I. Introduction

With no blazer, long hair, and often provocative Marxist t-shirts, left-wing populists burst into parliaments all across Europe several years after the catastrophic 2008 financial crisis. Their entrance has, in some cases, broken the two-party systems and destabilized politics. They have also managed to include their outright socialist agendas into their respective parliaments and enacted substantive change that will remain imprinted in the political culture of Europe. Being this impactful to current European politics, it is surprising that academics have paid little attention to them, but this essay will provide a small summary and analysis of its rise. In this paper I ask: how did left-wing populist movements and parties become prominent in Europe in the past six years, and to what extent did the 2008 recession play a role in triggering these movements?

Social Democratic parties, along with their center-right counterparts, used to dominate European politics. PSOE in Spain, Labour in the U.K, SPD in Germany, and PASOK in Greece were all left-of-center political parties that served as the undisputed leaders of the left. However, their decline has caused a split in the left side of the ideological spectrum. Inspired by the success of Tony Blair’s “third way,” social democratic parties began embracing more aspects of capitalism and turned their back on income inequality and other market failures such as indiscriminate evictions. This, as well as the rise of the ‘globalization cleavage’ created a stage where left-wing populist parties could answer the needs of voters whose quality of life remained the same or decreased by the early 2000’s.

Although much attention has been paid to the rise of far right populist movements in Europe, the leftist populists have not undergone as much scrutiny. Populism is broadly characterized by its anti-establishment rhetoric which can be seen in both right and left-wing populism. Besides this characteristic, academics have not agreed upon overarching qualities that tie both camps of populism. Looking specifically at left-wing populism, most research has come in reaction to Latin America’s exploration of left-wing populism in the 1990s and 2000s, and this will be further discussed in the literature review. Nevertheless, left-wing populism “define[s] the enemy in terms of bearers of socio-economic structures and rarely as particular groups.” Two specific European countries experienced the rise of left-wing populism in a way that was particularly strong and similar in process: Greece and Spain. Both countries had a two-party system balanced between the center-left and center-right before the 2008 crisis, their banking industries were seriously damaged, unemployment hit record-highs, and austerity measures imposed by the EU created an unbearable economic situation for the poorest citizens.

Because of the many similarities in the cases of Greece and Spain, this essay will compare the rise of left-wing populism in both countries and investigate the effects of the 2008 economic crash on the rise of these movements. I find that the 2008 crisis played a crucial role in the rise of left-wing populists in both countries, but in different capacities. In Greece, the economic hardships that individuals faced drove them to vote for a new party that rejected austerity measures. In Spain, however, it was a poor economic perception of the country that drove some to vote for the rising

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2 Philippe Malière. “The Decline of Europe’s Social Democratic Parties” openDemocracy.
5 Ibid. 63.
populists. In both cases, Euroscepticism helped the rise of these parties, but it did so more in Greece than in Spain. These findings are significant because they show that the 2008 financial crisis was a catalyst for left-wing populists who brought political instability to Europe and helped foster anti-EU sentiments. The paper also highlights the lack of research and analysis surrounding left-wing populism’s rise in other regions of the world.

The essay will first summarize the existent literature, outline the comparative method, dive into each of the cases, and provide a conclusion and summary of the comparison.

II. Literature Review

Latin America made a quick turn to the left at the end of the 1990’s, and theorists have analyzed this recurrent phenomenon that has now appeared in some European countries. Firstly, one must categorize the type of populist left that has appeared. As defined above, a leftist populist is characterized by pursuing unapologetically leftist economic policies while using a rhetoric that attacks the sector of society that holds the most capital. Furthermore, Judis (2016) argues that left-wing populism is dyadic, as opposed to the triadic nature of right-wing populism. In other words, “left-wing populists champion against an elite or establishment,” whereby there is a one directional bipolar attack from the poor to the rich. Right-wing populists on the other hand attack the elite for favoring a third group, such as immigrants, Muslims, or other ostracized communities. This characteristic of left-wing populism is one that is first born in Latin American and later seen in the European context.

Having defined the type and characteristics of populism, focus can now be put on the causes for its rise. Literature finds three main reasons behind the rise of left-wing populist parties in Europe: individual financial hardship after the 2008 recession, the perception of economic decline, and the intervention of the troika (European Commission, European Central Bank, and the International Monetary Fund) in domestic economic policies.

