THE GEOGRAPHY OF EU DISCONTENT

Andrés Rodríguez-Pose

Professor of Economic Geography, London School of Economics

Faculty of Socio-Economic Geography and Spatial Managment

Collegium Geographicum

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ADAM MICKIEWICZ
UNIVERSITY
IN POZNAŃ

THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE

Background readings

o Rodríguez-Pose, A. (2018). The revenge of the places that don't matter (and what to do about it). *Cambridge Journal of Regions, Economy and Society*, *11*(1), 189-209.

   https://doi.org/10.1093/cjres/rsx024

o Dijkstra, L., Poelman, H., & Rodríguez-Pose, A. (2019). The geography of EU discontent. *Regional Studies*, 1-17.

   https://doi.org/10.1080/00343404.2019.1654603
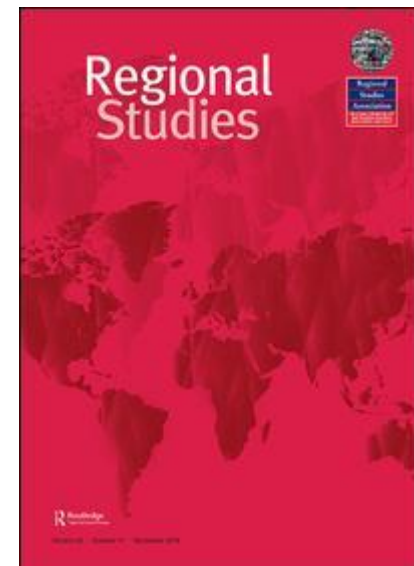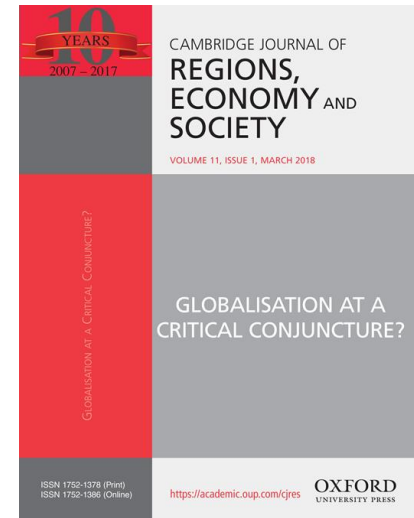
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AndrésRodríguez-Pose
@rodriguez_pose

Tomorrow the tour of the #Geography of #EU #discontent continues at 10am in Poznan. For those interested in the topic, you can find the key background readings here: doi.org/10.1080/003434..., recently published in @RegionalStudies doi.org/10.1093/cjres/..., open access in @CamJRES

Places that matter/Places that don't matter

The dominant narrative

Tim Leunig

16 October 2008, Liverpool Cathedral

- "Liverpool's time is past"
- "Regeneration spending towns" have slipped back relative to Britain's most successful towns.
- If we really want to give people in Liverpool, Sunderland, opportunities, we need to let many of them move to the south-east.
- We should convert half of the industrial land in the South East into housing: gain 200,000 houses,
- We also need to expand London – making it a mile bigger would create 400,000 new houses.
- And add a million houses in Oxford and Cambridge, along the model of America's Silicon Valley.

Places that matter/places that don't

London

Cambridge

Matter

Middlesbrough

Birmingham

Sheffield

Don't Matter

Let's agglomerate

Agglomeration and density

- **Glaeser (2012) Triumph of the City**
  - Subtitle: "How our greatest invention makes us richer, smarter, greener, healthier, and happier"
  - "Urban density provides the clearest path from poverty to prosperity" (page 1)
- **And transport costs**
  - Decline in transport costs which fuels agglomeration and density

Big cities, drivers of growth

London

Paris

Tokyo

New York

Size matters

London

Paris

Liverpool

Marseille

Newcastle

Lille

Investing in big cities, the future

"No country has grown to high income without vibrant cities. The rush to cities in developing countries seems chaotic, but it is necessary. It seems unprecedented, but it has happened before"

