

Detecting the sources and drivers of political discontent in the EU

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**18ο ΤΑΚΤΙΚΟ
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ΣΥΝΕΔΡΙΟ**



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Objectives

- To explore the intensity and geography of political discontent at the sub-national level
- To detect the sources of discontent and examine its relation to the economic realities and the unfulfilled expectations of people and places in highly heterogeneous social, historical, geographical and cultural settings
- To contribute to the deeper understanding of the geography of discontent by taking citizen's perceptions into consideration
- To shed new light in the related literature by using Eurobarometer data in a panel setting at the regional (sub-national) level



Research questions

What is the impact of economic conditions on the citizens' perceptions about the EU at the sub-national level?

Is the long-lasting unequal and spatially uneven distribution of income across EU regions a driver of the negative citizen's perceptions regarding the EU?

How does the deepening and widening of the EU integration process affect public opinion on EU?

Does deeper trade integration increase resentment towards the EU?

Is the lack of a balanced economic integration experience a driver of EU discontent?

Is immigration a driver of discontent or economic decline and inequality?

Do cultural and economic factors reinforce each other's impact on discontent?

Empirical literature review – approaches and levels of analysis

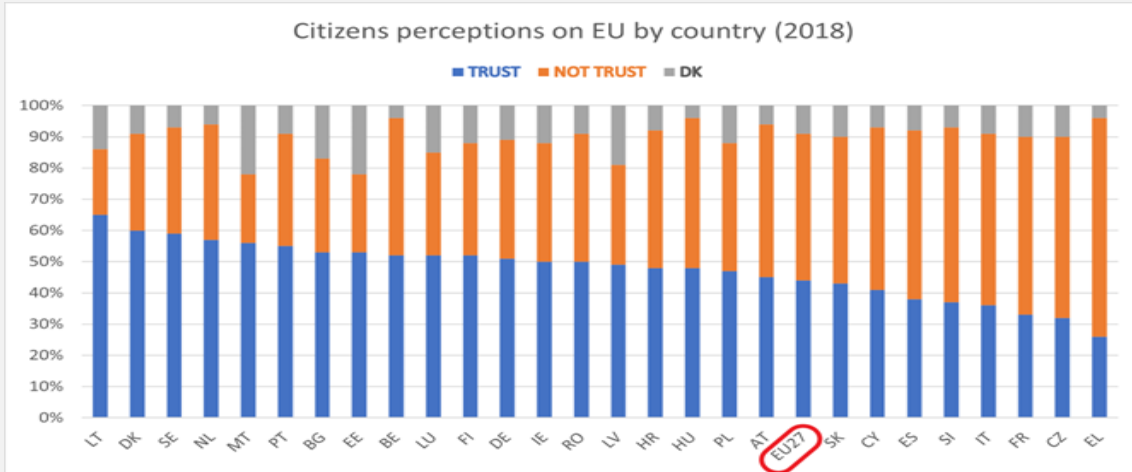
- Two main approaches in accessing discontent: national electoral outcomes (populism and anti-EU votes) and national referenda - **Much less is spelled out regarding citizen's perceptions using Eurobarometer data**
 - Studies using Eurobarometer data: De Vries et al. (2009), Armingeon and Ceka (2014), Clements et al. (2014), Foster and Frieden (2017), Torcal and Christmann (2018), Lechler (2019), Díaz-Lanchas et al. (2021)
- Country-level studies and **limited systematic sub-national analysis**
 - Studies at the sub-national level: Los et al. (2017), Artelaris and Tsirbas (2018), McKay (2019), Tubadji and Nijkamp (2019), Dorn et al. (2020), Broz et al. (2021), Artelaris (2022)
- Most of the analyses are based on detailed examination of one country and one election – **comparative analysis remains rare**
 - Dijkstra et al. (2020): overview of the anti-EU vote for the whole of the EU at the NUTS3 level
 - Rodríguez-Pose et al. (2023a): comparative analysis of EU and US at a fine geographical level (NUTS3 and counties)
 - Rodríguez-Pose et al. (2023b): Eurosceptic votes in an EU wide context at the NUTS3 level

Empirical literature review – drivers of discontent

Author(s)	Approach	Level of analysis		Drivers of discontent
Los et al. (2017)	Referendum	UK	NUTS2	Degree of interdependence with EU, regions' specialization
Artelaris & Tsirbas (2018)	Referendum	Greece	NUTS3	Economic conditions and changes, unemployment, poverty rates
Foster and Frieden (2017)	Eurobarometer	EU	Country	Economic factors, unemployment, institutional quality, education
Tubadji & Nijkamp (2019)	National & European Parliament elections	Greece	NUTS3	Economic shock, cultural attitude
Dorn et al. (2020)	Federal elections	Germany	NUTS3	Regional economic depravation
Dijkstra et al. (2020)	National elections	EU	Electoral districts	Combination of long-term economic & industrial decline, low levels of education, and lack of local employment opportunities
Díaz-Lanchas et al. (2021)	Eurobarometer	EU	NUTS1&2	Economic conditions, institutional quality, negative future expectations
Artelaris (2022)	National elections & referendum	Greece	LAUs	Impact of crisis, economic decline, places left-behind, education, population density
Rodríguez-Pose et al. (2023a)	National elections	EU & US	NUTS3 & counties	Interpersonal & interterritorial inequality, joint effect of economic stagnation and immigration
Rodriguez-Pose et. al (2023b)	National elections	EU	NUTS3	Regional development trap, a range of social, economic & demographic factors