Much of the research regarding electoral reaction to the 2008 crisis has generally grouped all populists across the spectrum in their calculations. Hernandez and Kriesi (2016), for example, conclude that the ‘losers’ of globalization in Europe were more likely to vote for populist parties after the 2008 recession. In countries where left-wing populists are the predominant force over right-wing populists, those votes benefitted them, such as Greece and Spain. The effect of an individual’s financial struggles on the electoral rise of the left is somewhat contested. One the one hand, Rooduijn and Burgoon (2017) found that an individual’s poor economic situation will make them more likely to vote for a radical party if the overall situation of the country is prosperous. This theory partially aligns with Casteñada (2006), who argues that increased inequality leads voters to align themselves with politicians who promise a redistribution of wealth. Furthermore, Lindvall (2014) compared the electoral results several years after the Great Depression and the Great Recession in Europe. In both cases, one can observe an initial support of right wing parties,

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7 Gandesha, *Understanding Right and Left Populism*, 55.
9 Ibid, 16.
11 Matthijs Rooduijn and Brian Burgoon, “The Paradox of Well-Being: Do Unfavorable Socioeconomic and Sociocultural Contexts Deepen or Dampen Radical Left and Right Voting Among the Less Well-Off?” *Comparative Political Studies* 51, no. 13 (November 1, 2018): 1746.
12 Jorge Casteñada, "Latin America’s Turn to the Left." *Foreign Affairs* 85, no. 3 (2006): 29.
but a subsequent move towards the left in the years after the recession. Moreover, specific characteristics of a country’s macroeconomic data may also impact electoral results. Those who are unemployed were found to be more likely to vote for SYRIZA in the Greek elections that saw the decline of PASOK. A higher national debt also prompted more votes to the left according to Murillo, Oliveros, and Vaishnav (2008).

However, some have argued that research has not fully proven that macroeconomic factors affect electoral decisions: instead, it is the perception and reaction to a large-scale economic recession what gives rise to left-wing populist parties. Powel and Whitten (1993) note that economic factors are not very reliable in cross-country analyses, and that the ability to put blame on the incumbent party predicts electoral results more frequently. This is extremely relevant to the cases of Spain and Greece because both had a solid two-party system with frequent changes in power, thus, voters could easily punish the status quo by voting for an emerging and exciting party that voiced issues forgotten by the establishment. Furthermore, this type of dramatic switch from a mainstream party to a new radical party is described by Powell and Tucker (2014) as Type A volatility. In this scenario, the switch is more closely related to party system instability and is more likely to happen when the economy is performing poorly. Large and dramatic recessions will ignite voters to reject incumbents and support radical parties that provide a fresh perspective to politics.

Lastly, other academics have criticized the role of international organizations in the midst of economic crises. The International Monetary Fund (IMF) in Latin America, and the EU in Europe acted as money suppliers and economic policy supervisors, but domestic critics often argued that their impositions were too overbearing and harmed lower classes disproportionately. Left-wing populists in both regions often used this rhetoric during their rise to power. Although research on this topic in Europe is not consolidated, the Latin American case has been much more scrutinized. According to Pop-Eleches (2009), prominent left-wing populists of the 1990’s and 2000’s such as Fujimori, Da Silva, and Chavez frequently attacked the IMF’s austerity measures. Criticized as neo-imperialistic policies, the IMF’s debt plans gave a platform for these populist movements to gain attention quickly.

III. Methods

This essay will now move to answer its central question: how did left-wing populist movements and parties become prominent in Europe in the past 6 years, and to what extent did the 2008 recession play a role in triggering these movements? Particularly, I examine individual financial struggles, overall economic perception of the country, and the reaction against EU encroachment in the economy as variables that gave rise to left-wing populism, inspired by the literature review above. Using the comparative method, the essay will specifically contrast the

cases of Spain and Greece, looking at the rise of Podemos and SYRIZA respectively between 2014 and 2019. Following the framework developed by Lijphart (1971), the comparative method resembles the statistical method but has too few cases to permit systematic control. Instead, the process focuses on delving into each of the cases while focusing on answering the central research question by ensuring a systematic analysis of the cases. The data utilized will primarily come from other research on the matter, national surveys, and EU institutions.

