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Does Populism Influence Economic Policy Making?

The cases of Greece and Portugal.

— Bachelor's thesis —

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Abstract

The Euro Crisis occurred in several European countries due to high government debt and institutional failures in 2008, leaving many unable to pay their public debts or maintain their budget deficits. During the crisis, a group of three institutions known as the Troika, played a crucial role when offering financial assistance to countries in need of a bailout. The financial assistance included mandatory austerity measures which in combination with the economic situation often resulted in social and political unrest among the citizens, with divided political leadership. Today, some of the most severely affected countries (PIIGS) have shown different economic outcomes after the crisis. Most prominent are Greece and Portugal. Studies show a rise of populist parties in Europe during recent years, as well as findings explaining its connection to financial crises. This study aims to study the connection, while exploring the possibility of populism influencing economic policymaking in the context of the Euro Crisis. The cases of Portugal and Greece are compared because of their similarity of severity of the crisis, but differentiated economic outcomes as well as presence of populism in their countries. The study finds that Greece's populist party could influence the agenda and economic policies through short termism favoring simplistic solutions.

Key words: Portugal; Greece; Populism; Economic Policies; Austerity

Word count: 9823

Table of contents

1 Introduction	4
1.1 Historical context	4
1.2 Research problem and hypothesis	5
1.3 Aim and research question	6
2 Literature review and theoretical framework	7
2.2 Previous research	7
2.3 Concepts	8
2.3.1 Populism and populist parties	8
2.3.2 Austerity measures	9
2.4 Theories	9
2.4.1 Two faces of power	9
2.4.2 Issue Entrepreneurship	10
2.4.3 Short term policy theory	11
3 Methodology and material	12
3.1 Research design	12
3.1.1 Case selection	13
3.1.2 Comparative case studies	13
3.2 Scope and limitations	14
3.3 Operationalizations	14
3.4 Relevance	15
3.5 Data and material	16
4 Analysis and results	16
4.1 Case selection	16
4.1.1 Eurozone	17
4.1.2 PIIGS	19
4.2 Case studies	22
4.2.1 Greece	22
4.2.1.1 An economic overview	22
4.2.1.2 Preconditions for Populism: Populist Movements in Greece	23
4.2.1.3 The Impact of Populist Parties on the Economic Agenda	24
4.2.2 Portugal	27
4.2.2.1 An economic overview	27
4.2.2.2 Preconditions for populism	27
4.2.2.3 The impact of populist parties on the economic agenda	29
4.3 The alignment of Greece's and Portugal's Tactics with Short-term Policies	30
5 Discussion	32
6 Conclusion	34
7 References	35
8 Appendix	41

1 Introduction

Emerging as a significant political force, populism has been shaping policy debates across the world during recent years. The wave has been sweeping across Europe and North America, revealing opinions, ideologies, parties and politicians previously hidden while gathering support and influencing the policies of the mainstream. Therefore, it is crucially important to understand its impact. A specific area of research not yet widely examined, is this connection between populism and economic policy making. The following thesis aims to examine populism and its possible influence on economic policy making in the context of the Euro Crisis, comparing specific cases and outlining possible explanatory factors.

1.1 Historical context

The Eurozone

The Eurozone is a monetary union consisting of nineteen European Union states which adopted the euro as their currency. Established in 1999, its member countries consist of Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia and Spain. The goal was to achieve economic concurrence and promote economic and financial integration among its member countries. However, the Eurozone has faced a number of challenges, most prominently the European debt crisis.

The European Debt Crisis

Often referred to as the Eurozone crisis or the European sovereign debt crisis, it was a financial crisis that occurred in several European countries due to high government debt and institutional failures. It is described as a chain reaction which took place in the European financial system, and began with the collapse of Iceland's banking system in 2008. The crisis then spread primarily to Portugal, Italy, Ireland, Greece and Spain (PIIGS) which were unable to finance their public debt or maintain the limits of their budget deficits set by the European Union. In 2009 Greece's sovereign debt reached 113% of the GDP, which for reference was nearly twice the 60% limit set by the Eurozone (CFI, 2023).

During the Eurozone crisis, a group of three institutions known as the Troika, played a pivotal role when offering financial assistance to countries in need of a bailout. These institutions

include the European Commission (EC), the European Central Bank (ECB) and the International Monetary Fund (IMF). Financial aid was provided, but for the countries receiving the bailout funds accepting austerity measures was mandatory (Kenton, 2021). These austerity measures combined with the economic situation often resulted in social and political unrest among the citizens, with divided political leadership. Contemporary discussions often focus upon comparing the cases of Greece and Portugal, because of the interesting economic turnouts. Portugal's experience of the Euro crisis has been described as a hybrid of the difficult cases of Greece and Italy, yet today it is doing far better than both with a job market that has surpassed pre-crisis levels (United Europe, 2018). The following thesis will therefore focus on the most severely affected countries, with Greece and Portugal in particular. The case selection process will be discussed further in the 3.1.1 section of this paper.

Populism

Europe has not only faced economic challenges during recent years, but has also experienced a rise of populist parties. The concept of populism will in the following thesis be used with regards to the Cambridge Dictionary's definition; "political ideas and activities that are intended to get the support of ordinary people by giving them what they want" (Cambridge Dictionary n.d). This will be further discussed under section 2.1, along with the concept and definition of populist parties discussed in the theoretical framework provided.

Populism's recent resurgence in Europe and the United states has made it a topic amongst political scientists and economics. Populism in Greece has been frequently discussed, particularly the emergence of populist parties and the political discourse presented by radical left wing party Syriza led by Alexis Tsipras. This makes an interesting contrast to the case of Portugal, which experienced a similar economic crisis as Greece but not an emergence of populism and populist policies. Additionally scholars establish the fact that financial crises are well-known for their impact on party politics (Ramiro and Gomez 2017; Funke et al. 2016).

1.2 Research problem and hypothesis

Although there are various factors relevant to research when comparing the cases of Greece and Portugal during and after the Eurozone crisis, the topic of populism is compelling

because of its relevance in contemporary Europe. It is also empirically interesting considering discussions regarding the financial crisis and its link to populism which are very relevant and relatively new, something that suggests a need for further research. The fact that two countries experienced similar financial crises, but now have different economic outcomes, is what interests us as authors of this thesis.

The intriguing cases of Greece and Portugal within the context of the Euro Crisis, in combination with the recent rise of populism and research upon its effects on party politics, therefore makes these two phenomena relevant to bring together. Given the limited scope of this thesis, the hypothesis for the presented research question is that populism does have influence on economic policy-making in the cases of Portugal and Greece. This hypothesis is based on the emerging studies on financial crises and increasing populism. The characteristics of populist economic policy is to favor simple solutions and to address the concerns of the population, which in many cases affects economic policies. As seen when Trump got appointed the president title in the US, on his first day in office, he rejected the Trans- Pacific Partnership (TPP) and imposed swinging tariffs on some Chinese imports, for example (CESifo Group Munich 2017, p. 50). It would therefore be naive to completely rule out the possibility that increasing populism would not have any effects on economic policymaking.

It should be noted that while other economic factors may also play a role, further research is of great importance but due to the limited scope of this bachelor's thesis one focus is chosen. The hypothesis is built upon research arguing that the rise of Populist parties in Greece significantly affected the country's economic policies, in addition to them advocating for policies which could have a negative effect on economic stability (Sotiropoulos 2021).

1.3 Aim and research question

The aim of this thesis is to examine if populism could influence economic policy making, with a main focus on the use of short-term policies as a way to do so. The theory of short term policy making will be further presented in section 2.4.3, and is chosen as a way to conceptualize economic policy making.

This will be done in the context of the Euro Crisis, comparing the cases of Greece and Portugal in order to evaluate if the presence of populism in Greece could have affected their economic policies. The study can be considered an illustration of the two cases to exemplify certain ways in which the presence of populism could have influenced Greece's economic policies during the crisis, and if the lack thereof in Portugal could have affected their economic policies differently. By reaching conclusions and presenting findings in the field, the thesis aims to contribute to the broader scholarly conversation regarding the euro crisis. Shedding light on this issue and examining it in a populist context will hopefully offer insight that could contribute to the studies and practices going forward. From this outset, the research question that the following paper aims to answer is:

Is it possible that populism influences economic policy-making? And if so, could one of the ways in which it does so be through the prioritization of short-term policies over long-term sustainability? The cases of Greece and Portugal in the context of the Euro Crisis.

2 Literature review and theoretical framework

2.2 Previous research

The topic of the connection between populism and financial crises has been studied by scholars in economics, political science and related fields. While there is no consensus on the precise relationship between the two, theories have been presented examining populism and its growth in countries during economic imbalances. Sonno et al. (2022) argue that financial crises could create a new channel for the emergence of populist parties, as they can exploit the discontent among the citizens who experienced negative consequences of the crisis.

Previous research has also compared the economic situations of countries experiencing the Euro Crisis, with Greece being frequently analyzed because of the severity of its crisis and the difficulty it faced to recover from it (Gourinchas et al, 2016). Similarly, Portugal is also a country often discussed by scholars, not only because of the severity of its crisis but also due to its financial improvement (Centeno, 2018). Comparisons between the two cases have been conducted, for example, Dimitri A. Sotiropoulos article on “Populism, Party Politics and the Economic Crisis in Greece: a Comparison with the Case of Portugal” (2021), which provided

many insights regarding the populist influence in the particular cases and “Populist Euroscepticism in times of economic crisis: a comparative study of Greece and Portugal” (2021), by Marina Zoe Saoulidou and Antonios Sarantidis.