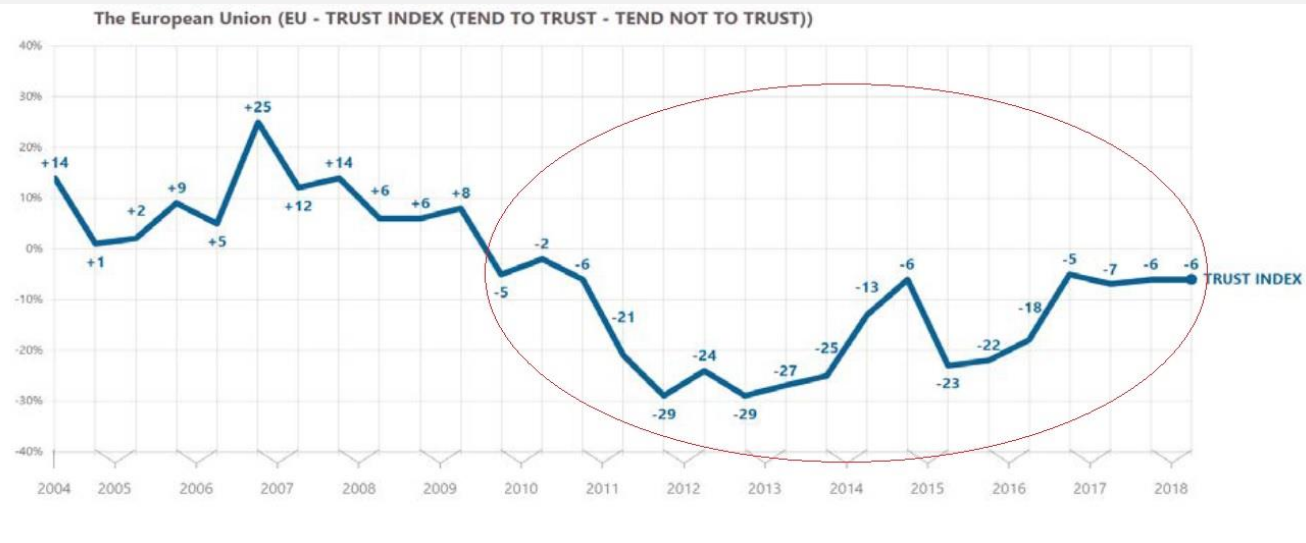
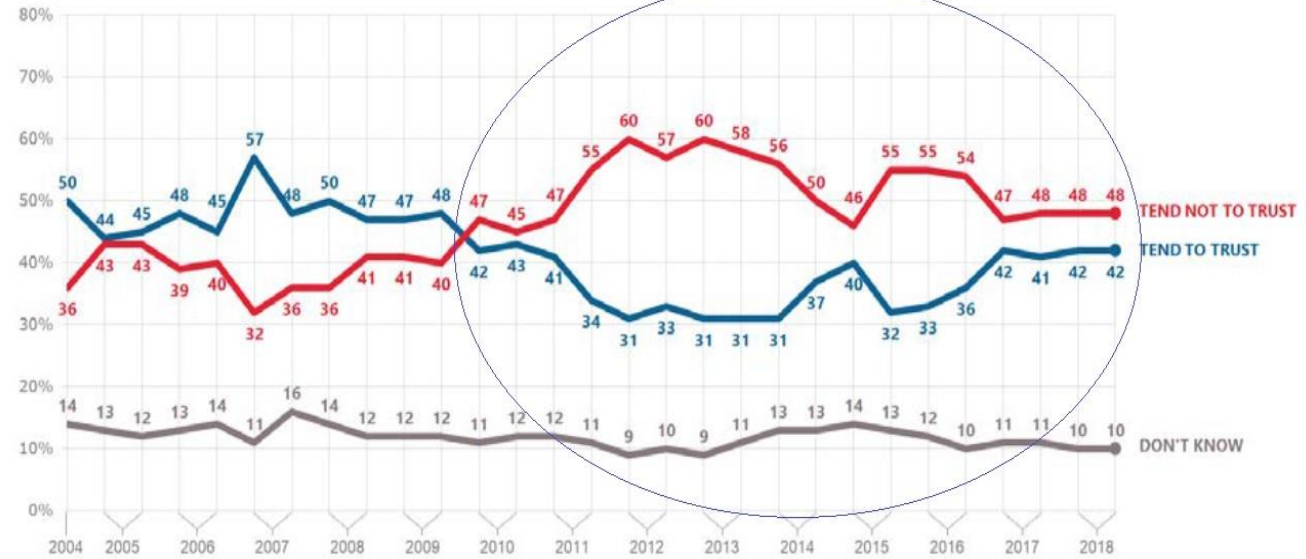
Evolution of discontent in the EU

- The trust-distrust ratio remains negative since 2010
- In 2018, a majority of respondents distrust the EU in a total of 9 Member States
- 14 Member States declare a strong trust the EU (trust ratio >50%)
- 10 out of 17 Member States which trust EU, have 'no opinion' ratios over 10%