World Development Report 2009
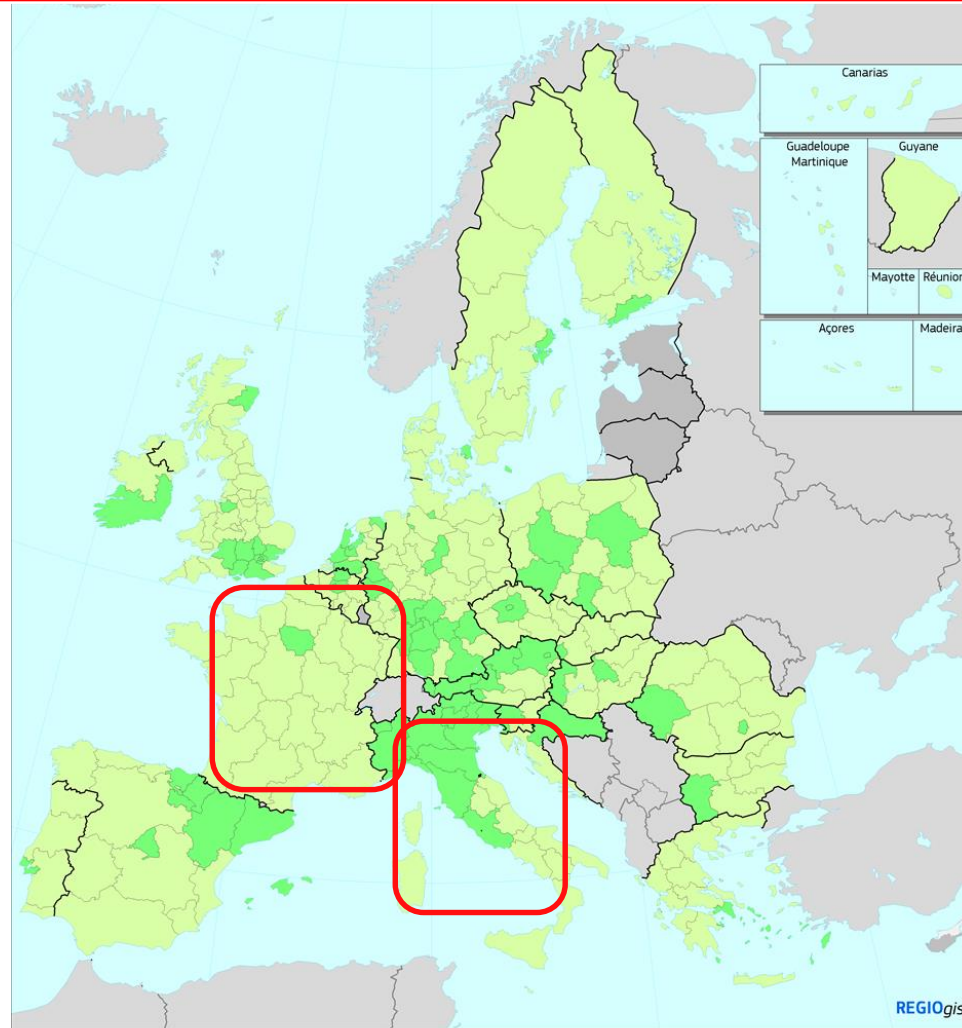

Shanghai

Nairobi

The consequences

A growing territorial divide

Many regions underperform in the national context

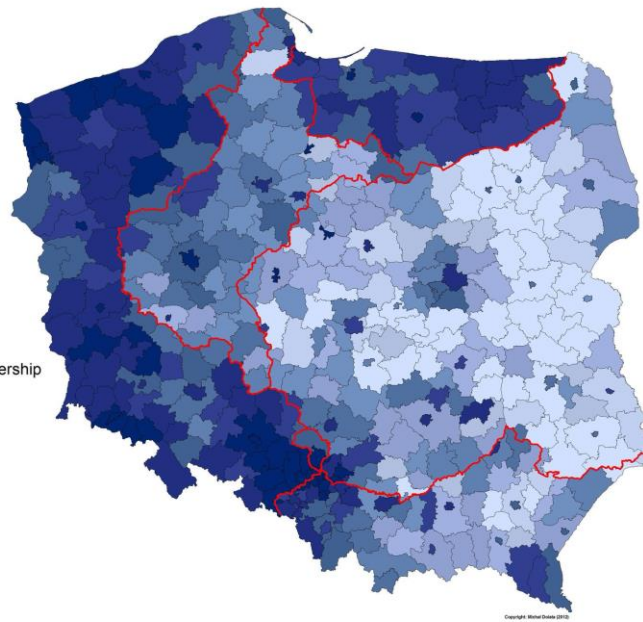Emergence of a development trap

Over-performers and under-performers

- underperformer
- overperformer
- not applicable
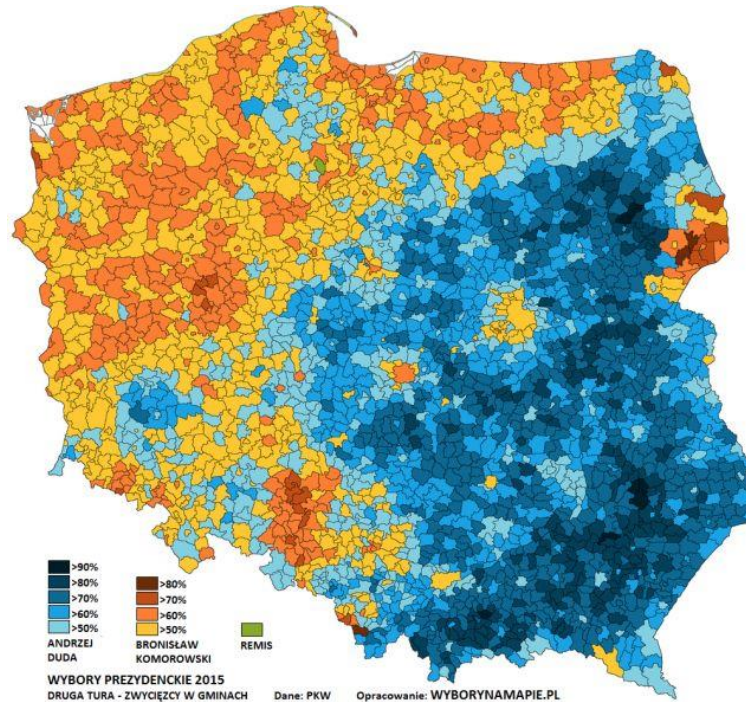
Source: Eurostat, DG REGIO
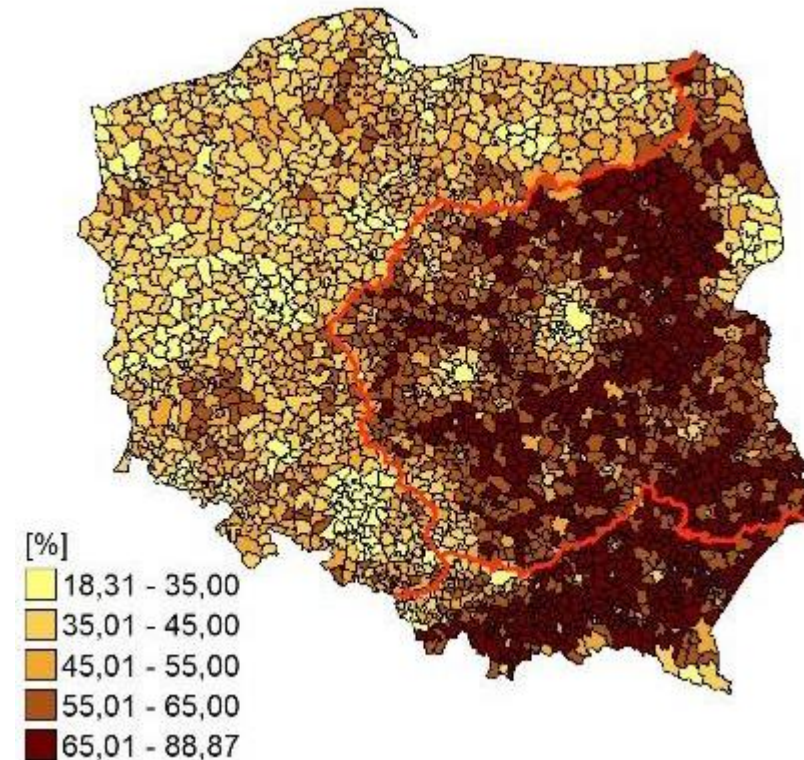
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The reaction