Research regarding populism's influence on economic policy making has appeared relatively limited during the process of collecting material for this thesis. However, one particular study stood out from the rest. The article “Does Populism Influence Economic Policy Making? Insights from Economic Experts Around the World” written by Dorine Boumans (2017) has been guiding for this study, and an important theoretical framework to build upon. Despite this, Boumans research report is built on a quantitative study which was important for gaining general insights regarding the subject, but lacked a qualitative part. Because of an interest in the Euro Crisis and the particular cases of Greece and Portugal, this thesis therefore aims to build upon this study using a comparative case study to gain detailed insights regarding economic policy making and populism while also being able to conceptualize it.

2.3 Concepts

2.3.1 Populism and populist parties

The term *populism* is often used in a vague and ambiguous way, leading to misunderstandings and confusion due to the definition being broadly contested among scholars. Therefore, this paper uses the understanding of populism provided by Dorine Boumans that draws her definition based upon existing literature and political discourse. Boumans refers to populism as the idea of separating the society into two antagonistic groups, namely the “pure people” and the “corrupt elite”. Populism then argues that politics should be subject to the general will of the people, and the rhetoric by populist leaders in democracies emphasizes the polarity between the two groups (Boumans 2017, p. 40).

The definition of a *populist party*, being used in the analysis, is gathered from the PopuList. The PopuList releases a list of European parties that they classify as either or a combination of populist, far right, far left and Eurosceptic parties (The PopuList 2020). Important to acknowledge is that a party is not populist only because of the party being far left- or right-wing. A populist party is defined as:

Populist parties: parties that endorse the set of ideas that society is ultimately separated into two homogeneous and antagonistic groups, “the pure people” versus “the corrupt elite,” and which argues that politics should be an expression of the *volonté générale* (general will) of the people (Mudde 2004). (The PopuList 2020)

Which concurs with Dorine Boumans definition of populism. The parties included in the list have either 1 seat in or at least 2% of the votes in a national parliamentary election, and the PopuList divides some parties into borderline cases due to considerable ambiguity of the parties' classification as a populist party. This paper will include the parties that fall within the classification as a borderline party (The PopuList, 2020).

2.3.2 Austerity measures

The Cambridge Dictionary defines austerity measures as an “official action by a government to reduce the amount of money it spends, or the amount of money that people in a country spend” (Cambridge Dictionary, n.d). This will be conceptualized as the austerity programmes that were implemented in response to the euro crisis by the troika, which affected several European countries such as Greece, Portugal and Ireland. The specific austerity measures varied, but mainly included significant cuts in government spending with the purpose to reduce budget deficits (IMF, 2019).

2.4 Theories

2.4.1 Two faces of power

Because the following paper aims to examine if populism could influence economic policy making, “influence” has to be clarified. Peter Bachrach and Morton S. Baratz's theory of *Two Faces of Power* sets up a framework to determine what influence is and when someone is influential. Therefore this theory is suitable in order to examine and draw conclusions regarding the influence of populism.

The concept of power and its different dimensions is discussed by authors Bachrach and Baratz (1962), where the dynamics of decision making and non-decision making are investigated. The authors argue that power is not simply related to the ability to make decisions, but also to the ability to shape the agenda and prevent certain issues from being discussed. This hypothesis is illustrated by two faces of power: the first is visible and refers

to the ability to control through decision making processes, and the second is hidden. The latter refers to the ability to shape the agenda and prevent certain issues from being discussed (Bachrach - Baratz 1962, pp. 948-949). Two criteria are presented for the second face of power;

1. *Non decision making*: The ability for an actor in power to establish practices and values in order to restrict and prevent certain issues from being raised or acted upon. In other words, if A is successful in preventing threatening issues from being discussed, B can not harm the interests of A (Bachrach - Baratz 1962, p. 948).

When the dominant values, the accepted rules of the game, the existing power relations among groups, and the instruments of force, singly or in combination, effectively prevent certain grievances from developing into full-fledged issues which call for decisions, it can be said that a nondecision-making situation exists. (Bachrach - Baratz 1963, p. 641)

2. *Agenda setting*: By creating or reinforcing social and political values, the authors also present the argument that the process of agenda-setting can limit the availability of the policies that can be considered. This also includes presenting the issues in a certain way which can affect and shape the way that they are understood by the people, and in a way that supports the actors agenda (Bachrach - Baratz 1962, p. 950).

Bachrach and Baratz emphasize the importance of the hidden dimensions of power, which indicates a need to analyze the broader political perspective of decision making. By arguing that exercising power is not simply limited to those in formal positions of power, one could analyze the decision making progress. This includes reviewing alternative policy agendas and mobilization of public support on both a national and international level (Bachrach - Baratz 1962).

2.4.2 Issue Entrepreneurship

The criteria of *agenda setting* in the two faces of power theory can be perceived as somewhat vague in terms of explaining how an actor frames an issue in their preferable way. The issue entrepreneurship model brings forward different criterias for how political actors politicize their interests, therefore providing a more structured framework complementary to the theory.

Issue entrepreneurship is known as a phenomenon in which political parties take the lead in politicizing and creating a policy response to an issue that has been ignored in the political landscape. Parties that use the strategy of issue entrepreneurship often take on a different policy position than the mainstream party competition. Hobolt and de Vries (2015) argue that likely issue entrepreneurs are parties that occupy a “losing position”. The authors exemplify this as parties that have never held political office, occupy a non-majoritarian position and/or have experienced electoral defeat (Hobolt - de Vries 2015, p. 1161). These parties take advantage of their losing positions by destabilizing the political landscape in order to gain votes. When having the attention of the people by taking another stand on the issue (because it is not likely to be brought up when all parties are in agreement), the party is the one to take on the role as a leader to push these issues forward (Ibid p. 1162-1164).

2.4.3 Short term policy theory

Boumans states the specific ways in which populism may influence economic policy making in her report “Does Populism Influence Economic Policy Making? Insights from Economic Experts Around the World” (2017). In this the definition of the populist economic agenda is stated as; “characterized by short termism, the denial of intertemporal budget constraints, the failure to evaluate the pros and cons of different policy options as well as trade-offs between them” (Boumans 2017, p.40)

Boumans report discusses the views of economic experts in various countries on the relationship between economic policy making and populism. The authors definition of populist economic policies is issued from “CESifo Group Munich - The EEAG Report on the European Economy” (2017), which describes its short termism characteristics as prioritizing immediate gains over long term stability and sustainability with neglect of intertemporal budget constraints, favoring simplistic solutions (Ibid 2017, p. 50). The report suggests that this focus on short termism could be harmful in terms of policy making, especially in terms of the European economy. In the context of the eurozone-area, populist economic policy making is defined as expansionary in terms of pointing out the benefits of more public spending and lower taxes. Populist parties also display globalization and the international trade that follows as a negative progress, in which a large quantity of the community falls short. From this outset, the *Short term policy theory* is chosen as one of the theories in this

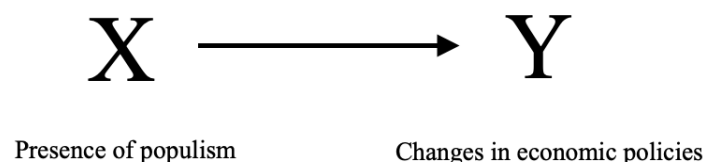
paper because of its focus on these characteristics as explanatory factors to how populism could influence economic policy making.

3 Methodology and material

3.1 Research design

The methodological approach in this paper is a qualitative comparative case study of Portugal and Greece (Teorell - Svensson 2007, p. 236), due to the explanatory nature of the research question (Ibid, p. 27). However, the thesis will have an element of a quantitative methodological approach as well, in an attempt to reveal a broader trend in the EZ countries of economic change and populism. Yet, the prominent reason for the quantitative method is the ability to select cases with minimal selection bias. By reason of the study's scope, it is not possible to collect the necessary information from all of the EZ countries in order to fully comprehend the level of influence that a populist party has. From this outset it is reasonable to conduct a qualitative study.

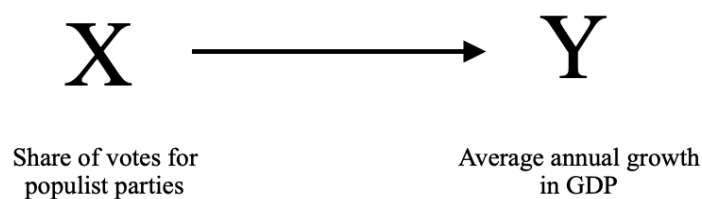
In this paper, the relationship that follows will be examined (with a focus on short-term policies):



The chosen methodological approach comes with its weaknesses. By not conducting a mixed method approach, the external validity of the study decreases making it impossible to make a general statement of populism's influence on economic policy making (Teorell - Svensson 2007, p.73) (Esaiasson et al. 2010, p. 64). Despite that, by using an in-depth case study, it is feasible to use answering options that are not restricted to a rigid framework (Teorell - Svensson 2007, p. 267).

3.1.1 Case selection

The ambition of the quantitative approach is not to establish or claim a possible causal correlation between the presence of populism and changes in economic policies (Teorell - Svensson 2007, pp. 174-177). Nor is it to create generalizability (Ibid, p. 230). This would call for a more in depth study and extensive resources in order to isolate and rule out other possible moderating variables causing a causal correlation (Ibid, pp. 64, 174-177). For example, trade area, historical context, geographic placement and type of government. Thus, the aim of the quantitative approach is to, primarily, select the cases. Secondly, to get an overview of a possible relation between the variables (which will be presented further in 3.3).



Jason Seawright and John Gerring (2008) bring forward the importance of choosing cases based on the research question in particular and not because of convenience. In the absence of a chosen method when selecting cases, there is a high probability of selection bias (Seawright- Gerring 2008, pp. 294-295). Hence, the cases of Portugal and Greece are selected based on the extreme case method. The quantitative approach is a schematic arrangement in excel of the selected variables. The data matrix is then used as the foundation for the scatterplots in the analysis. The intention is then to find two cases that stand out from the rest (Ibid, pp. 304-306).