IV. Case 1: Spain

Spain’s return to democracy in 1976 prompted a fabricated two-party system, due to the small District Magnitude in the constituencies for parliament. The Partido Socialista Obrero Español (PSOE) and the Partido Popular (PP) ruled Spanish politics from 1982 until 2015, when two new parties erupted into parliament bringing an end to the establishment of Spain’s politics. One of those new parties, Podemos, gained 1.3 million votes in the 2014 EU parliamentary elections and 20.7% of the vote in the 2015 general election, by campaigning on a platform of political renewal and the end to austerity measures. The 2008 financial crisis hit Spain especially hard compared to its fellow European countries. Unemployment rose to 26% in 2013 (55% for the youth), public debt skyrocketed to 93% of GDP, and GDP declined for 9 consecutive quarters.

Furthermore, overall discontent with the political establishment reached record highs. By 2014, more than half of Spaniards perceived the political situation as ‘very bad’, according to the Centro de Investigaciones Sociológicas (CIS). Moreover, that same year corruption was perceived by 44% as the most important problem in Spain, a record high. After several years of economic hardship and austerity measures, protests propagated all across Spain. In 2007 there were a total of 10,000 protests, but in 2010 that number had risen to 25,000. Protestors began to organize themselves and eventually formed the so-called ‘15M movement,’ which advocated for an end to austerity measures, legal repercussions for corrupt politicians, and an end to the many economic adversities. Out of the 15M movement came Podemos, which embodied those principles and decided to create change from within the Spanish political system instead of relying solely on social mobilization, protests, and strikes. It quickly rose to prominence and gained much presence in local governments, winning key city halls in Madrid, Barcelona and Cadiz.

With such a catastrophic economic situation and an established two-party system that can easily be punished, one would quickly assume that the main reason for the rise of Podemos was decline in the population’s economic status. However, this is widely disputed among researchers. Although some cross-country studies regarding the rise of left-wing populism point towards economic hardship as the root cause for the left turn in politics, this does not seem to directly apply to the Spanish case. In Spain’s 2015 elections, an individual’s poor economic performance had a modest impact on their decision to vote for Podemos according to several studies.

21 Lindvall, “The Electoral Consequences of Two Great Crises,” 58.
bills were more likely to switch from PSOE to Podemos, and those who encountered overall personal financial difficulties were 13% more likely to switch from PSOE to Podemos in the 2015 elections. Other studies find an insignificant correlation between one’s personal finances and their choice to vote for Podemos. Therefore, one’s personal financial situation has had a moderate or insignificant impact in the rise of Podemos in Spain. Although Podemos presents itself as a party for the many with a distinct emphasis on those with financial instability, it turns out that their voters do not represent the lower-class proletariat they romanticize. An analysis on the voters for each major political party by EL PAÍS using data from the CIS found that Podemos is the least popular party among people with the lowest wages (under 600 euros per month). Instead, they were most popular with the college-educated middle class, thus demonstrating that an individual’s financial instability does not make it more likely for them to vote for Podemos.

Alternatively, studies point towards an individual’s perception of the overall economic situation as the defining variable that makes someone vote for Podemos. A cross-country analysis on the rise of left-wing populism in nine European countries found that “the role of personal economic factors, [...], pales in comparison with the paramount influence of perceptions of the national economy.”

![Figure 1. Likelihood of voting for left-wing populists](image)

Figure 1, from the same study, portrays the likelihood that a specific variable will influence someone to vote for Podemos. Specifically, the more to the left the black dot is locate, the more likely it is that a voter will choose a left-wing populist. Moreover, the study shows that although having issues with income makes someone slightly more likely to vote for left-wing populists, other individual financial variables – such as being unemployed or having worsened job conditions – do very little in impacting the vote for Podemos. The perception of the national economy (last variable), on the other hand, was clearly more relevant in predicting whether an individual will vote for Podemos.

