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# The decline and fall of the centre-left in Europe

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**E**mmanuel Macron has been elected president of France, which would have been difficult to predict three months ago and impossible to imagine a year ago. Macron, the pro-European Union (EU), pro-euro, pro-business, downsize-government, social liberal, centre-right candidate, defeated Marie Le Pen, the anti-EU, anti-euro, anti-immigrant, nationalist, far-right candidate. The final outcome was decisive. Their vote shares were 66% and 34%, respectively. The result comes as a relief in France and the world outside. It also provides reason for hope after the EU referendum result in Britain and the election of Donald Trump as president of the US. The political tide of nationalism and populism, it would seem, has been stopped in France.

But this comfort might not suffice for France. Its crises run deep. The economy is in trouble, with high unemployment and slow growth. Society is caught in racial tensions that have created fear and led to violence. The polity is sharply fragmented between many parties and ideologies. The voter turnout in the second round, at 75%, was the lowest since 1969. In fact, of the 47 million registered voters, 12 million did not vote, three million cast blank votes (abstained), while one million spoiled their ballot papers (protested). Thus, one-third of the voters chose neither Macron nor Le Pen. In this milieu, Macron has to contest the national assembly elections next month with a party that is a political infant without an organization. And he cannot get a majority in the senate for some time to come. The deep divides in France need a political leader with a healing touch. For Macron, the hardest part begins now.

It should begin with a cognition that the first round of the presidential elections on 23 April produced a highly fractured verdict. The political parties and the proportion of the total votes polled by each of five main candidates were as follows: Macron (En Marche!, "On the Move", 24%), Le Pen (National Front, 21.3%), François Fillon (Republican, 20%), Jean-Luc Mélenchon (La France Insoumise, "Defiant France", 19.6%), and Benoît Hamon (Socialist, 6.4%).

The voting pattern reveals sharp divides in terms of geography, age, income and class. The big cities, the young and the educated supported Macron, smaller towns and rural areas with anti-immigrant and Eurosceptic beliefs supported Le Pen, the industrial working class and the left supported Mélenchon, the traditional Republicans supported Fillon, while Hamon bore the brunt of the anger against the ruling Socialist Party and was the laggard almost everywhere. Most candidates had something in common with each other, except for Macron and Le Pen who had no position in common, which could explain why the two emerged as contestants for the run-off.

The results of the first-round suggest two radical departures from the past. There was a massive vote against the system and the establishment, almost 50% of the total, that accrued mostly to Macron with a political party that

began life in April 2016, and to Le Pen with a political party that has just two seats in the national assembly. There was an explicit rejection of mainstream political parties—the Republicans and the Socialists—that have ruled France since the Fifth Republic began life in 1958, with just over 25% of the vote.

The Socialists were the biggest losers, almost decimated with a mere 6.4% of the total vote that was consistent with the 4% approval rating for President François Hollande. A comparison with five years earlier is telling. In 2012, Hollande was elected president, with 28% of the vote in the first round and 52% of the vote in the run-off, while the Socialist Party won 295 of the 577 seats in the national assembly and had an absolute majority in the 348-member senate.

It needs to be said that this outcome mirrors changes in political fortunes in Europe since the turn of this century. In the mid-2000s, just over a decade ago, socialist, social democratic, or centre-left parties ruled most countries in Europe. In 2017, the situation is the polar opposite, as these parties have lost election after election to be ousted from government in most European countries.

At present, political parties on the right or centre-right (republicans, conservatives or Christian democrats) rule in Belgium, Denmark, Finland, France, the Netherlands, Norway, Spain and the UK. The centre-left just about rules Italy, and a left party rules Greece (although its old social democratic party, Pasok, has been wiped out). Social democrats or centre-left parties are at the helm of wobbly coalitions in Austria, Portugal and Sweden, and are junior partners in Germany. The story is similar in Eastern Europe. Far-right parties rule Hungary and Poland, while Bulgaria has a centre-right government. Social democratic parties run governments in the Czech Republic, Romania and Slovakia. In the Baltic republics, ruling parties are centre-left in Estonia and centre-right in Latvia, while social democrats are a very junior coalition partner in Lithuania.

