the exodus of voters from mainstream parties. The decline in the vote shares of mainstream parties since the onset of the financial crisis in 2008 is around 12 percentage points. With the exception of Greece, mainstream parties have remained the dominant actors in government in Western Europe, yet those defections have nonetheless transformed challenger parties from often very marginal political players to repositories of a substantial proportion of people's votes.

Why has this happened? We have argued that the classic model of elections as mechanisms for sanctioning and selection offers a helpful framework to understand defection from mainstream to challenger parties. Starting with sanctioning, defection is clearly linked

to the economic crisis. People who were subject to declining economic fortunes are more likely to desert mainstream parties, whether in government or opposition. Voters are not simply reacting to the perceived failures of mainstream parties however. They are also choosing challenger parties on the basis of policy. Challengers on the right gain voters from the mainstream who disagree with the mainstream consensus on immigration and EU integration. Challengers on the left gain voters from the mainstream who disagree with the consensus on fiscal policy. Thus, both sanctioning and ideological selection matter in how challenger parties convert mainstream party voters.

While the majority of people remain loyal to the mainstream, the increasing proportion of voters that opt for challenger parties is likely to have a significant impact on party systems and European democracy. First, voters are often attracted to challenger parties because of their stances on issues such as European integration and immigration. The more Eurosceptic position adopted by most challenger parties has put pressure on national governments and made it more difficult to reach agreement on political issues, as demonstrated not least during the recent Mediterranean immigration crisis. Second, the success of challenger parties has influenced the stability of governments. Since challenger parties tend to stay in opposition, the formation, and maintenance, of stable coalitions has become more and more difficult. It has also meant the rise of ‘grand coalition’ governments spanning left and right mainstream parties, which has, ironically, strengthened the claims of challenger parties that all mainstream parties offer the same policies.

This raises the question of whether the success of challenger parties is a fleeting phenomenon that will dissipate as the economy improves, or whether it is the beginning of a new type of party politics in Western Europe. The crisis, and the mainstream party response to it, has facilitated the success of challenger parties, but it is not clear that the demand for such parties will simply disappear as economic conditions improve. Voters are less partisan

than they were and more disillusioned with the established political class and this will continue to add to the appeal of challenger parties. Nonetheless, much will depend on how parties, both mainstream and challenger, respond to the changing political landscape. Some successful challenger parties choose to eventually enter government. If such stints in office are more than passing, these parties are likely to be held to account for the decisions and compromises taken in office, and this is likely to diminish their appeal to many of their current supporters. Such challenger parties may cease to be “challengers” and become part of the mainstream. The example of the Syriza-led government in Greece shows how government responsibility can force challenger parties closer to the mainstream consensus. Equally, much of the appeal of challenger parties during the crisis was that mainstream parties were perceived to offer very similar positions on important issues relating to the economy, Europe and immigration. Hence, the continued success of challenger parties will also depend on the policy choices offered by the mainstream.