The precursors

Referendum EU 2003

Presidential election 2015, second round

Parliamentary elections, 13 October 2019

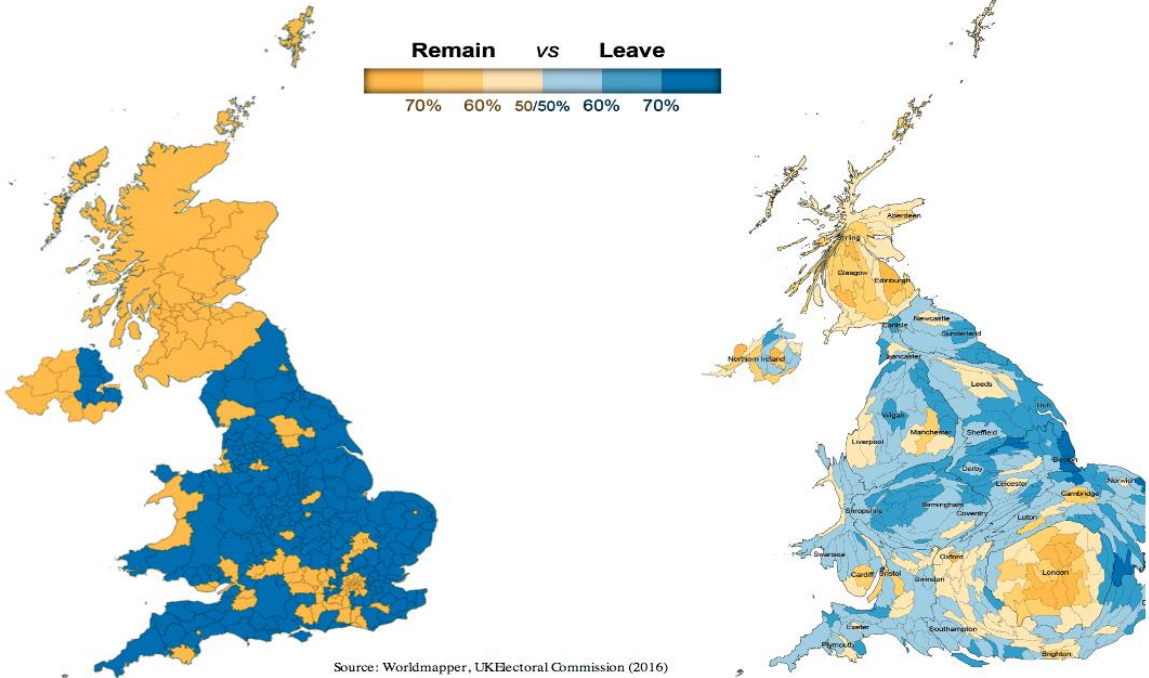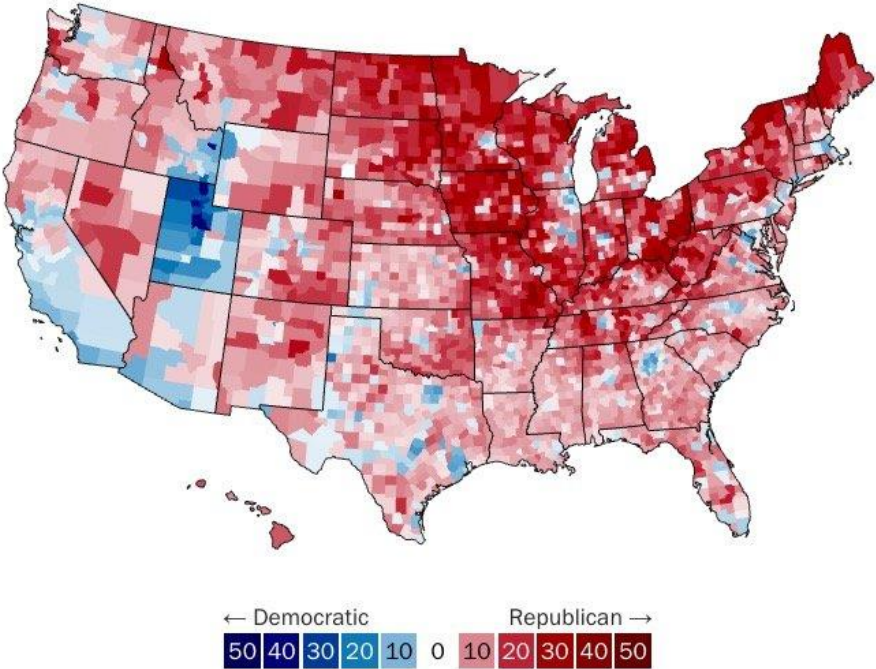**Brexit, 23 June 2016**

USA Trump swing , 8 November 2016

The flood

Netherlands, 15 March 2017
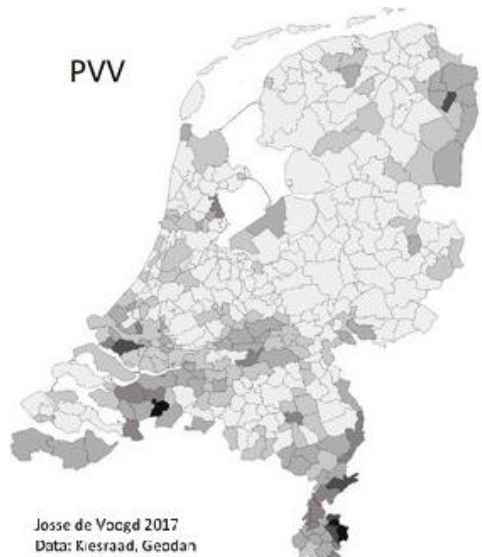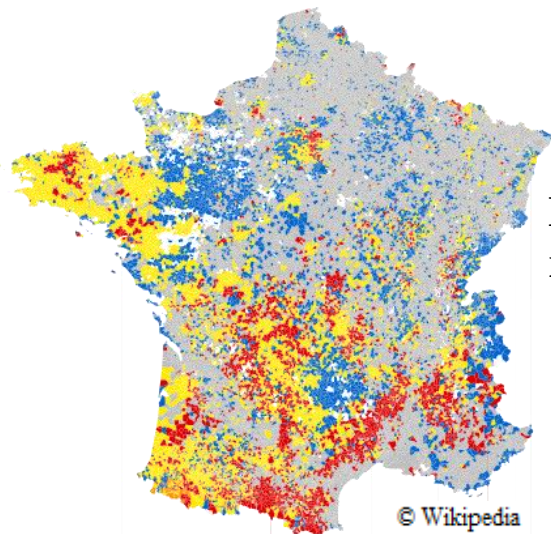
France, presidential first round, 23 April 2017