Source: own elaboration using data from Eurobarometer

Evolution of the trust-distrust Ratio for the European Union

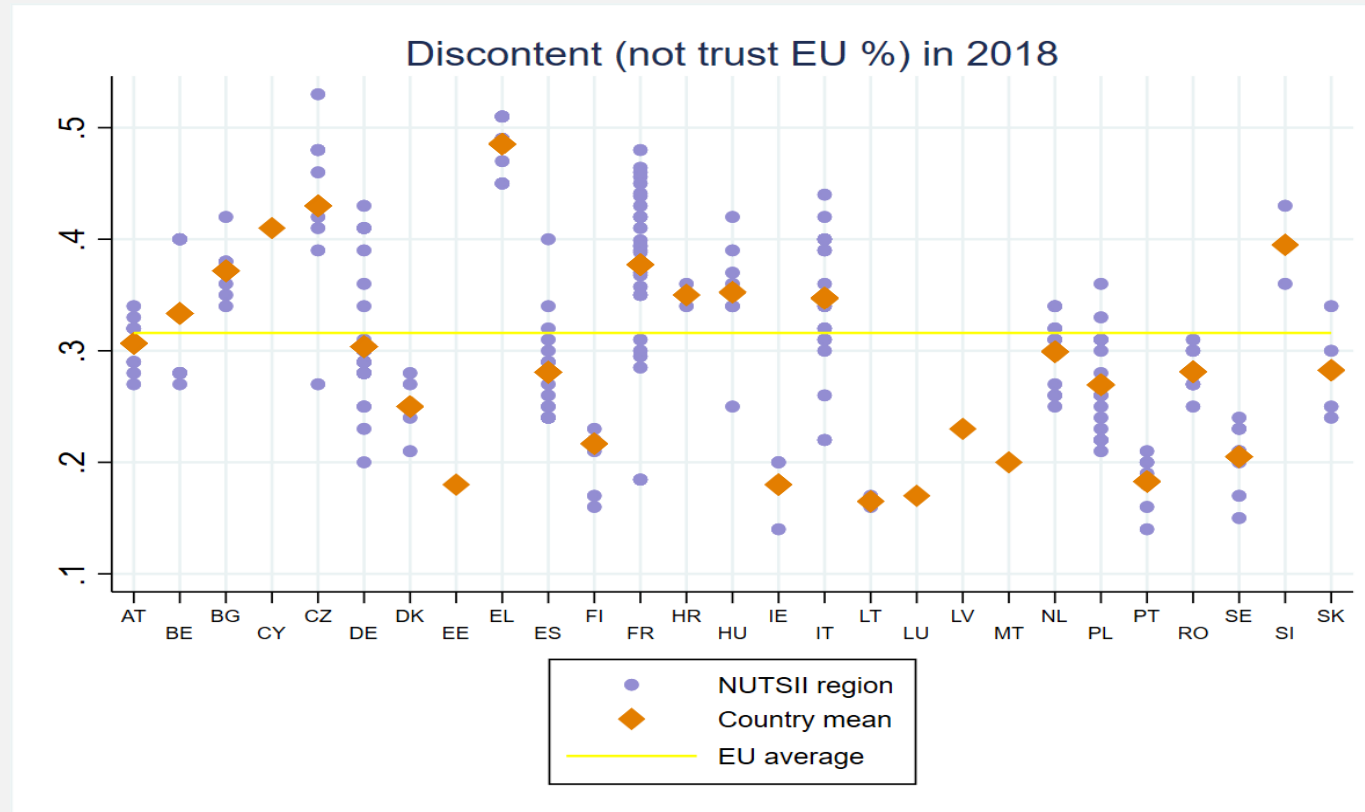


Source: Standard Eurobarometer 90 (Autumn 2018)