The extreme case method strives to identify a case where the value of either the dependent variable (economic change) or the independent variable (populism) is extreme. By “extreme”, the method implies an observation that lies far away from the other observations. In other words, an unusual case (Ibid, p. 301).

3.1.2 Comparative case studies

The case studies are divided into three sections: *An economic overview*, *Preconditions for Populism* and *The Impact of Populist Parties on the Economic Agenda*. The first section aims to provide a broad background of the main economic and fiscal factors that caused the crisis

to be as severe as it was. The second section provides an insight into whether the country is susceptible to an upsurge in populist backing and whether it is reasonable to expect populism to have evolved in the manner it did, in that case. The two initial sections are a helpful introduction and tool to grasp the political and economic context from which populism operates within. The final section aims to answer the question of populism's influence on the economic agenda through the theoretical framework of the second face of power.

As a last step in the analysis, Portugal and Greece's economic approaches will be discussed in terms of short term policies. The goal is to examine whether the economic and fiscal decisions aligns or differ with the general idea of short term policies.

3.2 Scope and limitations

The time frame from which the study proceeds (2009-2019) is based on the time of the outbreak of the crisis during the end of 2009. By commencing with the year 2009, the thesis is able to compare the political situation and economic status before the effects of the crisis started. The timeline ends in 2019 because of access to the statistics on populist incumbent parties and to rule out the impacts of the corona-pandemic on our data.

The choice of not conducting a quantitative method in order to make general statements regarding populism and economic policies in all of the EZ countries, has been made based on limited time and resources to ensure the validity of the case study (Esaïasson et al. 2010, p. 63).

3.3 Operationalizations

The central concepts of this thesis are considered to be populism, influence and austerity measures as well as a focus on short term policies. The theoretical framework provides a conceptualization and explanation of these concepts, which includes measuring their influence through the chosen theories. Therefore this thesis argues that there is no need for additional operationalization of these concepts.

The concept of **populism** is being used in scatterplots (in the quantitative approach) in order to select cases. It was therefore essential to operationally define populism in an effort to assign the concept a measurable value. Populism is the independent variable in this study and

economic change is the dependent variable, because the impacts of populism on economic change will be measured. The units of analysis consist of the countries in the eurozone (Esaiasson et al. 2010, pp. 54-55). Populism will be measured as the shared votes for incumbent populist parties, because the share of votes in elections reflects the will of the people and gives an indication of how much populism has increased or decreased. It also signals the impact a party has on the national policies depending on what percentage of the votes they receive (Teorell - Svensson 2007, p. 39).

Changes in economic policies will be operationalized as annual average growth rate in GDP (Gross domestic product of nation). If populist parties aspire to implement economic policies that they believe will stimulate the economic growth within a country, average annual growth rate in GDP could give an indication if the policies have an overall impact on the economy. However, GDP does not take into account non-monetary factors, income inequality and standard of living among the population, for example. The measurement also fails to account for the possibility that increased output, for example, could come at the cost of problems in other areas (IMF, n.d). The EZ countries in this study vary in size of their economy and could therefore be somewhat misleading, when comparing due to the difference in the significance of a percentage unit. The used measurement has been considered to be complemented with additional measurements of economic indicators. For example, unemployment rate, inflation rate or changes in different economic and social welfare programs have been contemplated. Due to the scope of the paper, it is not possible. In addition, the chosen measurement also allows for a simpler comparison on the basis of equal conditions, between the countries.

3.4 Relevance

As mentioned in the historical context, financial crises not only result in economic costs, but also political costs (Sonno et al, 2022). Europe and the West has been experiencing a rise in populism during the last several years. Evgenia Passari's work on populism in Europe presents an increase in distrust and populist- and Eurosceptic voting, due to the economic crisis in Europe (measured in unemployment rate) (Passari, 2020). Since financial crises and political consequences is an emerging field, this study is highly relevant today. Especially since the covid pandemic resulted in an economic shock throughout the world and "triggered the largest global economic crisis in more than a century" (The World Bank 2022). Alongside the recovery from the pandemic, the war between Russia and Ukraine broke out which has

further affected the economy. This makes one wonder how the financial shock will unfold politically and which ramifications it will have.

3.5 Data and material

The *PopuList's* list of populist parties in Europe has been the source used to determine whether a party is considered to be populist. The PopuList is an initiative created by The Guardian, involving academics and journalists. The source also works with country and party experts, meaning that the list is frequently updated when receiving new feedback and national parliamentary elections take place. Since the list is also thoroughly peer-reviewed this makes for a confident source to use. However, this is a complex area within political science and the list's definition is debatable as there is no consensus among scholars on the definition of populism (The PopuList, 2021).

The European Parliament is the source being used when gathering the statistics of the national elections in each country. The European parliament collects their data from the Member State's official election authority and is validated by the national legislative authority. The website, however, does not report what the criterias are for a national party to have their exact share of the votes presented and what makes a party get divided into the block of "other parties", nor does it account for which parties do. This makes the data in the scatterplots skewed when the block of "other parties" differs in size between time periods and countries. Still, this source is the best suited for this paper due to all the countries election results in the analysis being gathered from the same website and timeline. One possible inference is that the parties included in the statistics are those who have had representation in the European Parliament at some point in time (European Parliament, 2019).

4 Analysis and results

4.1 Case selection

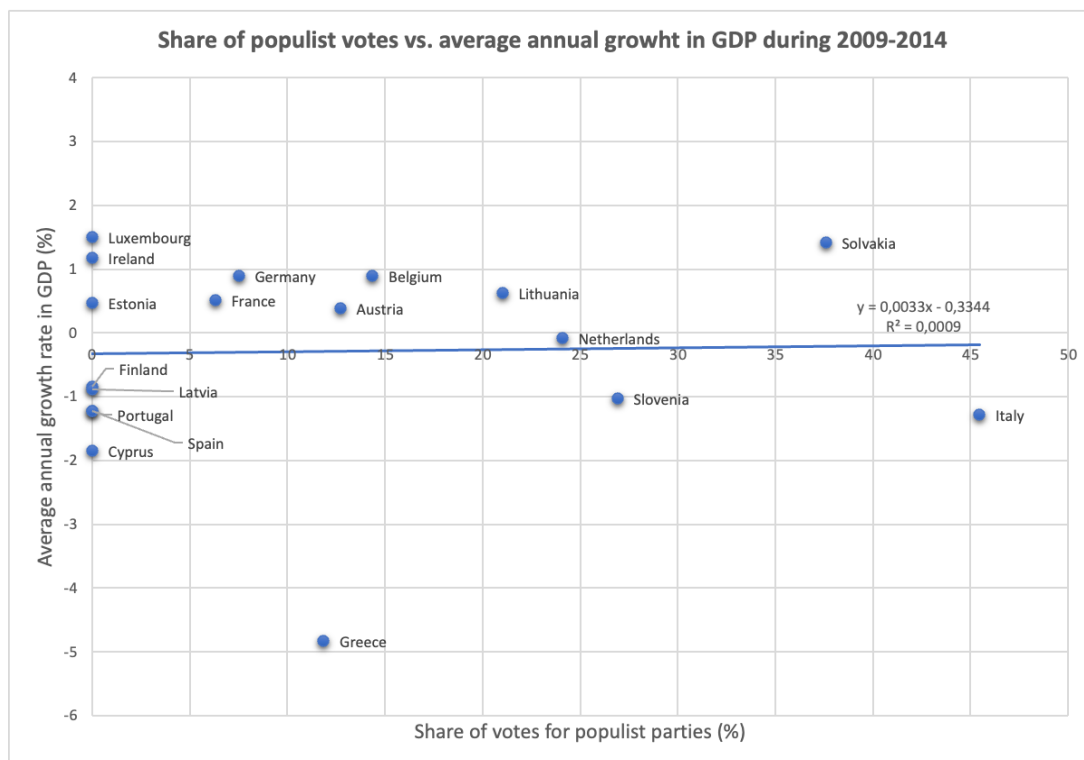
This section consists of quantitative data gathered on populism and the economic performance in the eurozone (EZ) countries (except Malta due to it not being included in the PopuList). As mentioned above, the goal is to select two countries from the scatterplots for

the comparative case study in accordance with the extreme case method. In addition, the scatterplots give an overview of whether the two variables could relate to one another.

The choice of variables stems from the willingness to see if a higher level of populist presence implies changes in the economic policies which could be reflected in the country's economic performance. This could indicate that populist parties have influence in economic decisions.

4.1.1 Eurozone

Figure 1: Share of populist votes vs. average annual growth in GDP during 2009-2014



Source: World Bank, GDP growth (annual %). The World Bank Group <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>.

Retrieved: 2023-04-05.