Germany, 24 September 2017

Austria, 15 October 2017
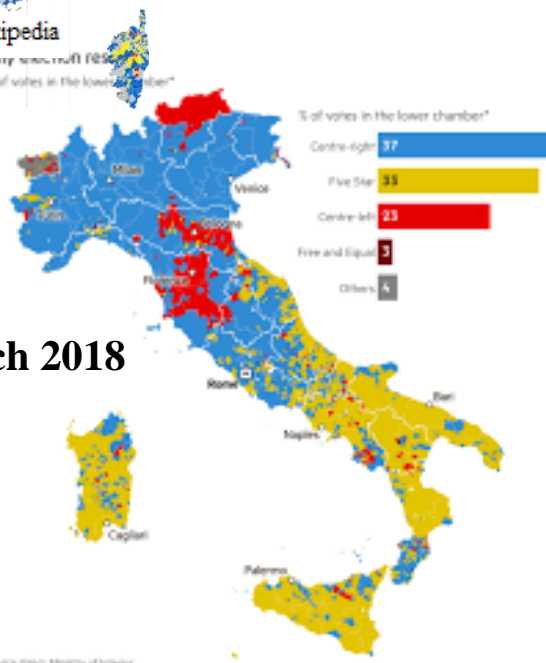
Italy, 4 March 2018
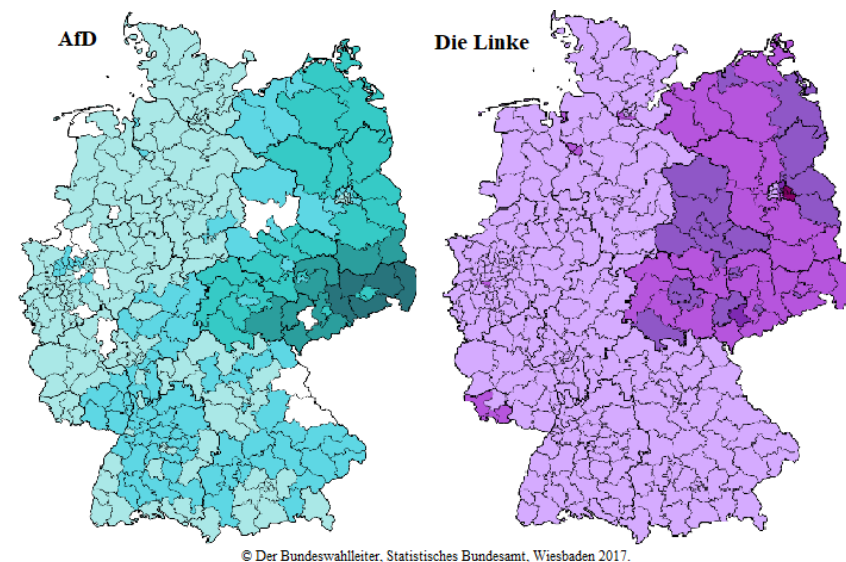
Hungary, 8 April 2018
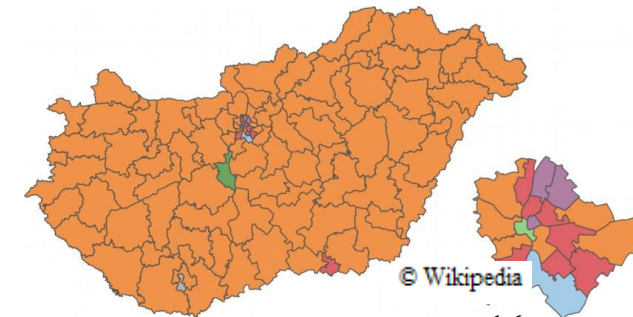
The results of the flood
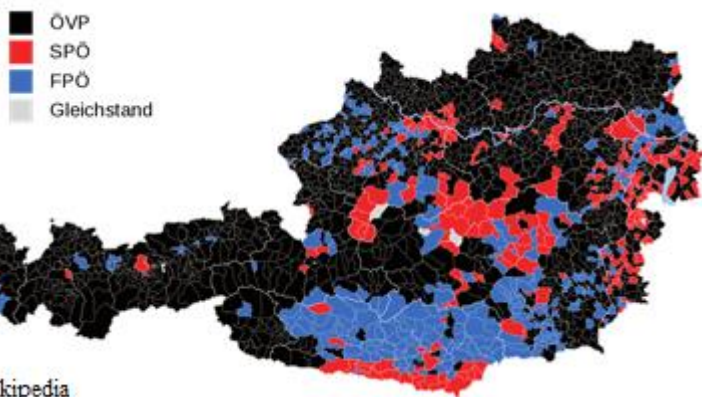
Netherlands, 15 March 2017
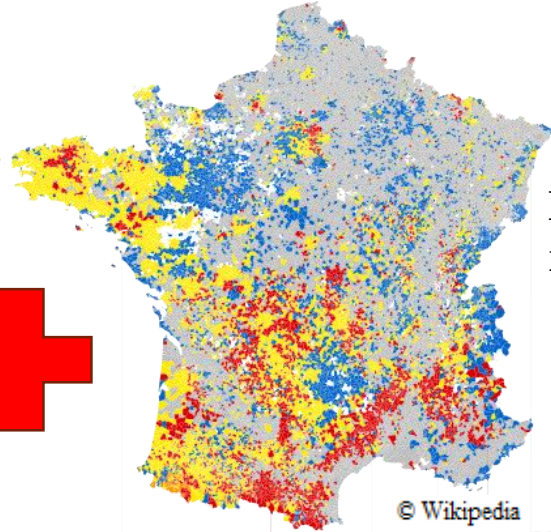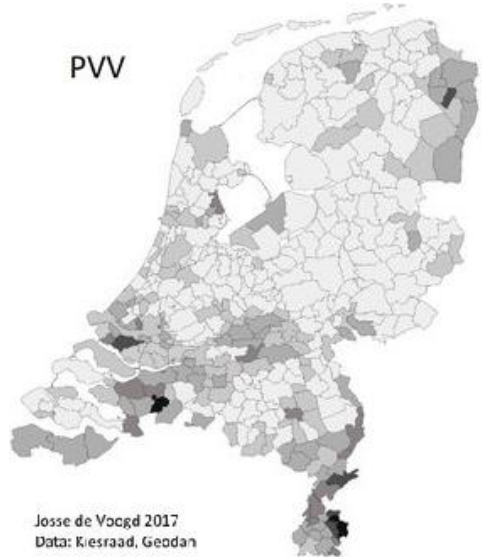
France, presidential first round, 23 April 2017

Germany, 24 September 2017
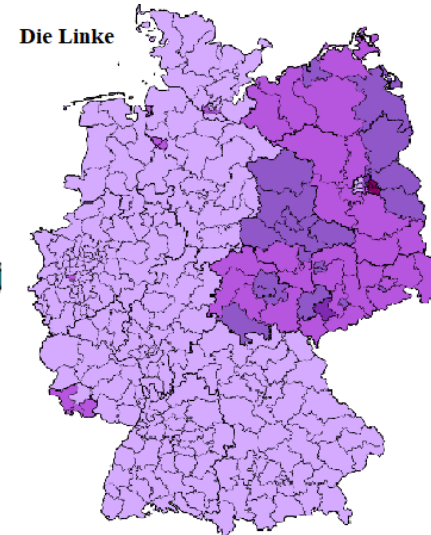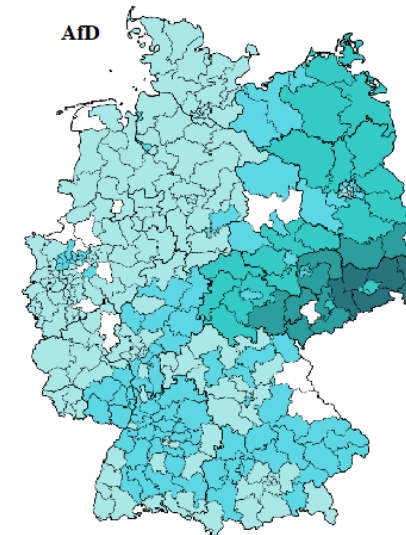
Austria, 15 October 2017
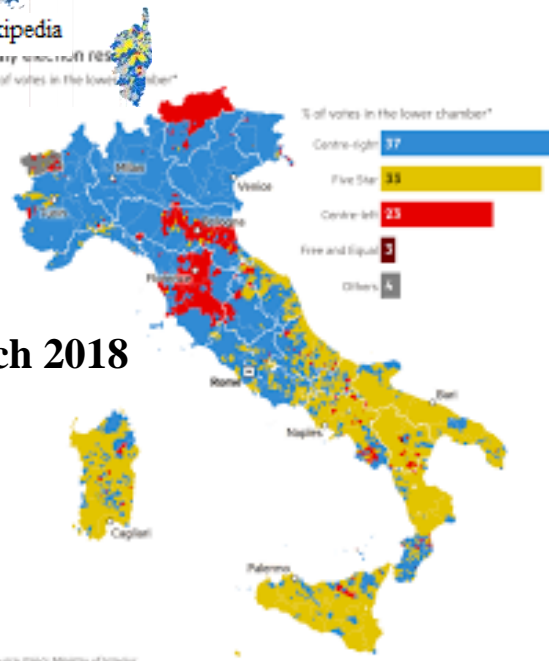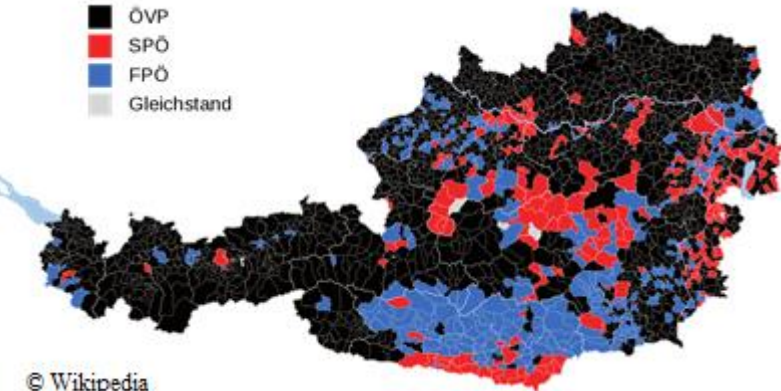
Italy, 4 March 2018