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28 Perception of the economy was measured by asking two questions: “Would you say that over the past year the state of the economy in [respondent’s country] has become...?” (ii) “Would you say that over the next year the state
Lastly, most studies that look at left-wing populism in Spain barely mention the impact of the *troika* – referring to the European Commission, the European Central Bank, and the International Monetary Fund who imposed many austerity measures during the 2008 crisis – in voters’ decisions to vote for Podemos. However, Pablo Iglesias, co-founder and leader of Podemos, used attacks against the *troika* as a crucial part of his rhetoric. The 15M/indignados movement protested heavily against austerity measures, and consequently attacked the *troika*. The rhetoric was mostly present during the 2014 EU parliamentary elections, where Iglesias criticized the austerity measures instituted by Zapatero and Rajoy on the *troika*, and promised to advocate for an end of austerity. In terms of data, it is hard to discern the concrete impact of such a rhetoric on the electoral results for one main reason: Spaniards have outstandingly better views of the EU compared to other member states. According to the Eurobarometer of 2015, 29% of Spaniards had an unfavorable view of the EU, compared to the 44% of Greece. However, Spaniards distrusted the European Central Bank the most among member states (77%). Therefore, given that attacks on the *troika* for encroaching on domestic economic policy are central to the rhetoric of Podemos, and given the rapid success in the EU elections, one could conclude that it did aid in the rise of Podemos.

The 2008 financial crisis did indeed have a significant impact in people’s decisions to vote for Podemos, but not because one’s financial situation necessitated the economic change Podemos advocated for, but rather because of discontent with the overall economic situation of Spain.

**V. Case 2: Greece**

Without a doubt, the hardest hit country in Europe after the 2008 recession was Greece. Similarly to Spain, unemployment soared, debt-to-GDP ratio became the highest in Europe, and GDP growth entered an unprecedented decline and contraction. Similarly to Spain, a stable two-party system had existed for several decades prior to the 2008 recession with a recent prevalence of the democratic socialist party PASOK. This allowed voters to punish the established parties given the rise of a new political party. The post-2008 era vanished the political status-quo of Greece and brought forward the left-wing populist group SYRIZA, under the leadership of Alexis Tsipras. Founded in 2004 out of a partnership between several communist and other far-left parties, it played a small role in parliament until it cast aside many of its more extreme stances – including cooperative productive schemes and massive nationalization plans – and presented a program of Keynesian policies to revive the Greek economy in 2014. The rhetoric and policies of SYRIZA reacted against the austerity measures that PASOK was forced to implement by the *troika*, and promised a new kind of economic recovery based on socialist ideals.

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31 Ibid
33 Ibid
As with Podemos, SYRIZA was the most popular choice with students, young people, and the educated.\textsuperscript{35} However, the personal financial situation of an individual was more relevant than in the case of Spain. According to a study by Teperoglou (2015) analyzing the results of the 2014 European Elections in Greece, SYRIZA was most popular with public-sector workers, who received massive wage cuts.\textsuperscript{36} Furthermore, they were also very popular with the unemployed and those who reported that their individual economic situation had worsened as a result of the crisis. Given that GDP per capita was reduced by almost half in a mere seven years, (as opposed to a 25% reduction in Spain) it seems understandable that personal economies might impact elections more prominently than in Spain. Moreover, these results fall more in line with cross-country studies of left-wing populism in Europe which conclude that the ‘losers’ of globalization are more likely to vote for left-wing populist parties since they are critical of the neo-liberal ideals upon which globalization is built.

The perception of the economy appears to have not played as crucial of a role in determining electoral choice. This is probably because pessimism surrounding the economy in Greece is much broader than in any other European country. In 2017, only 2% of Greeks viewed the national economic situation as “good”, compared to 28% in Spain.\textsuperscript{37} Therefore, it is hard to discern any conclusions from that variable if there is little variation in opinion between voters.

Regarding the perception of outside international organizations controlling Greece’s economy, mistrust of EU institutions and the troika is more prevalent among SYRIZA voters. That the troika spent billions of dollars to aid Greece’s finances definitely made an impact on voters since the organizations had much more of a voice on the austerity measures that Greeks experienced. Although generally Greece is one of the most anti-EU countries in Europe, mistrust of institutions is especially high among SYRIZA voters. Additionally, SYRIZA was born out of Eurocommunist parties, many of which believed in the values of European unity and peace, but rejected the neoliberal ideals that bound member states together through the EU. With such a history and an overwhelming rejection of the EU-imposed austerity measures, it is no surprise that Tsipras’ prime proposition would be to block EU institutions from deciding Greece’s economic policy.\textsuperscript{38} The effectiveness of Tsipras’ rhetoric can be seen in the graph below, which demonstrates that the more opposed to European integration a voter is, the more likely they were to vote for left-wing populism.\textsuperscript{39} This trend is reflected in many other studies and surveys, indicating that Euroscepticism is a reliable variable predicting electoral support for SYRIZA during the 2014 and 2015 elections.