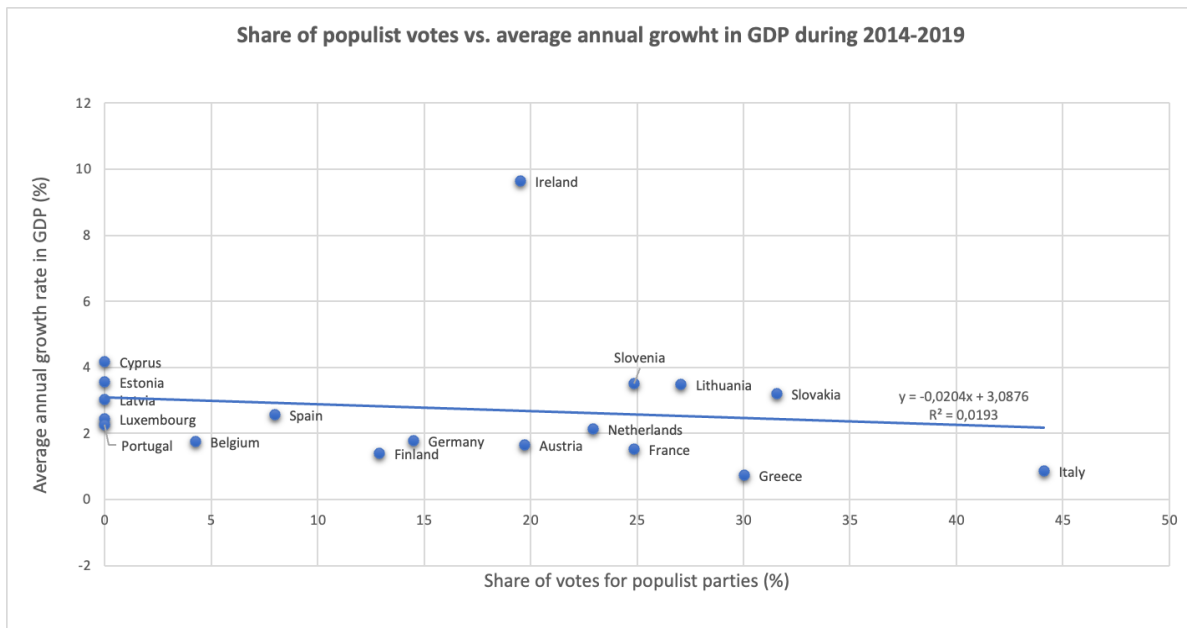
European Parliament, European election results 2009-2014. <https://www.europarl.europa.eu/election-results-2019/en>.

Retrieved: 2023-04-05

The observed pattern in the scatterplot is almost linear but with a slightly positive skewed regression line. The regression coefficient (0,0033) is close to 0 which means that there is no correlation between the variables (Teorell - Svensson 2007, p.171). This speaks against the

belief of a relation between the variables, which could to some extent agree with the hypothesis. The correlation coefficient is 0,03 (since it is the square root of R-square value that is 0,0009), which tells us that there is no strength in the correlation (Ibid, p.176).

Figure 2: Share of populist votes vs. average annual growth in GDP during 2014-2019



Source: World Bank, GDP growth (annual %). The World Bank Group <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>.

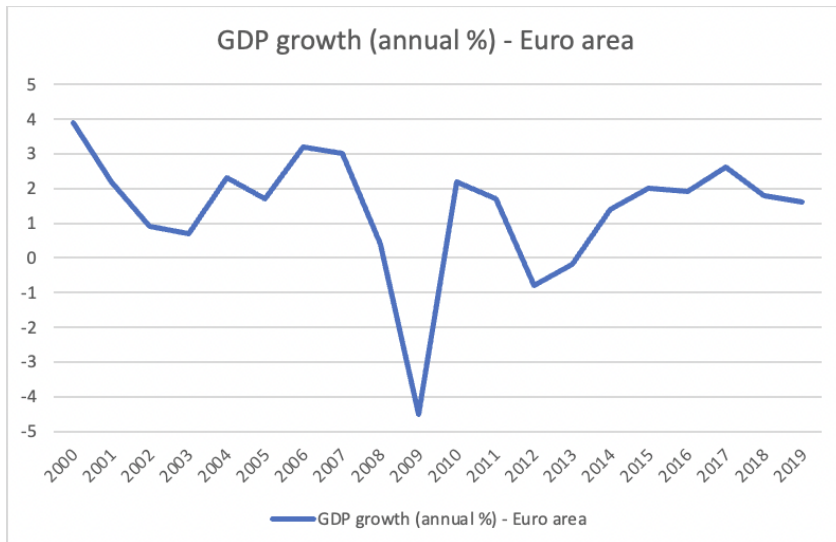
Retrieved: 2023-04-05.

European Parliament, European election results 2014-2019. <https://www.europarl.europa.eu/election-results-2019/en>.

Retrieved: 2023-04-05.

As observed in this scatterplot, several countries have increased in both average GDP and in votes for populist parties. The rise in the average annual growth in GDP is a logical outcome and would be anticipated to increase to a certain degree in all nations, owing to the substantial decline experienced during the crisis, as seen in the figure below. The OECD economic survey on the Euro Area (2010) similarly documented the initiation of stabilization throughout the entire euro area in the second quarter of 2009, with an anticipated subsequent recovery (OECD 2010, p.32).

Figure 3: GDP growth (annual %) - Euro area



Source: World Bank, GDP growth (annual %) - Euro area. The World Bank Group.

<https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?end=2021&locations=XC&start=2000&view=chart>.

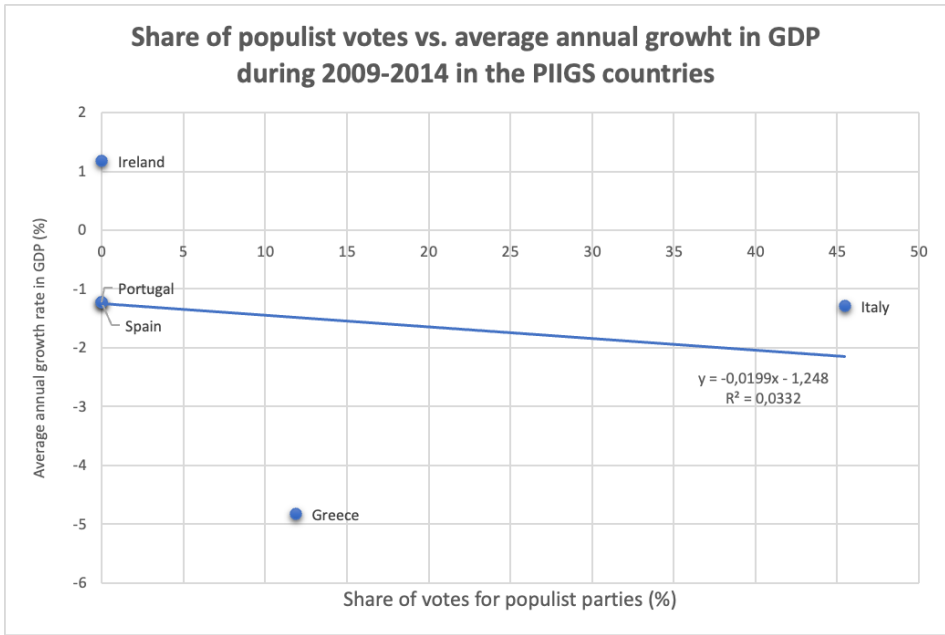
Retrieved: 2023-04-27.

Figure 2 does have a slight negative regression line and a somewhat higher correlation coefficient ($\sim 0,14$). Yet, these values do not make a clear statement regarding a correlation, but it does align with the hypothesis of a correlation between populisms' influence on the economy.

4.1.2 PIIGS

The PIIGS (Portugal, Italy, Ireland, Greece, and Spain) countries were the economically weakest countries in the eurozone during the euro crisis. All of these countries were at risk, due to their financial instability (Ganti, 2022).

Figure 4: Share of populist votes vs. average annual growth in GDP during 2009-2014 in the PIIGS countries.



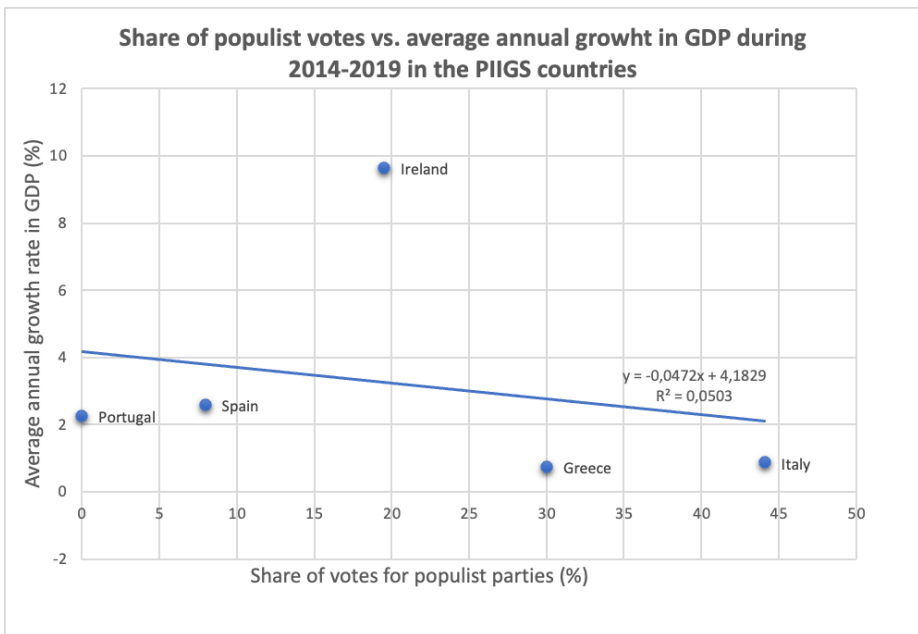
Source: World Bank, GDP growth (annual %). The World Bank Group
<https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>.

Retrieved: 2023-04-05

European Parliament, European election results 2009-2014.
<https://www.europarl.europa.eu/election-results-2019/en>.

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Figure 5: Share of populist votes vs. average annual growth in GDP during 2009-2014 in the PIIGS countries



Source: World Bank, GDP growth (annual %). The World Bank Group
<https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>.

Retrieved: 2023-04-05

European Parliament, European election results 2014-2019.
<https://www.europarl.europa.eu/election-results-2019/en>.