Hungary, 8 April 2018

Strong anti-Europeanism or Euroscepticism

Minimum share of votes for parties (strongly) opposed to European integration, 2013–2018

% of valid votes

- 0.0 – 3.0
- 3.1 – 6.5
- 6.6 – 10.0
- 10.1 – 13.4
- 13.5 – 20.0
- 20.1 – 27.0
- 27.1 – 35.0
- 35.1 – 100.0

Sources: national authorities, CLEA, Chapel Hill Expert Surveys 2014 and 2017, EuroGeographics, DG REGIO
Election years:
2018: IT
2017: BG, CZ, DE, FR, MT, NL, AT
2016: IE, ES, HR, CY, LT, RO, SK
2015: DK, EE, EL, PL, PT, FI, UK
2014: BE, LV, HU, SI, SE
2013: LU
EU-28 average = 13.4%

0   500 km

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Minimum share of votes for parties (strongly) opposed to European integration, 2013–2018

% of valid votes

- 0.0 – 3.0
- 3.1 – 6.5
- 6.6 – 10.0
- 10.1 – 13.4
- 13.5 – 20.0
- 20.1 – 27.0
- 27.1 – 35.0
- 35.1 – 100.0

Sources: national authorities, CLEA, Chapel Hill Expert Surveys 2014 and 2017,
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2014: BE, LV, HU, SI, SE
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EU-28 average = 13.4%

0   100 km

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Minimum share of votes for parties (strongly) opposed to European integration, 2013–2018

% of valid votes

- 0.0 – 3.0
- 3.1 – 6.5
- 6.6 – 10.0
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- 27.1 – 35.0
- 35.1 – 100.0

Sources: national authorities, CLEA, Chapel Hill Expert Surveys 2014 and 2017,
EuroGeographics, DG REGIO
Election years:
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2015: DK, EE, EL, PL, PT, FI, UK
2014: BE, LV, HU, SI, SE
2013: LU
EU-28 average = 13.4%

0   100 km

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REGIOgis

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Minimum share of votes for parties (strongly) opposed to European integration, 2013-2018

% of valid votes

- 0.0 - 3.0
- 3.1 - 6.5
- 6.6 - 10.0
- 10.1 - 13.4
- 13.5 - 20.0
- 20.1 - 27.0
- 27.1 - 35.0
- 35.1 - 100.0

Sources: national authorities, CLEA, Chapel Hill Expert Surveys 2014 and 2017,
EuroGeographics, DG REGIO
Election years:
2018: IT
2017: BG, CZ, DE, FR, MT, NL, AT
2016: IE, ES, HR, CY, LT, RO, SK
2015: DK, EE, EL, PL, PT, FI, UK
2014: BE, LV, HU, SI, SE
2013: LU
EU-28 average = 13.4%

0   100 km

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Minimum share of votes for parties (strongly) opposed to European integration, 2013-2018

% of valid votes

- 0.0 - 3.0
- 3.1 - 6.5
- 6.6 - 10.0
- 10.1 - 13.4
- 13.5 - 20.0
- 20.1 - 27.0
- 27.1 - 35.0
- 35.1 - 100.0

Sources: national authorities, CLEA, Chapel Hill Expert Surveys 2014 and 2017,
EuroGeographics, DG REGIO
Election years:
2018: IT
2017: BG, CZ, DE, FR, MT, NL, AT
2016: IE, ES, HR, CY, LT, RO, SK
2015: DK, EE, EL, PL, PT, FI, UK
2014: BE, LV, HU, SI, SE
2013: LU
EU-28 average = 13.4%

0   100 km

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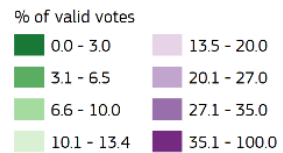
Anti-Europeanism or Euroscepticism

Minimum share of votes for parties somewhat opposed, opposed or strongly opposed to European integration, 2013-2018
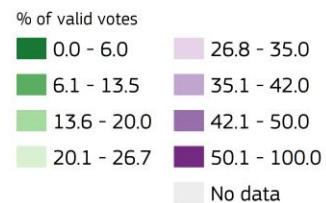
% of valid votes

- 0.0 – 6.0
- 6.1 – 13.5
- 13.6 – 20.0
- 20.1 – 26.7
- 26.8 – 35.0
- 35.1 – 42.0
- 42.1 – 50.0
- 50.1 – 100.0
- No data