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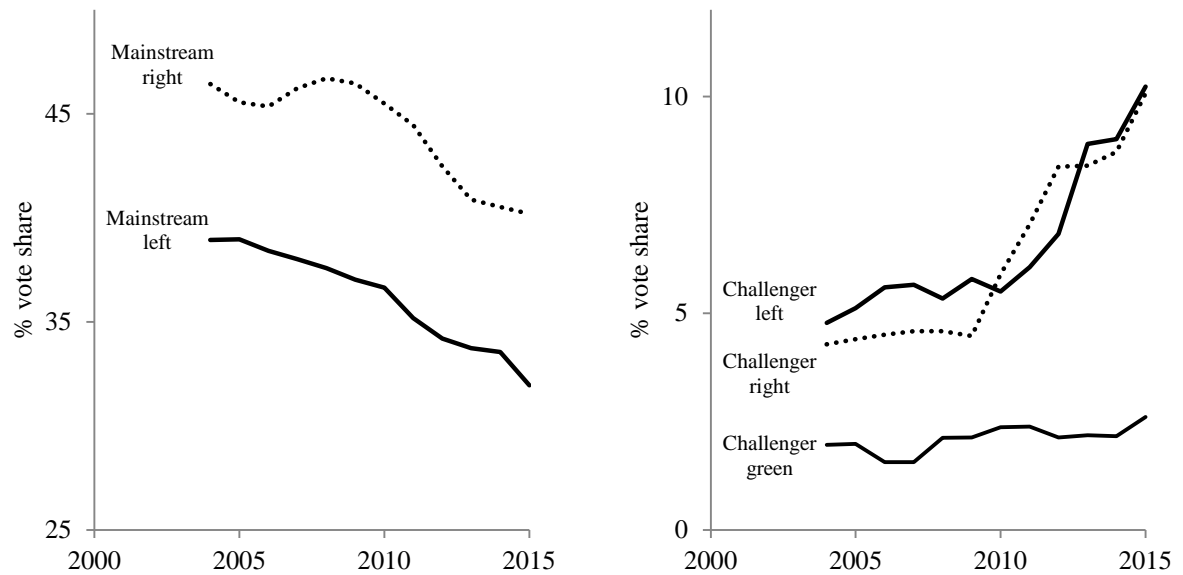
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Figures and Tables

Figure 1: Vote shares of different types of parties in Western Europe, 2004-2015



Note: These graphs show the mean vote share in national general elections holding vote share constant between elections.

Table 1: Percentage vote for different types of parties (2014)

<i>Party type</i>	<i>Previous vote</i>	<i>Vote intention</i>	<i>Change</i>
Mainstream right	42%	36%	-6%
Mainstream left	37%	33%	-3%
Challenger right	8%	12%	+4%
Challenger left	10%	14%	+3%
Challenger green	4%	5%	+1%
All	100%	100%	
(N)	11,424	11,614	

Note: Non-voters and people that said don't know or refused to give their vote choice are not shown here.

Source: EES 2014

Table 2: Percentage vote for different types of parties as a percentage of previous party type vote share (2014)

		Party type intending to vote for					
		Mainstream right	Mainstream left	Challenger right	Challenger left	Challenger green	None
% vote share	Mainstream right	83%	6%	18%	8%	9%	12%
	Mainstream left	3%	78%	9%	14%	17%	9%
	Challenger right	1%	-	50%	2%	2%	2%
	Challenger left	-	1%	3%	56%	2%	2%
	Challenger green	-	-	1%	3%	54%	-
	None	12%	13%	20%	18%	17%	74%
	All	100%	100%	100%	100%	100%	100%
	(N)	4,110	3,858	1,385	1,566	569	5,515

Note: Percentages less than 1% are not shown here. The ‘None’ category includes people who said they did not vote, or were not intending to vote, people that didn’t know how they voted, or how they were intending to vote, and people who refused to give a response to the question.

Source: EES 2014

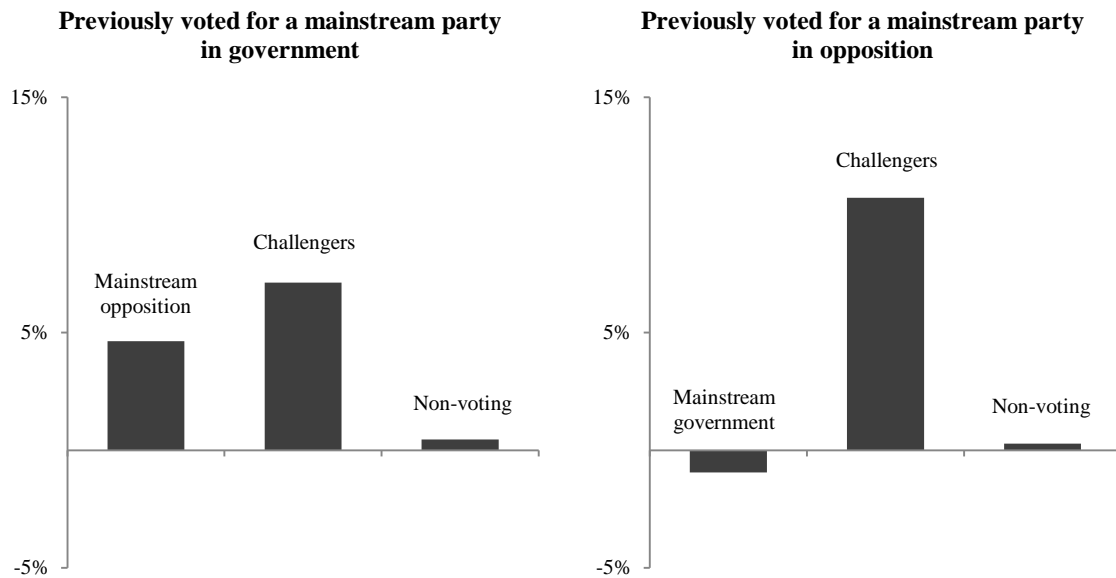
Table 3: Multinomial logit model predicting defection from mainstream parties