The origins of this swing in the political pendulum can be traced back to the 1990s, with the ascent of markets and the march of globalization. For some, this opened the door to new opportunities and wealth creation. For many, unemployment persisted or rose and real incomes stagnated. The skewed nature of income distribution worsened. In most countries, the share of profits in national income rose, while the share of wages fell. Income inequalities between people rose rapidly. The big winners were the rich everywhere. The big losers were the working class and lower middle-class, as globalization and markets accentuated their exclusion from prosperity.

The global financial crisis in late 2008, which led to a sharp contraction in output and employment, was the turning point. The Great Recession that followed persists even now. Recovery has been slow, uneven and fragile. In much of Europe, the unemployment rate is at least 10% of the workforce. The youth unemployment rate (mostly for new entrants into the labour market)



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The sanctity of balanced budgets, reinforced by the Maastricht rule in the European Union, led governments into reducing taxes for reviving economic activity and cutting expenditure for reducing fiscal deficits. It led to a dilution of social protection that could only hurt the unemployed and the vulnerable. The solution turned out to be worse than the problem. To begin with, it sharply eroded the trust of voters in social democratic or centre-left parties. It was not long before it led to disillusionment, followed by anger, among voters with the mainstream political parties, whether centre-left or centre-right, which occupied the same centre-space, looked the same and acted the same.

This process vacated political space on both the right and the left. It was nationalism and populism that moved into these vacant spaces. The far-right nationalist-populist political parties are emerging as a significant political force in Austria, Belgium, Denmark, Finland, France, Germany, Italy, the Netherlands, Sweden, and Britain. These have sought to mobilize and capture the anti-immigrant mood in the north and west of Europe. There is the anti-communist legacy that has strengthened the far-right in Hungary and Poland. The exception is the anti-market sentiment in Spain and Greece, where Podemos and Syriza, respectively, rose, driven partly by anger with the European Union.

It is possible to discern three factors underlying the decline and fall of the social democratic parties in Europe. The first was their success in creating a welfare state with widely shared prosperity in Western Europe from the late 1940s to the early 1970s, which made them less necessary, and in reinventing themselves as centre-left parties that moved to their right following setbacks in the 1980s, which sowed the seeds of their decline later. The second was the collapse of communism in 1991, which removed the two constraints on politics in Western Europe—the threat from the USSR and the memories of fascism—that had drawn ideological lines between the social democrats and the Christian democrats. The third was the inability of social democratic parties to come to terms with a changed world, as the mobility of capital combined with the immobility of labour led to the decline of trade unions while they succumbed to a belief in markets and globalization, both of which fragmented their political identities and constituencies.

The decline and fall of social democracy in Europe, where it began life and which was its natural home, at a time when unemployment and inequality have risen to such high levels, is indeed an irony of our times. The real problem is that these political parties now are not even pale shadows of what they were in the past. They are neither any different in opposition nor innovative in thinking. If social democratic parties in Europe do not reinvent themselves, they can only wither away.

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is in the range of 20-40%. There is a casualization of the workforce with a drop in the quality of jobs so that a significant proportion of workers no longer have any security of employment.

During the past quarter-century, the importance of ideology diminished, slowly but surely, for political parties across the ideological spectrum. The social democratic or centre-left parties, attracted by their faith in markets and their hope in globalization, moved to their right, perceiving it as the Third Way. The conservative or centre-right parties, sensing a new window of opportunity, grabbed popular bits of the Third Way for themselves and moved to their left. Hence, both sets of political parties moved to the same centre-space in the political matrix. Over time, as similarities grew and differences narrowed, they became almost indistinguishable from one another.

Their identities became even more diffused in the aftermath of the global economic crisis that was transformed into a persistent recession in Europe. Both sets of political parties followed exactly the same mantra in macroeconomic policies. The primary objective was price stability, in deference to international financial markets, even if it was at the expense of full employment.