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When solely reviewing the PIIGS countries with the same variables as for the entire eurozone, the negative regression line is more visible than in the scatterplots with all of the EZ countries. This corresponds to both time periods. The regression coefficient has a lower value in figure 4 compared to figure 2, which makes the correlation more significant. However, the relationship is still not very strong. The correlation coefficient is also closer to 1 ($\sim 0,22$), suggesting that the correlation is stronger among the PIIGS countries. The noteworthy aspect of this observation lies in the fact that these countries, which were heavily impacted by the crisis, also exhibit this pattern and an even stronger one. Nevertheless, it is important to note that this particular finding does not fall within the scope of investigation in this paper. Instead, the focus of this paper will be on the selection of specific cases for examination, based on the extreme case method.

The chosen cases are Portugal and Greece. This is because of Greece's average GDP being exceptionally low compared to the other EZ countries in all scatterplots and due to the international attention regarding Greece's alarming financial situation during the crisis. Portugal has been chosen because unlike many other countries, their level of populism has remained at zero during both time periods and has a higher average GDP than Greece.

Greece and Portugal have several notable similarities, as both countries were categorized among the severely affected PIIGS countries during the crisis. They also utilize the same currency, share geographical proximity and are both members of the European Union. Still, Portugal had a very different approach to the crisis compared to Greece and the countries had notably different outcomes. Other studies, such as Dimitri Sotiropoulos, chooses to compare Portugal and Greece which supports the selection of these countries. Because of the attention given to the comparison of Portugal and Greece in today's research, it is therefore a natural choice to make instead of selecting countries such as Ireland and Italy that also stand out.

4.2 Case studies

4.2.1 Greece

4.2.1.1 An economic overview

This section provides an economic overview of the economic factors that contributed to the severity of the Greek crisis. Understanding the political and economic context in which populist parties operated and the actors and regulations they encountered, is necessary in order to gain a comprehensive understanding of the economic landscape.

The National Bureau of Economic Research (NBER) released a report in 2016, analyzing the Greek crisis. It stated that Greece became the first OECD member not being able to pay its large sovereign debt, which resulted in the large-scale bailout program. A worry in the EU was a possible extension of the crisis into other eurozone (EZ) countries, which is a reason for the size of the bailout package Greece received (Gourinchas 2016, pp.1-2). The report highlights three different shocks that Greece experienced due to the financial crisis in 2007. First, *the sovereign debt crisis* when investors were unwilling to finance the government deficit because of the unsustainable debt they had put themselves in. The second shock was *the banking crisis* when the solvency of the Greek banks got questioned which led to the banking system being insolvent. Third, was *the sudden stop* of capital inflow when foreign investors abruptly stopped lending money to Greece which caused concern for banks, firms and the government. This was due when the current account deficit could no longer be paid by Greece (Gourinchas 2016).

As stated in the report, the country was characterized by a significant amount of debt across various sectors, which could amount to an explanation of the severity of the crisis in Greece. NBER found that the most considerable factors to the severity of the crisis were the fiscal consolidation (is when the state uses measures to increase revenue or/and reduce expenses (Konjunkturinstitutet 2010)) by the government (Gourinchas 2016, p.5).

The economic adjustment programs

According to information regarding the financial assistance to Greece from the European Council's website, the EU has lent Greece 256.6 billion euro in total through three economic

adjustment programs during the period of 2010 to 2018. The three programs have been funded by bilateral loans from the EU member states, loans from European Financial Stability Facility (EFSF) and by the European Stability Mechanism (ESM). In order to receive this financial support, Greece agreed to implement a number of structural reforms and measures under the surveillance of the EU. These reform packages have included reformation of the financial sector, taxes, privatization, labor and product market, pensions and public administration. Greece's progress has since then (2018) been monitored by the EU (European Council, n.d). The goal was putting the country on a path to economic recovery while implementing these measures.

4.2.1.2 Preconditions for Populism: Populist Movements in Greece

In this section an overview and background of the preconditions for populism will be provided, with the purpose of examining if they created an environment where populist parties could thrive. The crisis in Greece gave rise to populism and the support for both right and left populist parties increased. In 2015 Syriza won the election and formed a coalition together with the right-wing populist party, ANEL. Dimitri A. Sotiropoulos writes that during Syriza's period of governance, the adoption of governing policies with populist characteristics was evident (Sotiropoulos 2021, p.252). The author concludes that it was to no surprise that populism exploded in Greece, because for such a long time, populism has been nurtured by harsh austerity measures, political exclusion and distrust in political institutions.

Greece has had a history of not practicing inclusionary politics and had not adapted any demands "from below". The consequences of non-inclusionary politics have been proved through many violent riots in Greece. Anti-governmental actors acted outside of institutional arrangement which led to an environment breeding populism (Ibid p.257-258). In short, Greece's history has been characterized by polarization and resentment towards the state.

Sotiropoulos provides arguments of Syriza's very clear populist discourse while in power. The writer has collected several citations from Syriza's leader, Alexis Tsipras, that shows the populist discourse of wanting to pit the people against the economic and political elite. Tsipras used the motto: "either us or them" when referring to the opposing coalition of ND-Pasok and "either we finish them off or they finish us off" meaning the oligarchy. The party also continued with "overpromises" which they never delivered on (Ibid p.272). This

discourse is then used against institutions like the judiciary, civic associations and mass media. Populist parties generally want to create an environment of controllable institutions by overturning the fragile balance of power between the executive, the legislature and the judiciary, according to Sotiropoulos. Furthermore, the author states that Populist parties have a tendency of proceeding from a plebiscitarian concept of democracy rather than a liberal, representative democracy. Syriza's plebiscitarian approach is exemplified by certain actions such as holding a referendum on the bail-out package proposed by the European Commission (which will be discussed further later) and passing a law that granted people in cities the right to vote on select issues. However, these actions implied limitations on mayors and local governments impacting their decision-making authority (Ibid p. 272).

4.2.1.3 The Impact of Populist Parties on the Economic Agenda

This section examines whether populist parties in Greece do have influence on economic policies or not. Hence, the subject of analysis is the incumbent populist government coalition of Syriza-ANEL. To assess their impact, the theory of two faces of power, including agenda setting and non-decision making, is being utilized. To enhance the examination of agenda setting, the issue entrepreneurship model will be employed as a complementary measure. Due to the Troikas considerable involvement in Greece's economy and pushing for fiscal reformations, Syriza did not have much room for action. Naturally, their influence is therefore being analyzed in the context of austerity measures.

Agenda setting

Regardless of the alarming public finances in Greece due to the crisis, all of the parties in opposition were dismissive of austerity measures from the start. This was when the ruling party, Pasok, together with external creditors presented an austerity plan. When the sovereign default was an actual threat during 2015, most of the parties came around to the idea of implementing it. This was badly received by the population, and Syriza gained huge support due to their promise of supporting all anti-austerity measures (Sotiropoulos 2021, p. 266-271).

In the book “Setting the agenda: the mass media and public opinion” (2004), McCombs states that the main source of information varies depending on the issue. Personal experience could also be a dominant source. Especially when it comes to the economy that affects the people, meaning that they do not need other sources to alert them when they are experiencing the effects of an economic issue (McCombs 2004, p.60). This implies that Syriza was able to shape the political agenda, by capitalizing on the public's experiences with the financial crisis. By taking a distinct stance against the austerity measures and advocating for anti-austerity, the party effectively changed the political agenda through issue entrepreneurship.

Some of the core election promises made by Syriza regarded reversing austerity. The most eye-catching election promises were the promise of a generous minimum wage rise (from €580 to €751) and to create 300,000 new jobs in the private, public and social sectors. Another promise concerned giving an amount of free electricity every month to people below the poverty line, along with food subsidies and abolished tax on heating fuel (BBC, 2015). Many of these promises, however, were hard for the party to uphold, due to Syriza's limited influence in the labor union confederations and local governments, according to Sotiropoulos (Sotiropoulos 2021, p.271). Nor did the goal of writing off Greece's debt become a reality.

Due to the economic crisis, inequality and poverty grew. Syriza were quick to acknowledge the peoples grievances and worked as issue entrepreneurs to set the agenda. The party addressed the issues of poverty which gained the public's attention, then took another stand in the issue and pushed their solutions forward. Regardless if these solutions (such as increase in the minimum wage and free electricity) were economically reasonable or not, the party was successful in their issue of entrepreneurship which was proved when winning the election.

Non-decision-making

The Greek finance minister, Yanis Varoufakis, and the Greek Prime Minister Alexis Tsipras entered long-lasting negotiations with the EU after the election in 2015. They negotiated for the Troika to discontinue the “heinous”, as phrased by Tsipras, supervision over the Greek policies including the bailout-program (Dikaios - Tsagkroni, 2021, p. 611).

This thesis argues that this negotiation process allowed Syriza to exercise influence through non-decision-making. Because of Greece's economic turmoil and need of financial assistance, especially considering their interlinked economy with the Eurozone countries, it may seem unreasonable for Syriza to completely oppose austerity measures. However, the negotiations could be interpreted as means for Syriza to prevent the EU from implementing and taking action on the austerity measures, rather than outright preventing their proposal.

Syriza, led by Y. Varoufakis and A. Tsipras, entered negotiations with an uncompromising attitude, denouncing the Troika and the loan commitments given (Dikaïos - Tsagkroni 2021, p. 617). The negotiations focused on a power imbalance, with the EU having significant influence. The party's non-decision-making approach, such as delaying commitments to the austerity loans and a controversial referendum, allowed them to retain influence while avoiding direct confrontation (Ibid, pp.625-626). Furthermore, the authors mention the fact that Varoufakis and Tsipras made a mistake by only addressing solutions to problems of their party's concern, and not political issues for Greece as a whole (Ibid pp.622-623).

During the negotiations, one can conclude that Syriza deliberately delayed making a decision on committing to austerity loans, rendering it a non-decision. On one hand, the non-decision of the bailout could be perceived as a failure when Syriza did not succeed in convincing the Troika to withdraw their bailout plan. On the other hand, as the authors mentions, this is a particular situation where the scale is already tipping towards the EU who already holds power over the member states.