Sources: national authorities, CLEA, Chapel Hill Expert Surveys 2014 and 2017, EuroGeographics, DG REGIO
Election years:
2018: IT
2017: BG, CZ, DE, FR, MT, NL, AT
2016: IE, ES, HR, CY, LT, RO, SK
2015: DK, EE, EL, PL, PT, FI, UK
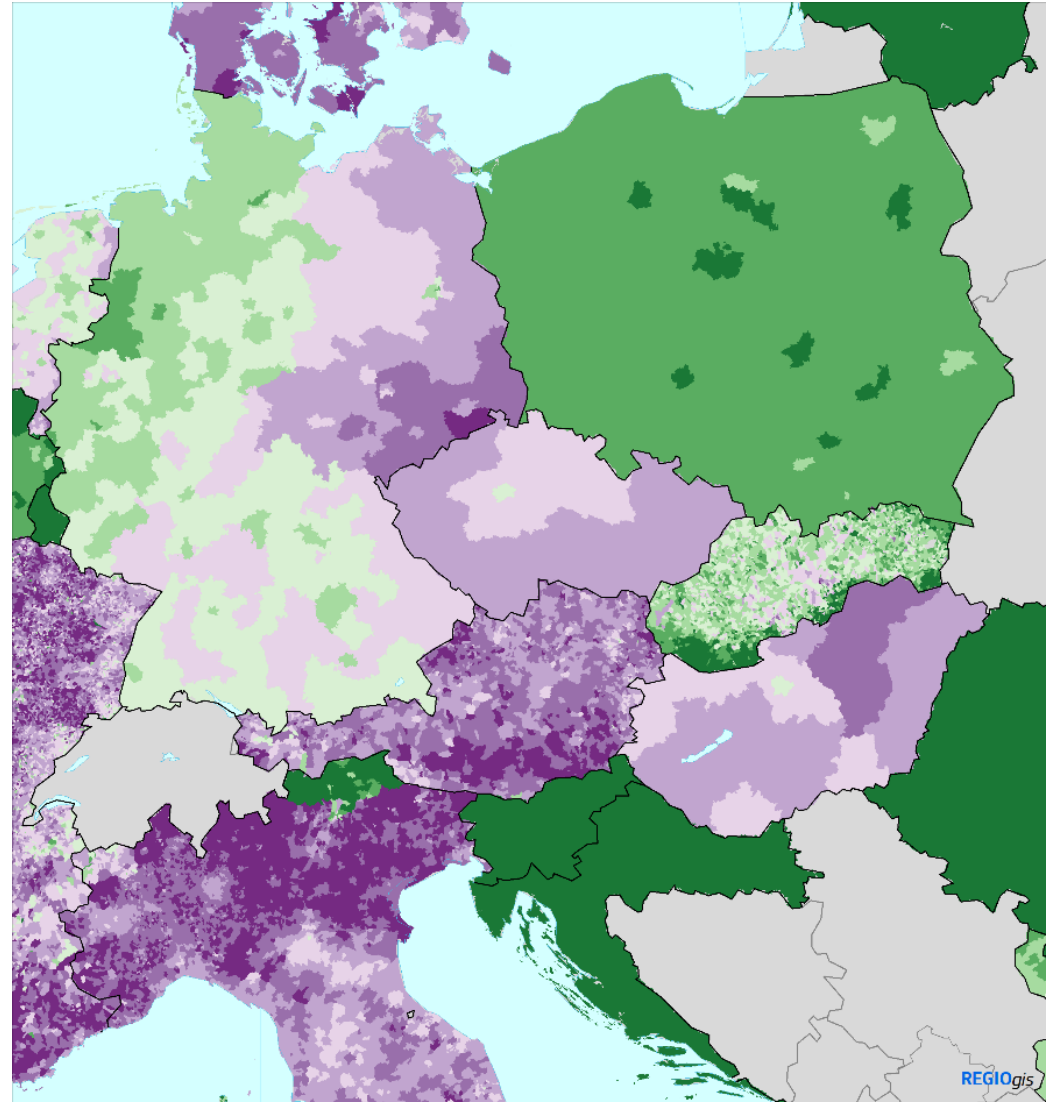2014: BE, LV, HU, SI, SE
2013: LU
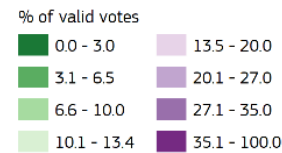EU-28 average = 26.7%
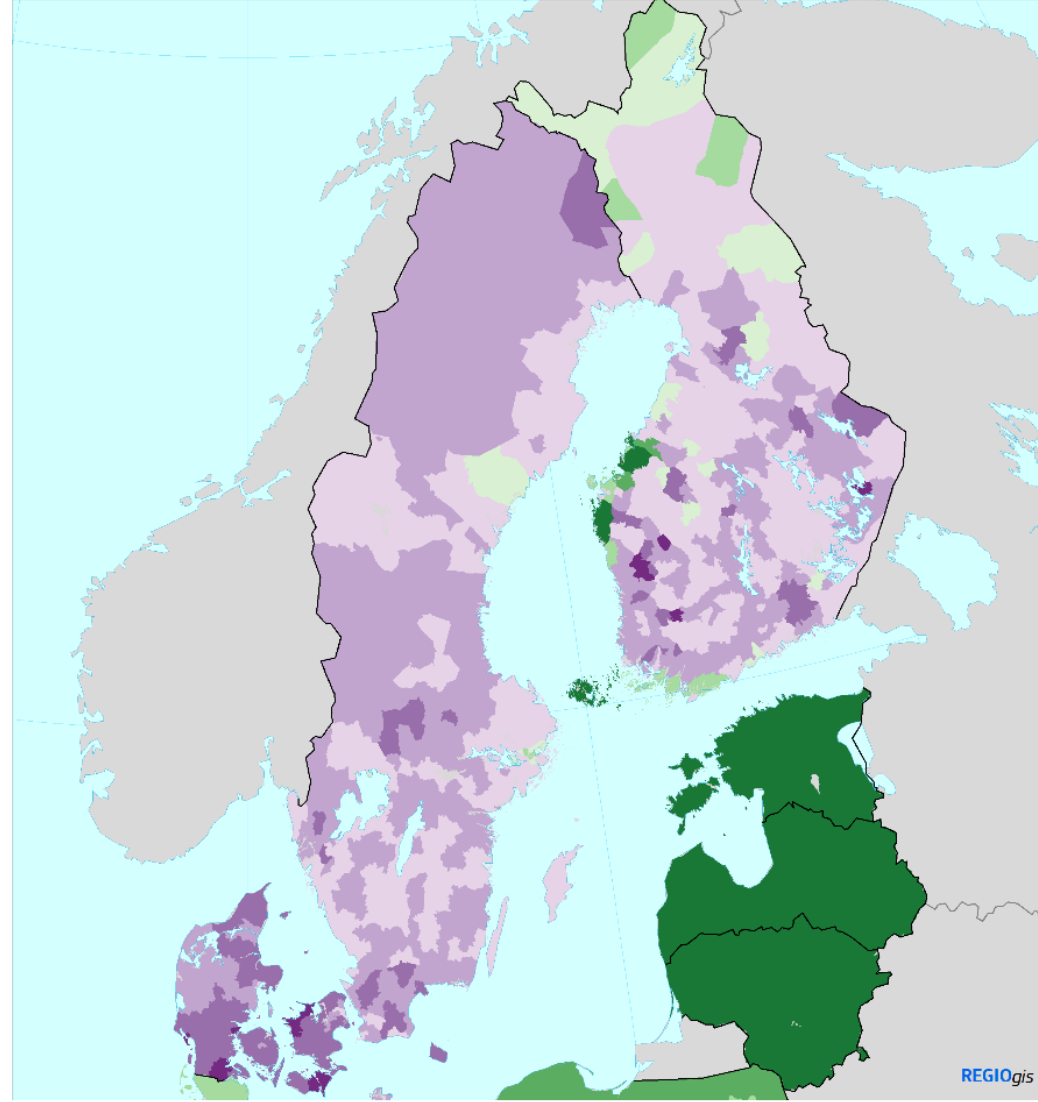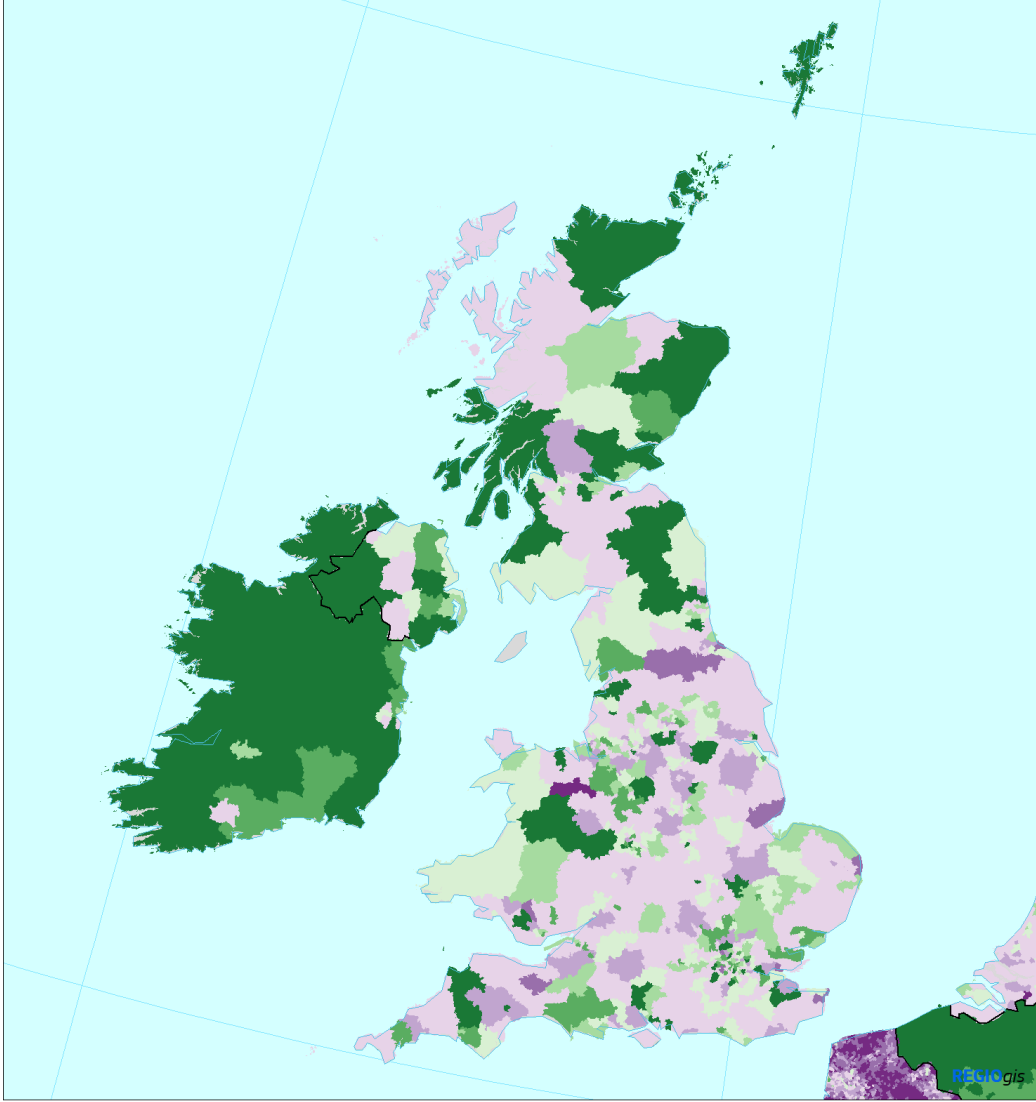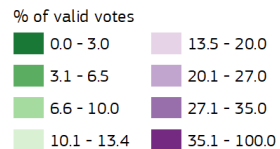
0   500 km