	Model 1			Model 2		
	Defection from government mainstream			Defection from opposition mainstream		
	Opposition	Challenger	Non-voter	Government	Challenger	Non-voter
	<i>B</i>	<i>B</i>	<i>B</i>	<i>B</i>	<i>B</i>	<i>B</i>
Affected by crisis	0.30**	0.24**	0.15*	-0.19	0.30**	0.10
Political interest	-0.08	-0.07	-0.40**	0.13	0.00	-0.34**
Constant	-2.62**	-0.93*	-0.60	-18.4	-2.59**	-2.03**
Pseudo R-square	0.13			0.15		
N	5,814			2,989		

Note: * $p < 0.05$ ** $p < 0.01$. Reference category for model 1 is vote intention for mainstream governing party, reference category for model 2 is vote intention for mainstream opposition party. Only people who previously voted for a mainstream government party are included in model 1, and only people who voted for a mainstream opposition party are included in model 2. Other control variables included in both models, but not shown above, are fixed effects for country, and individual level control variables of age, occupational social class, religiosity, sex, education, citizenship and trade union membership.

Source: EES 2014

Figure 2: Changes in the predicted probability of defection/ loyalty for those who experience two economic impacts compared to those who experience none



Note: These probabilities come from models 1 and 2 in table 3. They represent the difference between people who score 2 on the economic impact scale and those who score 0 on the scale in the probability of defection/ loyalty. The predicted probabilities are for a Dutch man with a white collar job, low education, not in a trade union with the mean age and mean political interest of someone who voted for a mainstream party in the last national election.

Source: EES 2014

Table 4: Multinomial logit model predicting defection from mainstream parties to challenger parties and non-voting