Syriza did manage to push forward the current bailout programme with an extension of four months (Dikaïos - Tsagkroni 2021, p. 619). Although the party could not entirely reverse the Troika's austerity measures, Syriza managed to halt some privatization efforts and layoffs in the public sector (Reuters, Business Insider). They also sought to shape the agenda by controlling sources of information, for example when the ELSTAT, Greece's statistical service, faced an unjust trial for allegedly exaggerating statistics on the nation's public debt and budget deficit, despite the fact that the statistics were approved by Eurostat (Dikaïos - Tsagkroni 2021, p. 273-274). Additionally, the Syriza-ANEL coalition appointed loyal judges and prosecutors within the judiciary to prosecute unfriendly parliamentary opposition (Ibid, p. 273-274). These actions demonstrate how Syriza sought to control and influence the judicial system for political purposes. Another example was the referendum regarding

whether to accept the deal or not, when A.Tsipras highly urged the population in Greece to vote against the new bailout proposition. The choice of a referendum was not received well by the opposing parties and actors outside of the country with the argument of it being unconstitutional to hold a referendum on fiscal matters (Tsatsanis - Teperoglou, 2016).

According to Bachrach and Baratz (1962), non-decision-making is at times an even more effective and subtle way to influence. Instead of making the actual decisions and without having to openly oppose or reject a decision, a party could retain their influence. By avoiding making the decision themselves and leaving it to a referendum, Syriza could avoid possible confrontation and keep the status quo. Overall, Syriza's negotiations strategies and political actions had both successes and limitations in challenging austerity measures.

4.2.2 Portugal

4.2.2.1 An economic overview

The Portuguese economy flattened in the early 2000's with an average GDP growth rate of 1% between 2001-2008, making the country vulnerable when the 2008 euro crisis came (Centeno, 2018). In 2011, the domestic issues of Portugal had become intertwined with the larger contagion effect spreading throughout the euro area. This led to the country requesting financial aid from the EU, the euro area and the IMF in April of 2011 (Ibid).

The financial aid package included measures such as fiscal consolidation strategy, supported by structural and fiscal measures, as well as structural reforms to boost potential growth, create jobs, and improve competitiveness. According to the European Stability Mechanism (2021), the goal was a stabilization of the financial sector through recapitalisation and deleveraging. Even though the country faces challenges including significant debt and inflation, the economy has shown a sustained improvement since the second half of 2016 and has continued to accelerate, with a growth rate of 2.7% in 2017, surpassing the average growth rate of the European Union (Centeno, M 2018).

4.2.2.2 Preconditions for populism

According to Fishman (2019), democratic practice differs by country. The author highlights the fact that countries may share the same type of institutional structures and that their

individual and collective rights are within these institutions. Despite this, the manner in which the political actors express themselves and interact with each other can vary greatly in different countries. This is exemplified with Portugal, a country characterized by patterns of broader political inclusion compared to Greece both before and after the financial crisis. This different political pattern is described as a factor which could suggest that the political climate in Portugal could have been less conducive to the rise of populist movements (Fishman, 2019).

Even though the domestic issues of Portugal led them to requesting financial aid in 2011, the authorities in Lisbon initially hesitated. One strong incentive was the stigma the need of international financial aid creates, and the loss of credibility for the country. Portugal's history from two prior programmes with the IMF in 1977 and 1983 also contributed to the initial reluctance (Teixeira dos Santos, 2015).

‘Policies were very restrictive. Recession, high unemployment, high inflation, declining real incomes, and a deterioration of living conditions at the time became associated with the IMF,’ he said. ‘Calling the IMF again would be like, for a child, calling for the “bogeyman”. Such memories implied it would impose a very high political cost. No wonder there was reluctance.’ *Teixeira dos Santos, Fernando*. Minister of finances in Portugal 2005-2011 (ESM, 2021)

It required a political crisis for the Portuguese financial aid programme to assemble. The socialist government ruled by José Sócrates aspired to commit to a more comprehensive reform of the budget, a proposal which was supported by the European commission and the ECB. The minister of finances wanted to implement the reform in order to avoid the need for the full financial aid program and the stigma that it entailed. Despite this, the reform package failed among the rest of the parties in the Portuguese government which led to the resignation of the socialist party (PS). Finally, the center-right Social Democratic Party and the Conservative party formed a new government which led to the financial assistance program from the IMF and other international organizations (Teixeira dos Santos, 2015). Even though the austerity measures were imposed in Portugal and that the two major parties agreed to fiscal consolidation, large scale social protests still occurred in September 2012 and in March 2013. Although these social protests took place, Sotiropoulos (2021) suggests that they were far more restrained than the ones in Greece and concludes that the party system in Portugal was an important factor. While in Greece there was a change of party system during the

economic crisis, in Portugal there was a change *within* the system. The author suggests that Portugal's change without a complete overhaul as in Greece in combination with the less frequent protests, contributed to a more stable government less susceptible to populism during the crisis period (Ibid, p.278)

4.2.2.3 The impact of populist parties on the economic agenda

The center-right social democratic party (PSD) was in power in Portugal from 2011 to 2015, while the main opposition party was the socialist party (PS). The different governments and political parties in Portugal had diverse approaches to the austerity measures included in the financial aid programme implemented by the ESFS programme. This influenced the party's success in implementing their own economic agenda. As previously mentioned, The Socialist Party led by José Sócrates was hesitant in requesting the financial aid programme and thus attempted to implement their own budget overhaul. When this attempt failed to succeed and the party was forced to resign, the center-right coalition led by Pedro Passos Coelho became the ruling party and implemented the austerity measures imposed by the IMF (Teixeira dos Santos, 2015).

As presented in the quantitative case-selection part of the thesis, Portugal's number of incumbent populist parties is marked as 0. The cause for this is that the national conservative, right-wing populist political party in Portugal named “Chega” was not formed until 2019, which is after the timeline for the study presented (European Parliament ID, n.d). The PopuList defines Chega as a populist party, but because of its recent upcoming election it has not had any influence on the quantitative study presented. Although it makes for interesting further research on the topic, the lack of populist parties before the year 2019 led to its exclusion from the quantitative case selection study in this thesis. With that said, the recent emergence of the populist party Chega in Portugal highlights the importance of continuing to study the subject, particularly in this region.

4.3 The alignment of Greece's and Portugal's Tactics with Short-term Policies

When comparing the two cases the economic outcomes differed, despite the Troikas involvements. It is therefore necessary to compare the two cases' tactics and their respective alignment with short-term policies, and if that could be a possible explanatory factor.

As discussed in the Greek case, the country exhibited a lack of comprehension regarding the political dynamics at play, leading to strained relationships with other member states amidst the negotiations with the European Union (EU). Consequently, this hindered their prospects during the negotiations. Furthermore, Syriza primarily focused on addressing issues aligned with their party's interests rather than considering broader political concerns that encompassed the entire nation of Greece. This aligns with the short term theory of failing to evaluate the pros and cons of different policy options.

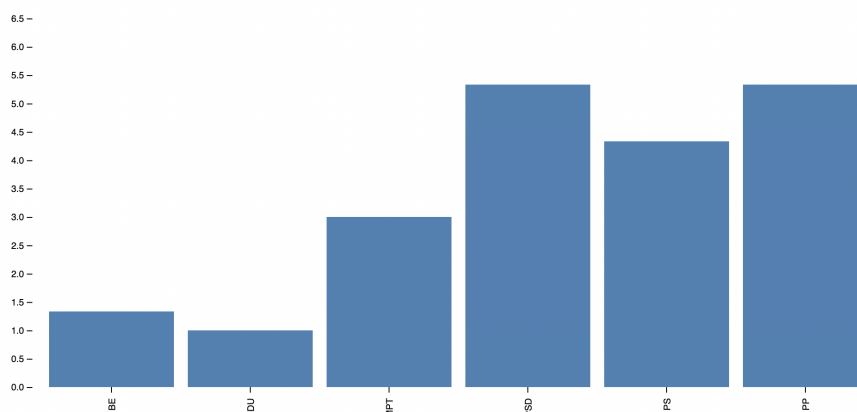
The Greek government's decision to hold a referendum on whether to accept the bailout plan proposed by the European Union highlights their adherence to a plebiscitarian perspective of democracy within a populist framework. This referendum received criticism, particularly due to allowing the public vote on fiscal matters. This paper aims to argue that the resistance and disagreement from external actors stem from concerns about potential unforeseen long-term economic effects if the general population, who may lack comprehensive knowledge on economic matters, is granted the authority to vote on such decisions. This aligns with the government's tendency to prioritize short-term policies without sufficient consideration for long-term implications.

Greece is one of the countries with the highest public investment spending according to the OECD report. This refers to the government expenditures on, for example, infrastructure, education, healthcare, research and development. A high public expenditure does not necessarily have to be negative, though the OECD report notes that Greece is in need of developing a long-term public investment strategy in order to overcome what is described as a "short-term budget" (OECD 2018, pp.120-121).

An article by Panagiotis Liargovas & Marios Psychalis titled "Fiscal reforms in the EMU: the Greek response" has found research that proves the common fiscal rules in the EMU

(European Monetary Union) to be beneficial for many EU members since the implementation. The authors have found research suggesting that tightening fiscal rules by restricting debt and expenses has been beneficial for many EU members, fostering long-term growth. The paper emphasizes the importance of constraints on the size of the public sector for optimal economic policies, suggesting that large fiscal deficits can be detrimental to long-term growth. By reducing government spending, it is believed that entrepreneurship can be increased. The research also indicates that though increasing public debt could have a positive short-term impact on the economy, there are negative consequences in the future (Liargovas & Psychalis, 2020). Therefore the study considers Greece, having high public debt, to be in an unfavorable economic position in the long term (OECD 2018, p.12). The economic adjustment programs imposed on Greece and Portugal by the Troika, which included austerity measures and structural reforms such as privatization and reduced government spending, align with this research suggesting that such measures stimulate long-term growth and therefore benefit the economy. This could be an indication that these programs advocate against short-term policies. The Chapel Hill Expert Surveys show that Syriza rejects the economic policies the EU promoted and opposes the EU authority over economic policies, suggesting a preference for short-term policies. In contrast, Portugal accepting EU authority over member states' economic and budgetary policies, could indicate a tendency towards short-term policies.