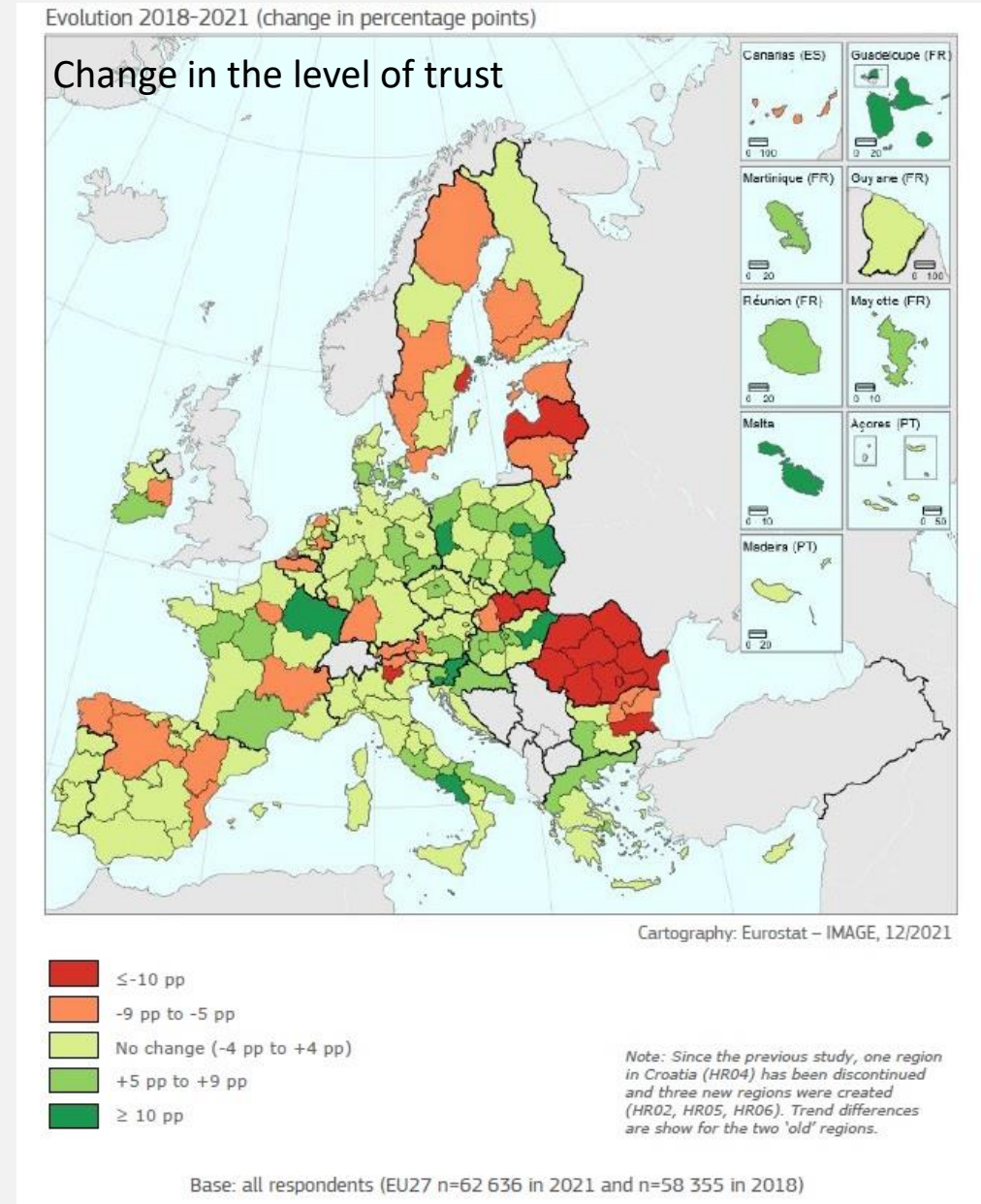
The spatial pattern of discontent in the EU

The overall image of relatively mild discontent at the national level masks regional disparities in public's opinion about the EU.

45 out of 240 regions reported a (moderate or high) increase on the level of trust in the EU in 2021.



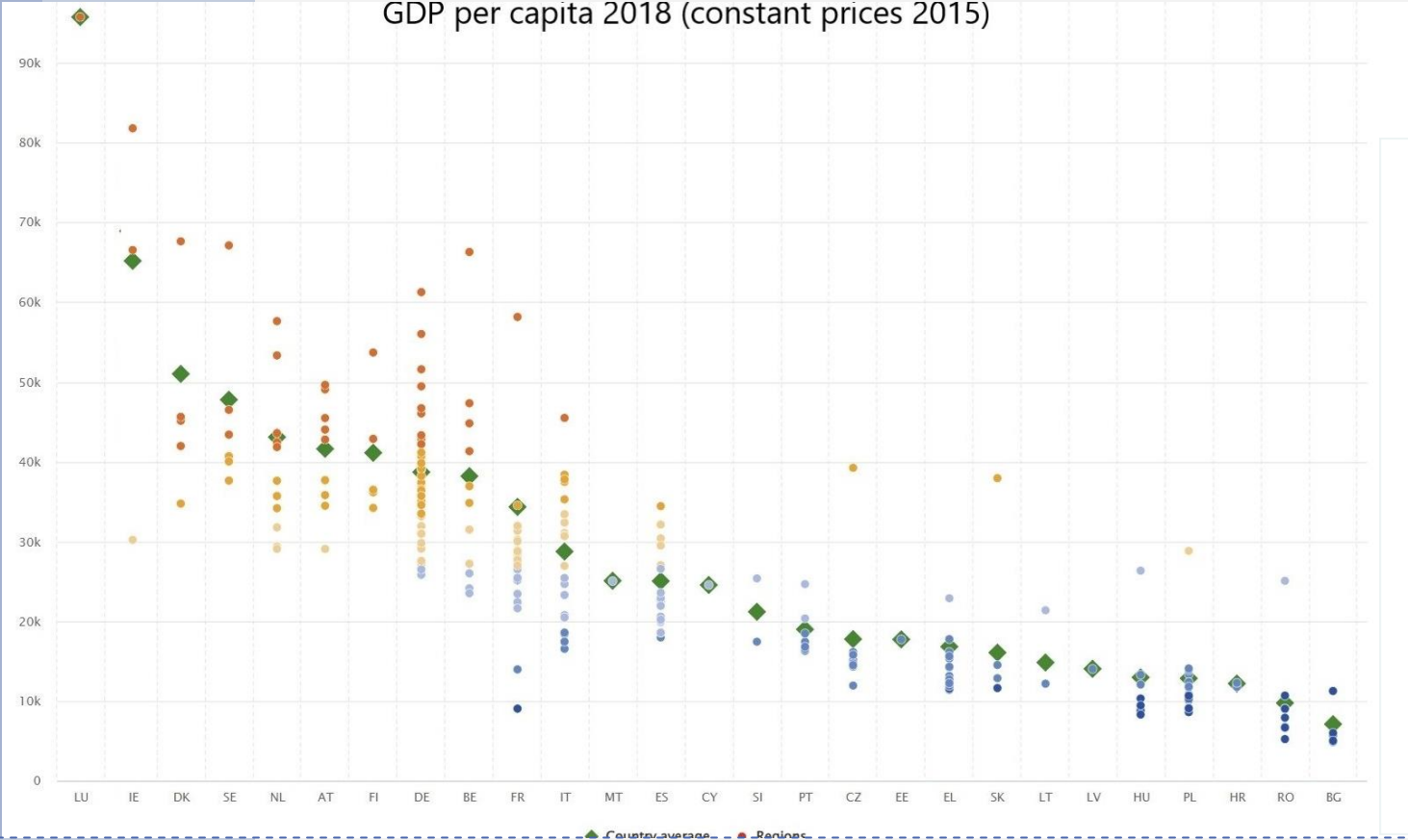
Source: own elaboration using data from Eurobarometer