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Anti-Europeanism as a marker of populism

Populism and euroscepticism: not the same, similar

Scatter plot. Y-axis: Salience of anti-elite and anti-establishment rhetoric, 0 = not important at all, 10 = very important. X-axis: European integration, 1 = strongly opposed, 7 = strongly in favour.

Labeled points: FR, Front National; UKIP; HU, Jobbik; DE, AfD; La France Insoumise; IT, Cinque Stelle; CZ, ANO; EL, Syriza; ES, PODEMOS; IT, LEGA; AT, FPÖ; PL, PiS; DE, DIE LINKE; ES, Ciudadanos; FR, Les Républicains; FR, en Marche; HU, Fidesz; DE, CSU; DE, FDP; IT, FORZA; UK, Labour; RO, PSD; DE, SPD; IT, PD; ES, PSOE; UK, Conservatives; DE, CDU; PL, Civic Platform; ES, PP

$y = -1.0778x + 10.213$
$R^2 = 0.4843$

The EU as the "other"

o "In Europe, right-wing populists portray [...] the faceless bureaucrats of Brussels as the "other."" (Rodrik, 2018: 24)

o "Euroscepticism is being re-conceptualized in recent research as a manifestation of the wider, global phenomenon of populism" (Leconte, 2015: 251)

o "The EU has become a popular 'punch bag', an easy target and prey" (Buti & Pichelmann 2017: 4).

And that is, indeed, the case

A Britain released from the shackles of the interfering EU (2015 Manifesto)

To restore France's national sovereignty. Towards a Europe of independent nations, at the service of the peoples (2017 Presidential programme)

To regain our freedom and the control of our destiny by restoring to the French people their sovereignty (2017 Presidential programme)

And that is, indeed, the case (II)

The Netherlands again independent. So out from the EU (2017-2021 Programme)

The EU has become an undemocratic entity, whose policies are determined by bureaucrats who have no democratic accountability (2016 Manifesto for Germany)

The Euro actually jeopardises the peaceful co-existence of those European nations who are forced into sharing a common destiny by the Eurocracy (2016 Manifesto for Germany)

And that is, indeed, the case (III)

The European Union [is] a gigantic supranational body, devoid of true democratic legitimacy and structured through a sprawling bureaucratic structure (2018 Government programme)

The euro is the main cause of our economic decline, a currency designed for Germany and multinationals and contrary to the needs of Italy and the small business (2018 Government programme)

The EU is influenced by a small group of states, thus affecting the very democratic character of the EU institutions (2016 Manifesto for Germany)

What determines the rise of anti-Europeanism?
The theories

The left behind

A series of individual characteristics: "Older, working-class, white voters, citizens with few qualifications, who live on low incomes and lack the skills that are required to adapt and prosper amid the modern, post-industrial economy" (Goodwin & Heath, 2016: 325)

Goodwin & Heath (2016); Hobolt (2016); Ford & Goodwin (2017); Essletzbichler et al. (2018); Gordon (2018)

Hobolt (2016); Tyson & Maniam (2016); Antonucci et al. (2017); Becker et al. (2017); Bonikowski, 2017; Essletzbichler et al. (2018); Gordon (2018); Lee et al. (2018); Rodrik (2018)

The left behind (II)

Goodwin & Heath (2016); Hobolt (2016); Antonucci et al. (2017); Becker et al. (2017); Ford & Goodwin (2017); Rodrik (2018)

Becker et al. (2017); Los et al. (2017); Rodrik (2018)

Rodrik (2018)

The left behind (III)

Lee et al. (2018); Gordon (2018)