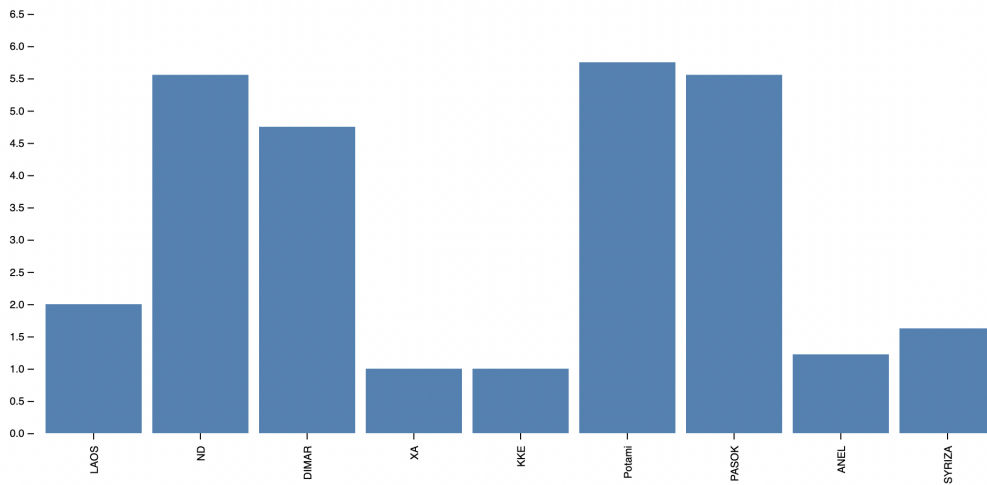
Figure 6: Portugal 2014, position of the party leadership on EU authority over member states' economic and budgetary policies.



Source: Chapel Hill Expert Survey. <https://www.chesdata.eu/ches-stats>.

Retrieved: 2023-05-07

Figure 7: Greece 2014, position of the party leadership on EU authority over member states' economic and budgetary policies.



Source: Chapel Hill Expert Survey. <https://www.chesdata.eu/ches-stats>.

Retrieved: 2023-05-07

5 Discussion

The findings of this research suggest that populism does have the potential to influence economic policy-making, as demonstrated in the cases of Greece and Portugal during the Euro Crisis. The rise of populist parties in Greece, particularly Syriza, was driven by public discontent with austerity measures and political exclusion. These parties adopted policies with populist characteristics and gained support by promising to oppose the imposed austerity measures. While the Portuguese government eventually accepted and implemented the austerity measures included in the bailout, Syriza actively fought against them.

Despite the involvement of the Troika, Syriza managed to set the agenda and influence economic policies, due to the widespread public discontent with the imposed austerity measures and their political stance. While the party did not succeed in completely reversing decisions, they were able to postpone the bailout program, halt some privatization efforts, and exert control over sources of information. This indicates that populist parties, even under external control by the Troika, can still have some influence on policy-making processes. The involvement of the Troika complicates the matter in trying to determine the level of influence Syriza would have had in national economic policymaking. Nevertheless, their success in gaining majority votes and passing laws that put them in control of information sources

suggests a significant degree of influence. The prioritization of short-term policies over long-term stability was observed in the Greek case but not in the Portuguese one, as discussed in section 4.3.

It is important to note the fact that views as to whether populism is a useful concept for analytical purposes diverge widely in social sciences. The report on the European Economy (2017) notes that the reason for this is because it is difficult to clearly separate populist and non-populist ideas, political regimes and parties (2017, p.52). Nonetheless, this should not constrain scholars and political scientists to conduct research upon this area. Thus, the choice of clearly defining the concept of populism with the help of the PopuList in an attempt to approach this problem while still remaining humble for this complex phenomenon.

Further research on the relationship between the economy and populism, specifically in the context of the relatively controversial austerity measures and short term-policies, is highly recommended and necessary. As previously mentioned, Boumans (2017), made an interesting start of a quantitative study aiming to research if populism influences economic policy making. A more comprehensive quantitative study could give general results and further research the ways populist economic policies could impact the economy, and the consequences of it. Furthermore, further studies could analyze and take a stand to whether these economic policies could have positive or negative effects on the overall economy or the society in a way a bachelor's thesis is unable to. Perhaps even contribute to policymakers understanding of the implications different economic policies have on political stability and social cohesion.

Another interesting suggestion for further research would be to review if it is plausible that short-term policies manifest in distinct forms depending on whether they originate from left-wing or right-wing populism. While both right- and left wing populism generally express discontent with the EU's economic policies (ECPS n.d), they still diverge in their perspectives of economy due to ideological placement on the political spectrum. Right wing populism tends to have an neoliberal economic view of prioritizing the trust in the market over state intervention (although this remains a subject of debate) (Cambridge University Press, Cas Mudde). Conversely, left wing populism believes in social justice, anti-capitalism and welfare (ECPS n.d). Due to the scope of this thesis, it builds upon Boumans research regarding overall populism's impact on economic policy making. However, it would be

intriguing to investigate if short term policies differ between left- and right wing populism and if that affects the economy differently.

6 Conclusion

To conclude and relate to the initial research question: *Is it possible that populism influences economic policy-making? And if so, could one of the ways in which it does so be through the prioritization of short-term policies over long-term sustainability?* The cases of Greece and Portugal in the context of the Euro Crisis. The hypothesis of this research has been that populism does have the influence to change economic policies in a way that aligns with short term policy theory. Based on the findings in this study, it is reasonable to argue that the research supports the initial hypothesis. The main conclusion to be drawn is that populism in Greece does to some degree influence economic policymaking, and does so in terms of short term policies when compared to the case of Portugal. However, there is not enough evidence supporting a definitive conclusion that populism in general influences economic policy making. With that said, the findings in the cases Portugal and Greece could be regarded as an indicator that might be the case, and that Syriza had the potential to influence economic policymaking during the Euro Crisis.

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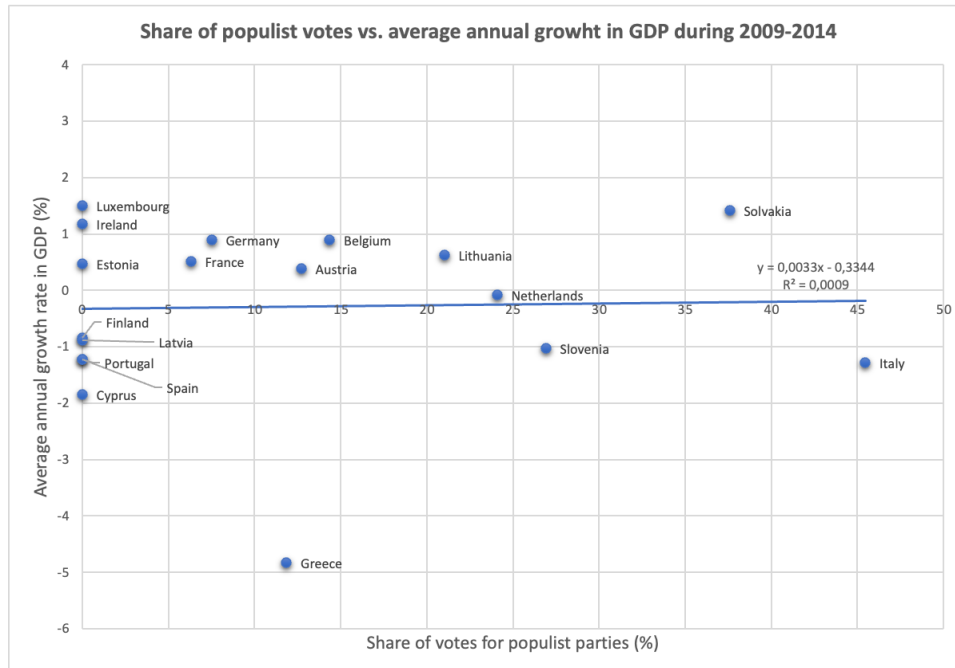
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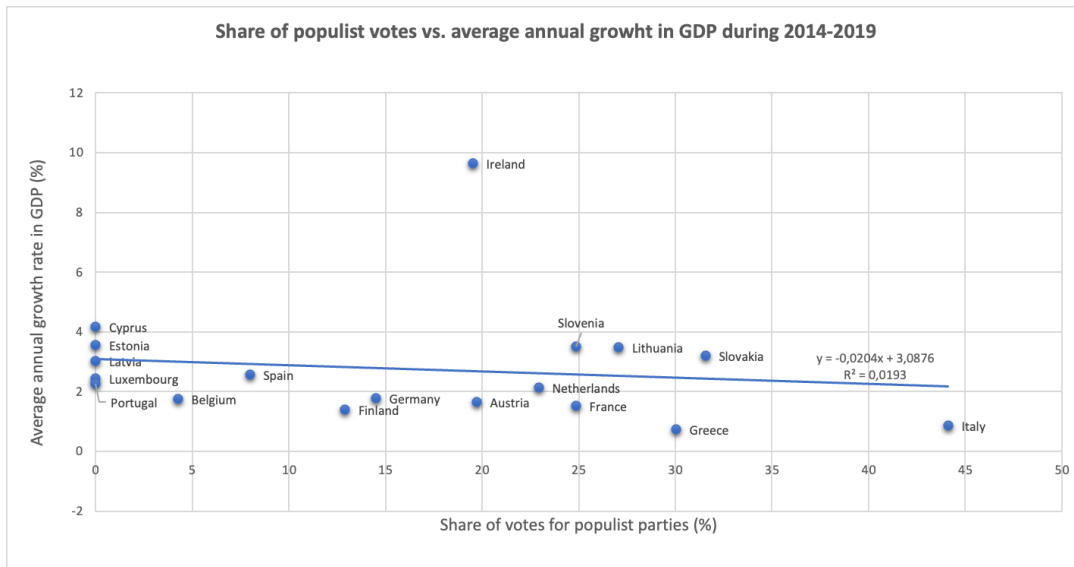
8 Appendix