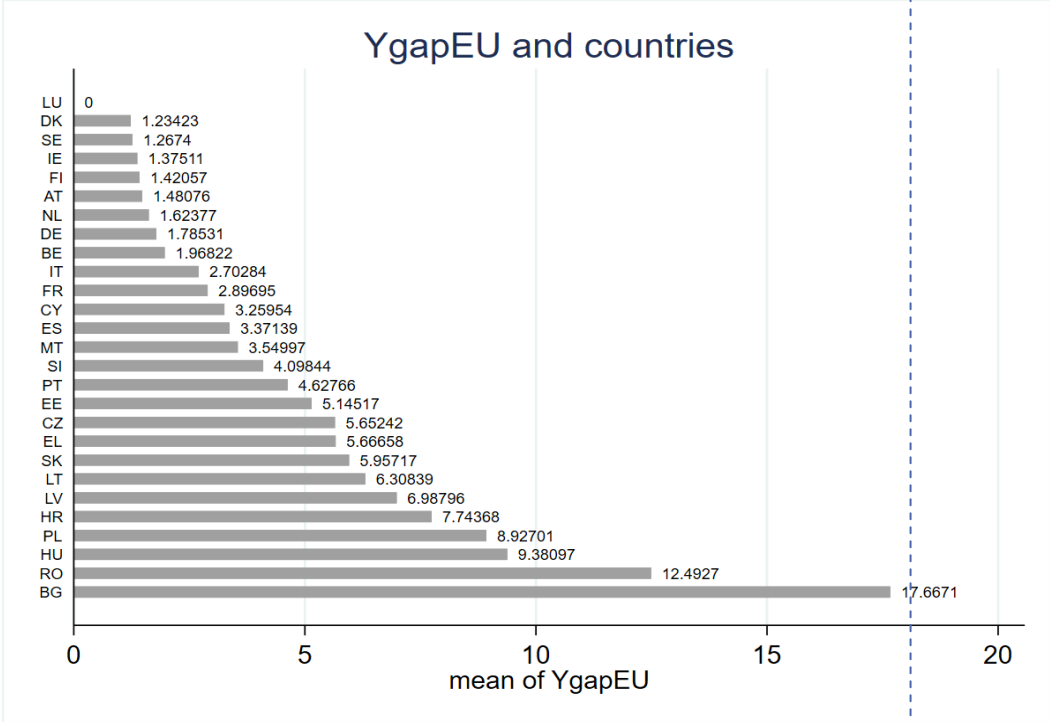
Source: Flash Eurobarometer 500 (September-October 2021)

Development gap and inequality

Metropolitan regions in many EU countries have a **superior performance** compared to the national average or the next in order regions



This leads to income inequality by increasing the gap between the advanced and the 'lagging-behind' regions



Source: own elaboration using data from the ARDECO - DG database(2023)