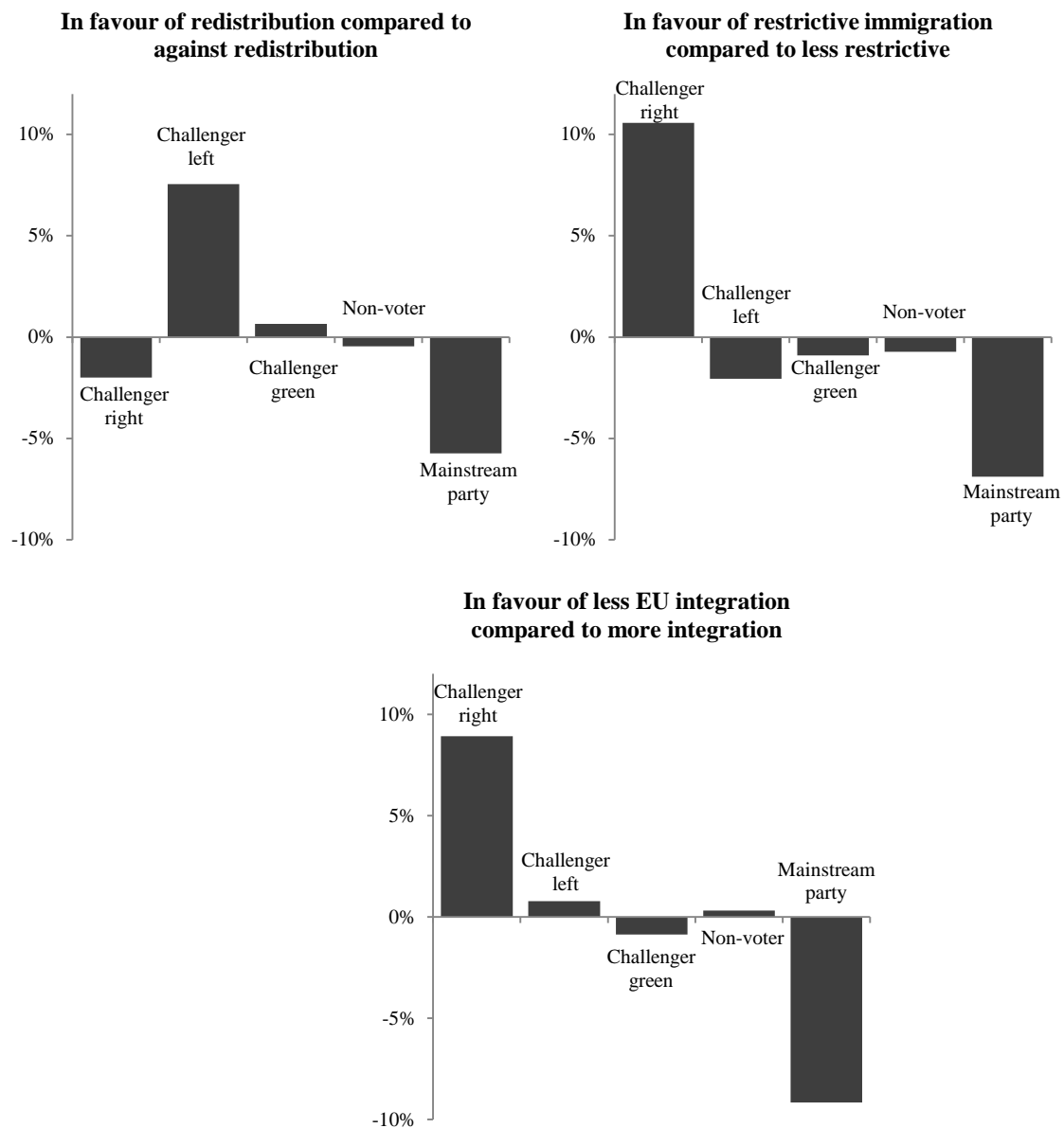
		Challenger right	Challenger left	Challenger green	Non-voter
		<i>B</i>	<i>B</i>	<i>B</i>	<i>B</i>
Policy position (high scores = against)	Immigration	0.16**	-0.02	-0.08*	0.00
	EU	0.14**	0.04	-0.07*	0.03*
	Environment	0.01	-0.03	-0.24**	-0.02
	Redistribution	0.02	-0.18**	-0.09*	-0.01
	Govt spending	0.07**	-0.00	-0.06	0.02
Affected by crisis		0.18*	0.19*	0.21	0.11*
Political interest		-0.11	0.04	-0.13	-0.36**
Constant		-5.02**	-2.74*	-0.53	-1.47**

N=8,680. Pseudo R-square = 0.15. *p<0.05 **p<0.01

Note: Reference category is vote intention for mainstream party. Only people who previously voted for a mainstream party are included in the model. Policy position is measured on a 0-10 scale for each of the five policy areas. Other control variables included in the model, but not shown above, are fixed effects for country, and individual level control variables of age, occupational social class, religiosity, sex, education, citizenship and trade union membership.

Source: EES 2014

Figure 3: Changes in the predicted probability of defection/ loyalty when changing policy position on the three policy scales



Note: These probabilities come from the model in table 4. They represent the difference between people who score one standard deviation below the mean on the policy scale compared to those who score one standard deviation above the mean on the policy scale. The predicted probabilities are for a Dutch man with a skilled manual job, low education, not in a trade union with the mean age, mean political interest and mean policy positions on the other four scales of someone who voted for a mainstream party in the last national election.

Source: EES 2014