\textsuperscript{35} Teperoglou, Tsatsanis, and Nicolacopoulos. “Habituating to the New Normal,” 348.
\textsuperscript{36} Ibid.
\textsuperscript{38} Nikolaos Nikolakakis, “Syriza’s Stance Vis-à-Vis the European Union Following the Financial Crisis: The Persistence of Left Europeanism and the Role of the European Left Party.” \textit{European Politics and Society} 18, no. 2 (April 3, 2017): 129.
To summarize, although perception of the economic situation in Greece was not a good predictor of support for left-wing populism because there was overall pessimism regarding the economy, Euroscepticism and an individual’s financial situation were relevant.

VI. Conclusion

The 2008 financial crisis ushered in a new era of economics, society, and politics in Europe. Southern Europe specifically was most vulnerable to economic hardship, and stagnant economies angered citizens who mobilized against the political status-quo that had remained unchallenged for so long. Politics all throughout Europe became uncertain as populism rose, and left-wing populism managed to seriously challenge the social democratic parties. In Spain and Greece, the respective left-wing populist parties rose quickly and took over municipal, regional, and even national governments in the case of Greece.

The political contexts of Spain and Greece were fairly similar, but the differing outcomes after the 2008 crisis prompted two separate rises in left-wing populism. Ultimately, it can be concluded that the aftermath of the crisis sparked a renewal of the far left in both countries, but it impacted politics due to two different variables. In Spain, the anger against the mismanagement of the economy by the two traditional parties, paired with the outrage against the many corruption scandals that arose after 2008, allowed Podemos to capitalize. Someone’s personal economic hardship did not have as much of an impact on their political choice as overall economic perception did. This is perhaps because traditional parties like the PP advertised themselves as parties of stability that could generate jobs and economic security, whereas the established educated middle class that cared for feminist, environmental, and worker’s issues at large preferred a new and exciting choice in politics. Therefore, those who had negative perceptions of the domestic economy were more supportive of the populist left. In the case of Greece, however, the 2008 crisis was much more impactful of people’s socioeconomic situation than in Spain, which consequently made Greeks more preoccupied by their shrinking wallets than macroeconomic data. Lastly, people from both countries had negative reactions to the way international organizations such as the EU and the IMF intervened in domestic economic policy. In Greece, this was accentuated because those organizations played a much bigger role in the economy than in Spain. Podemos,
on the other hand, limited itself to attacking the *troika* for representing the wealthy elite countries that forced austerity measures for southern European countries, but it was not a central aspect of their discourse.

On the question of what country experienced more change due to the rise in left-wing populism, the answer is debatable. Although one could argue that its effects in Greece have been more prominent because SYRIZA won the government, one could also say that the change they promised against austerity was not accomplished given the catastrophic 2015 referendum situation. In Spain, Podemos has only very recently entered into government in coalition with the PSOE, but it did enact significant change in the cities it governed, such as climate change policy in Madrid, and debt reduction in Cadiz.

The last question to answer is, why does this matter to Europeans today? Firstly, the unstoppable rise of left-wing populism in Europe decimated the political status-quo in many countries, and it is very unlikely that Greece or Spain will return to their antiquated two-party systems. This can lead to serious political instability (as seen currently in Spain), and could even call for a restructuring of politics at large. In Spain, this could mean adapting the upper and lower houses, revisiting proportionality in elections, and even an overhaul of the entire constitution. Secondly, the massive shift to the left in European politics has recalibrated the rest of the spectrum. In both Greece and Spain far-right neo-fascist parties have gained much support, partly in reaction to the rise of SYRIZA and Podemos. Furthermore, the other parties have also been forced to rethink their politics, and the social-democrats have picked up social issues that they left behind during the crisis. Therefore, the effects of left-wing populism will be long-lasting and impact the future of countries, as well as the overall fate of the European Union.
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