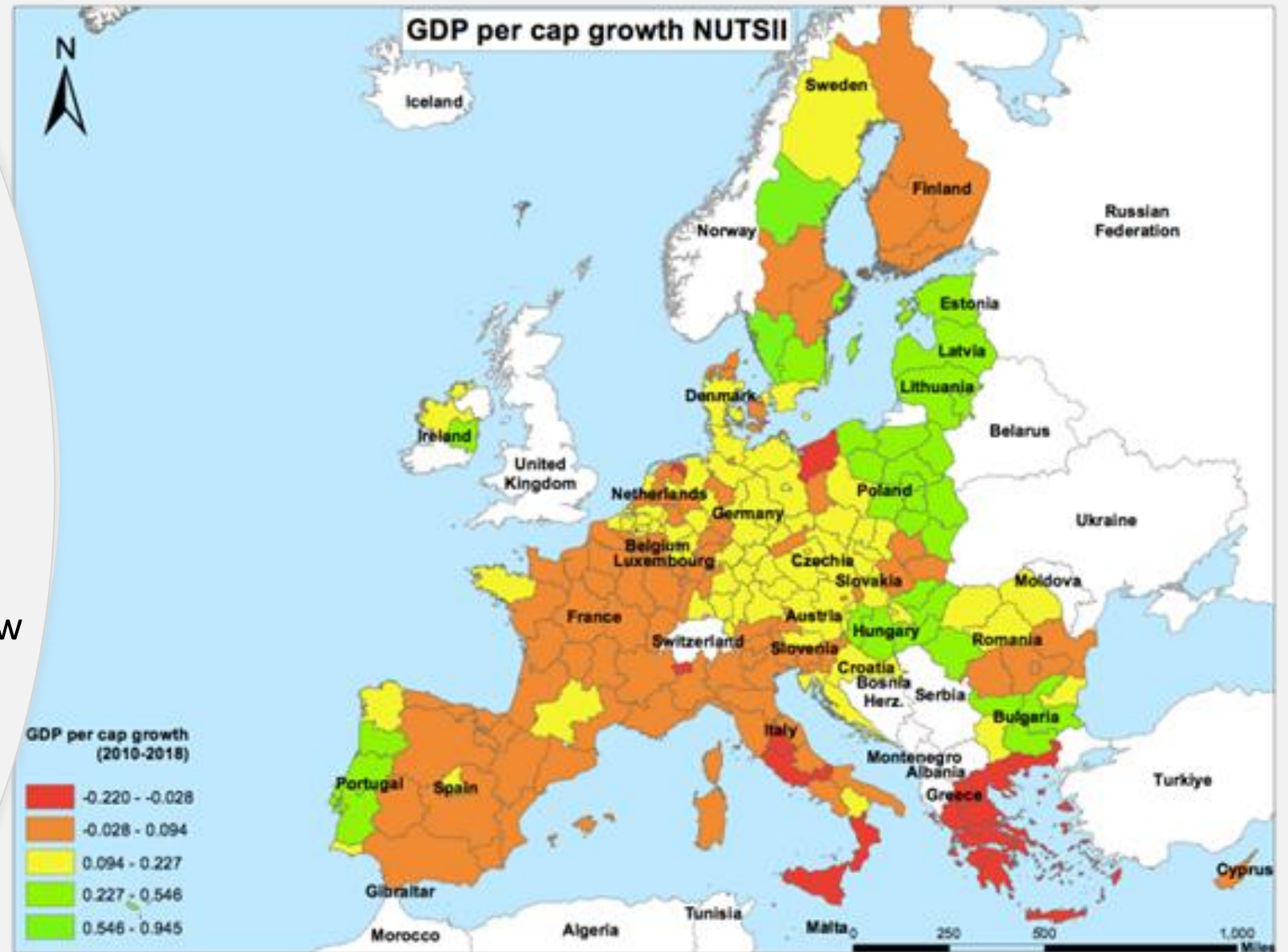
Source: own elaboration using data from the ARDECO - DG database(2023)

Growth gap and economic stagnation

Unbalanced growth trajectories:

Higher levels of growth are mostly concentrated in some regions while others suffer from persistently low levels of regional growth

Places left behind



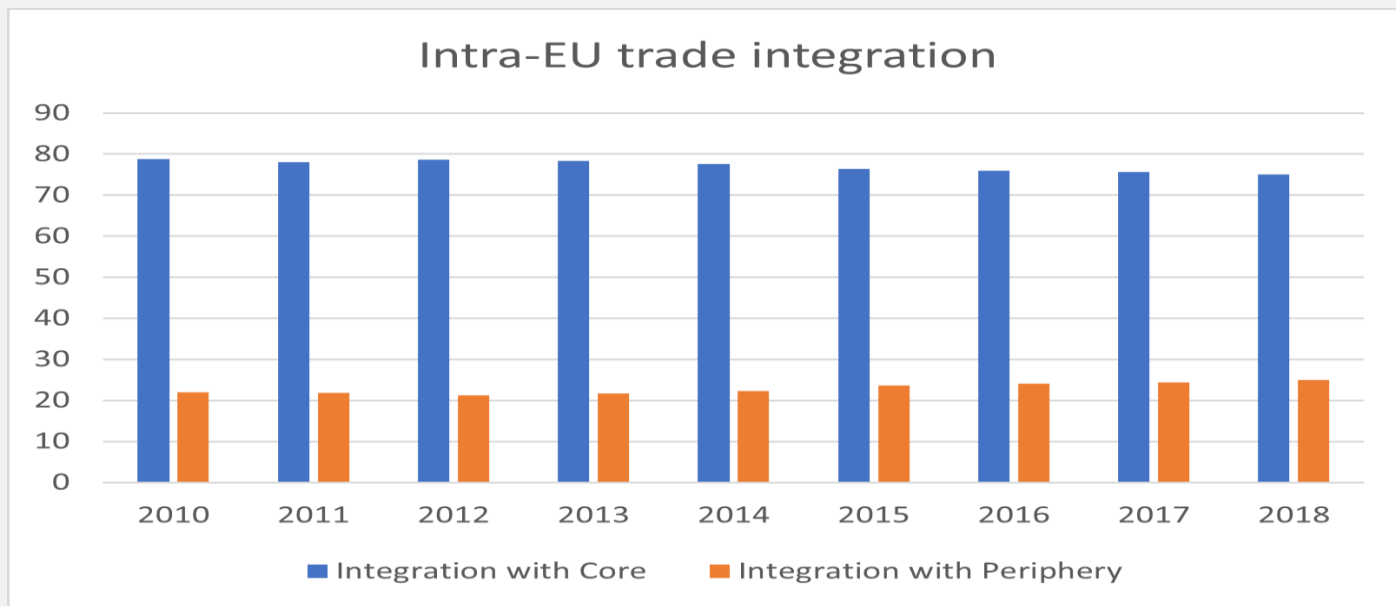
Source: own elaboration using data from the ARDECO - DG database (2023)