Figure 1: Share of populist votes vs. average annual growth in GDP during 2009-2014



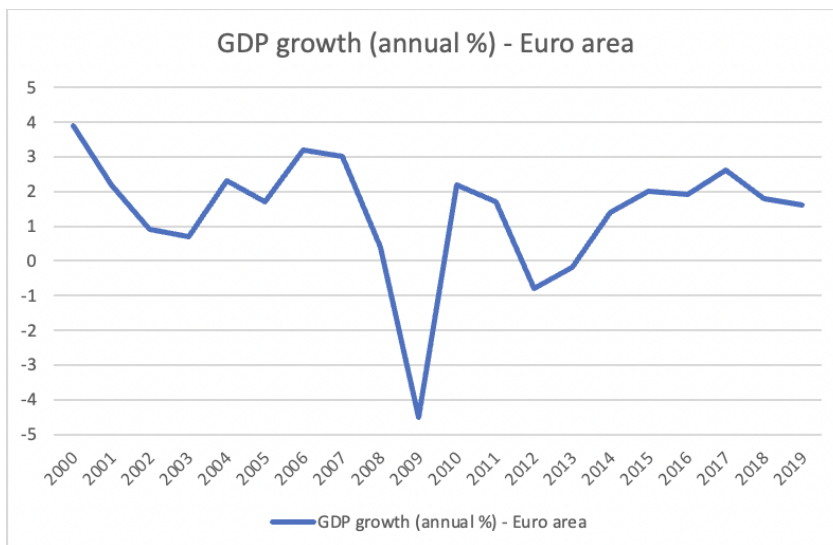
Source: World Bank, GDP growth (annual %). The World Bank Group <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>. European Parliament, European election results 2009-2014. <https://www.europarl.europa.eu/election-results-2019/en>. (Malta not included in PopuList)

Figure 2: Share of populist votes vs. average annual growth in GDP during 2014-2019.



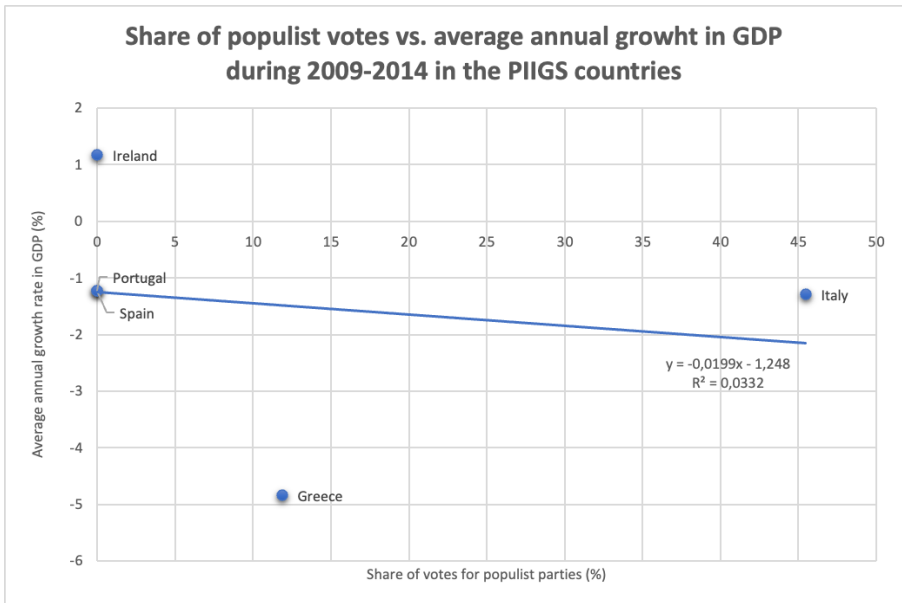
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Figure 3: GDP growth (annual %) - Euro area



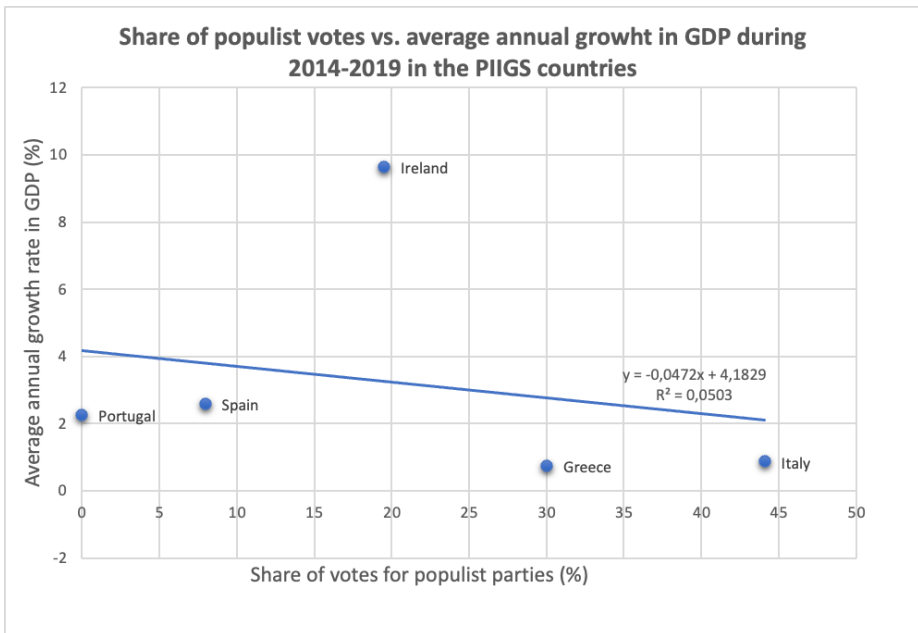
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Figure 4: Share of populist votes vs. average annual growth in GDP during 2009-2014 in the PIIGS countries.



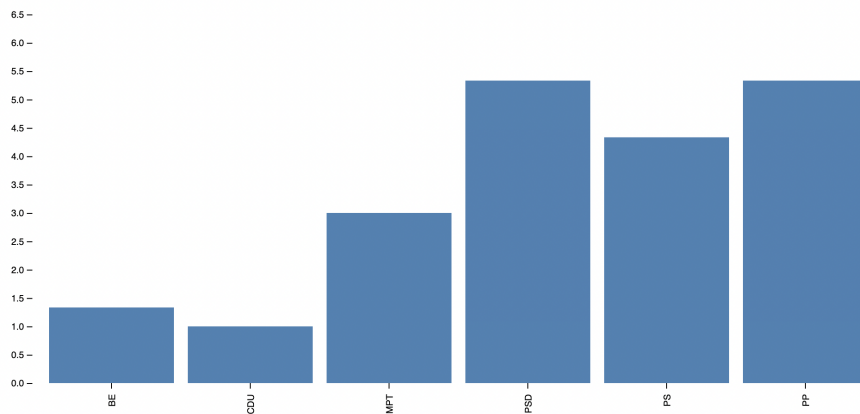
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Figure 5: Share of populist votes vs. average annual growth in GDP during 2009-2014 in the PIIGS countries.



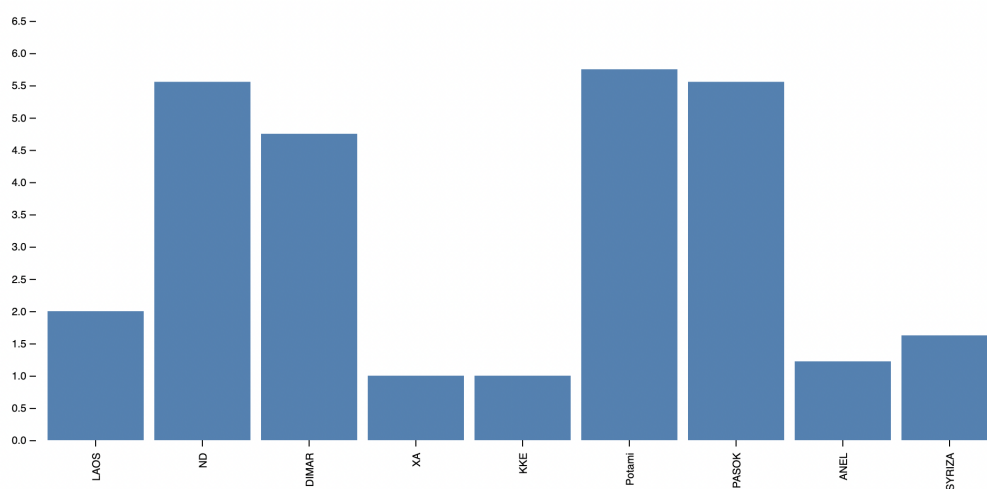
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Figure 6: Portugal 2014, position of the party leadership on EU authority over member states' economic and budgetary policies.



Source: Chapel Hill Expert Survey <https://www.chesdata.eu/ches-stats>

Figure 7: Greece 2014, position of the party leadership on EU authority over member states' economic and budgetary policies.



Source: Chapel Hill Expert Survey <https://www.chesdata.eu/ches-stats>