EU trade integration

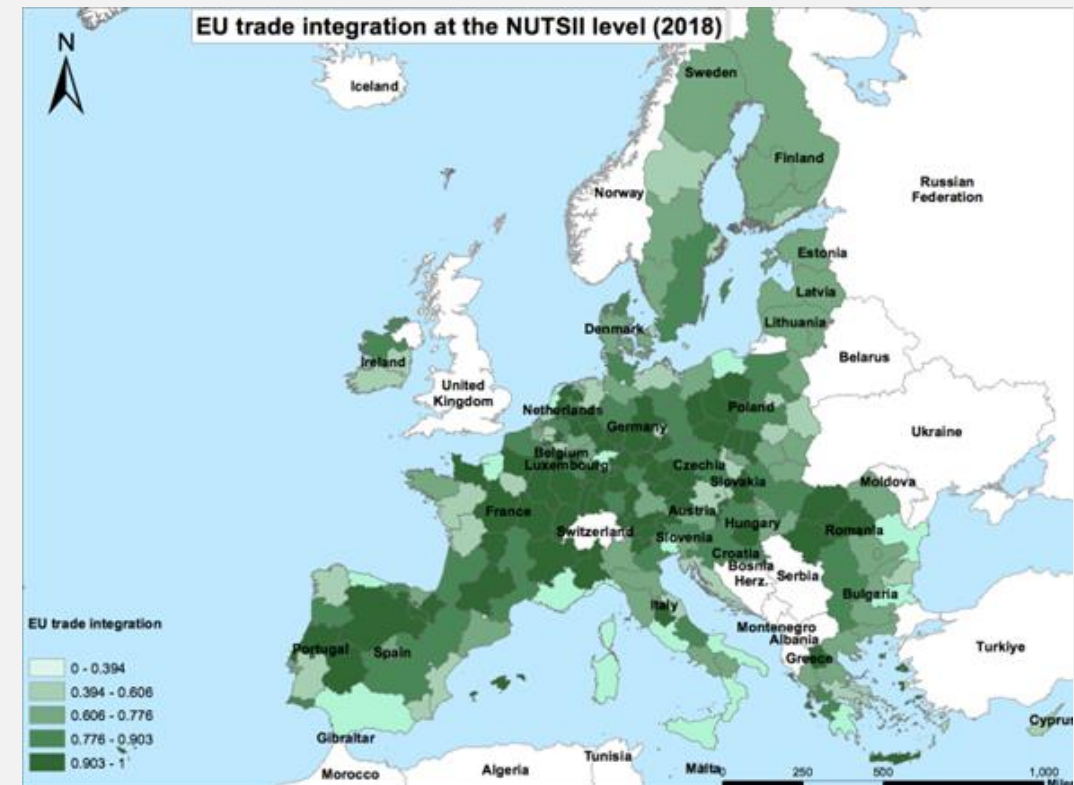
The process of integration does not always allocate costs and benefits evenly among advanced and less advanced regions.

More competitive or **advanced** regions will **benefit** more from higher levels of integration.

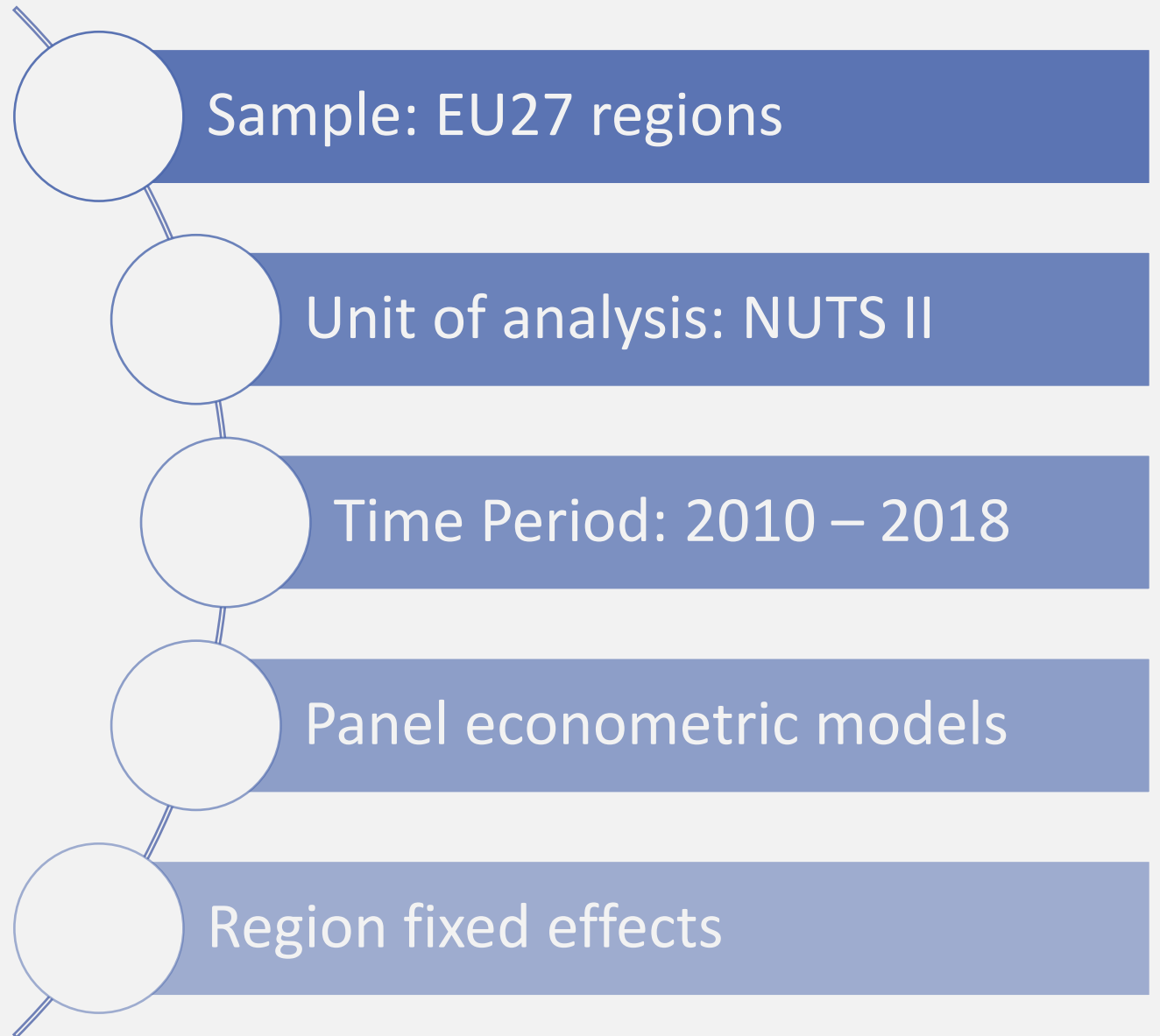
Weaker regions with structural deficiencies in their productive base typically engage in **unbalanced trade relations** (Petrakos et al. 2005; Kallioras and Petrakos 2010; Rodríguez-Pose 2012; Autor et al. 2013; Ezcurra and Rodríguez Pose, 2014; Petrakos and Psycharis, 2016; Rodríguez-Pose and Sotiriou, 2021).



Source: own elaboration using data from ESPON Program “Interregional Relations in Europe”



Data and methodology



Econometric model

$$Discontent_{i,t} = \alpha + \beta Inequalities_{it} + \gamma Integration_{it} + \sum_{j=1}^n \gamma_j X_{jit} + \varepsilon_{it}$$

i = 1,..., 240 NUTS II regions

j = 1,..., N control variables and estimators

t = 1,..., 9 time periods

Variables of analysis

Dependent variable	Discontent	Percentage of citizens not trusting EU	DISC	Eurobarometer
Key regressors	Development gap	GDP per capita distance from leading region (constant 2015)	YgapEU	ARDECO - EC
	Growth gap	GDP p.c. growth (%) distance from leading region (constant 2015)	GgapEU	ARDECO - EC
	Trade integration with core EU countries	Ratio of trade with the EU core over total EU trade	INTcore	ESPON Program “Interregional Relations in Europe”
Controls	Public sector	Share of employment in the public sector	PUB	EUROSTAT
	Social policy per capita	Social benefits per capita received by households	SOCIAL	EUROSTAT
	Long-term unemployment	Long-term unemployment (>12 months) as a share of persons in the labour force	LONG-UNEMP	EUROSTAT
	Tradable sector	Share of employment in manufacturing, agriculture, mining and accommodation	TRAD	EUROSTAT
	Population density	Ratio of regional population to the land area	DEN	EUROSTAT
	Level of education	Share of working-age population with tertiary education	EDU	EUROSTAT
	Net migration	Ratio of net migration to the average population	MIGR	EUROSTAT

Econometric results

Dep. variable: DISC	(1)	(2)	(3)
YgapEU	0.009		0.009*
GgapEU		0.131***	0.131***
INTcore	0.119**	0.139***	0.117**
PUB	0.001	-0.089	-3.623***
PUB ²			6.182***
SOCIAL	-0.052***	-0.057***	-0.059***
LONG-UNEMP	1.211***	1.079***	1.144***
TRAD	-0.700***	-0.544***	-0.740***
DEN	-0.001***	-0.001***	-0.001***
EDU	-0.768***	-0.852***	-0.790***
MIGR	-0.122**	-0.223***	-0.444***
MIGR*YgapEU			0.078**
Constant	1.183***	1.226***	1.726***
Thresholds			
YgapEU			5.69
MIGR			-11.4%
PUB			29.3%
Observations	1,734	1,734	1,734
R-squared	0.269	0.338	0.357
FE	YES	YES	YES
F	25.90	102.6	86.20

Model (3)

$$\partial DISC / \partial MIGR = 0.444 + 0.078 YgapEU$$

$$\partial DISC / \partial YgapEU = 0.009 + 0.078 MIGR$$

$$\partial DISC / \partial PUB = -3.623 + (2 * 6.182) PUB$$

Main empirical findings

The development and growth gaps are significant drivers of discontent

Deeper trade integration with the more advanced EU countries reinforces sentiments of discontent

Public sector reduces discontent up to a level of public employment equal to 30%

Social policy per head mitigates citizens negative perceptions of the EU

Regions with a stronger tradable sector tend to have ceteris paribus lower levels of discontent

The impact of migration on discontent is positive only in regions where the development gap is widening

The impact of unemployment, density and education, identified in previous studies as drivers of Euroscepticism, is verified

Conclusions

- Economic inequalities and stagnation are key drivers of the citizens' negative perceptions towards the EU – places that don't matter
- Trade integration enhances dissatisfaction by widening the gap between economically dynamic and declining regions
- Anti-immigration discourses unfold mostly in regions where economic gaps widen
- The impact of demographic and territorial characteristics identified as key drivers behind the surge of populism, remain unchanged once discontent is proxied by citizens' perceptions

Thank you for your
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