A geography of discontent

Refers to a series of geographical characteristics: "Local economic conditions were the single most important factor driving the pattern of voting" (Los et al., 2017: 788) (see also Garretsen et al., 2018)

Linked to the so-called "great inversion": Once prosperous rural areas and small and medium-sized cities have suffered relative economic decline and job loss (Moretti, 2012; Storper, 2013; Martin et al., 2018)

Rodden (2016); Cramer (2017); Bonikowski (2017); Essletzbichler et al. (2018); Martin et al. (2018); Gordon (2018)

A geography of discontent (II)

Johnson (2015); Goodwin & Heath (2016); Shafique, 2016; Tyson & Maniam (2016); Becker et al. (2017); Essletzbichler et al. (2018); Martin et al. (2018); Rodrik (2018)

Lee et al. (2018)

Goodwin and Heath (2016); Hobolt (2016); Becker et al. (2017); Ford and Goodwin (2017); Goodwin and Milazzo (2017); Lee et al. (2018); Rodrik (2018)

The places that don't matter

Geography of discontent mostly linked to the crisis, often overlooking long-term processes of decline

Theory of the revenge of the places that don't matter (Rodríguez-Pose, 2018): Anti-system vote linked to long-term decline by neglected places (or places that feel neglected).

Different types of long-term decline

Proving the theories

Main hypotheses

o **Long-term economic decline is a key factor behind the emergence of anti-European vote in the most recent national elections**

   o But different types of decline (economic and industrial vs. demographic and employment) may have different links to anti-European vote

o **Other factors – age, education, wealth, unemployment, migration, population density – may also matter**

o **But long-term economic decline is possibly the biggest driver of anti-European vote in the so-called places that don't matter**

The model

$$AEV_{r,2013-2018}$$
$$= \alpha + \beta \; Economic \; change_{r,2000-2014} + \gamma \; \bar{X}_{r,2014-2017}$$
$$+ \delta \; Share \; non \; CHES \; vote_{r,2013-2018} + \nu_c + \varepsilon_{r,t}$$

- $AEV_{r,2013-2018}$ **denotes the share of anti-European vote in the most recent national election;**

- $Economic \; change_{r,2000-2014}$ **represents our independent variable of interest, economic and demographic change over the last decade and a half;**

- $\bar{X}_{r,2014-2017}$ **is a vector of other variables which have been identified in the literature to increase anti-European vote;**

- $Share \; non \; CHES \; vote_{r,2013-2018}$ **controls for the share of votes going to parties not included in the CHES;**

- ν_c **captures country-specific effects.**

The data

o Latest national legislative elections in EU Member States (2014-2018)

o Distinguishing parties by their opposition to European integration

- o Strongly opposed
- o Strongly opposed or opposed
- o Strongly opposed, opposed or somewhat opposed

o For 63,406 constituencies in all EU28 member states

What determines the rise of anti-Europeanism? The evidence

Economic decline a driver of anti-Europeanism

Four factors consistent and significant across different degrees of anti-Europeanism: Economic change GDP per capita Education Employment

DEP. V.: Share of vote for parties opposed to European integration	Strongly opposed (1)	Strongly opposed and opposed (1&2)	Strongly to moderately opposed (1, 2 &3)
	OLS	OLS	OLS
Economic change	-0.62517***	-2.17514***	-0.51149***
	(0.042)	(0.069)	(0.067)
Population density	-0.00028***	-0.00049***	0.00008***
	(0.000)	(0.000)	(0.000)
Distance to the capital	-0.00455***	-0.00027	-0.00319***
	(0.000)	(0.000)	(0.000)
GDP per capita	0.03805***	0.12058***	0.07171***
	(0.002)	(0.004)	(0.004)
Employment	-0.17549***	-0.13802***	-0.24398***
	(0.007)	(0.011)	(0.012)
Population 65 and over	-0.25488***	0.04391***	-0.04435***
	(0.008)	(0.012)	(0.012)
Education	-0.16896***	-0.19883***	-0.13344***
	(0.007)	(0.010)	(0.011)
Migration	-0.22746***	0.03963***	0.01727
	(0.008)	(0.011)	(0.011)
Share of no CHES vote	-0.10733***	-0.21102***	-0.25758***
	(0.004)	(0.005)	(0.005)
Observations	61,440	61,440	61,440
R-squared	0.66415	0.60751	0.74710
Country FE	YES	YES	YES
Adjusted R-squared	0.664	0.607	0.747
F test	5495	10085	23308

Robust standard errors in parentheses.
*** p<0.01, ** p<0.05, * p<0.1

Density and rurality only apply for extreme anti-European options
Once moderate anti-European parties are included, urban dwellers are more likely to vote for parties against European integration

Ageing not an issue
- **Regions with older population tend to vote less for extreme anti-European parties**
- **As is the case with moderate anti-European parties**

Migration not an issue
- **Connected to a lower share of anti-European vote**
- **People who interact with migrants less likely to vote anti-European**

Does all decline lead to anti-Europeanism?

VARIABLES	Economic change	Industrial decline	Employment change	Natural population change
	OLS	OLS	OLS	OLS
Economic change	-2.17514***			
	(0.069)			
Change in industrial employment		-0.31374***		
		(0.012)		
Change in employment			0.50161***	
			(0.088)	
Population change				0.65785***
				(0.021)
Controls	YES	YES	YES	YES
Country FE	YES	YES	YES	YES
Observations	61,440	63,307	63,307	63,307
R-squared	0.60751	0.61709	0.61387	0.61880
Adjusted R-squared	0.607	0.617	0.614	0.619
F test	10085	10872	10274	8870

Robust standard errors in parentheses.
*** p<0.01, ** p<0.05, * p<0.1

Economic and industrial decline as the drivers of anti-European integration vote

Employment and population growth, by contrast, linked to higher votes for anti-system options
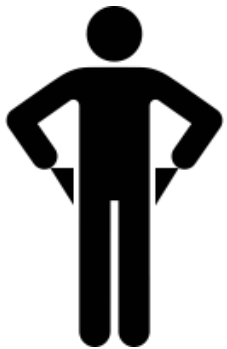
Left behind vs revenge of places that don't matter

The left behind

Education an important factor for support (or lack of it) for European integration

Local wealth an important factor for anti-Europeanism. But, in contrast to expectations, once other factors are controlled for, richer places are more anti-European

Left behind vs revenge of places that don't matter

The left behind (II)

Low levels of employment a moderately important factor in the geography of EU discontent

Presence of an elderly population does not result in greater anti-EU vote. Once the economic trajectory, levels of education and the wealth of the place are controlled for, areas with large shares of elderly population tend to vote less for both radical and moderate anti-EU parties

Left behind vs revenge of places that don't matter

The places that don't matter

Migration, a marginal player, if at all. Places with higher share of migrants tend to vote less for parties strongly opposed to European integration

Density and rurality has less of a role than predicted by US political scientists. Once moderate anti-European parties are considered, more dense places resort to anti-EU vote

Left behind vs revenge of places that don't matter

The places that don't matter (II)

Distance to the capital not always significant. If anything, areas farther away from national capitals tend to be more pro-European integration

Left behind vs revenge of places that don't matter
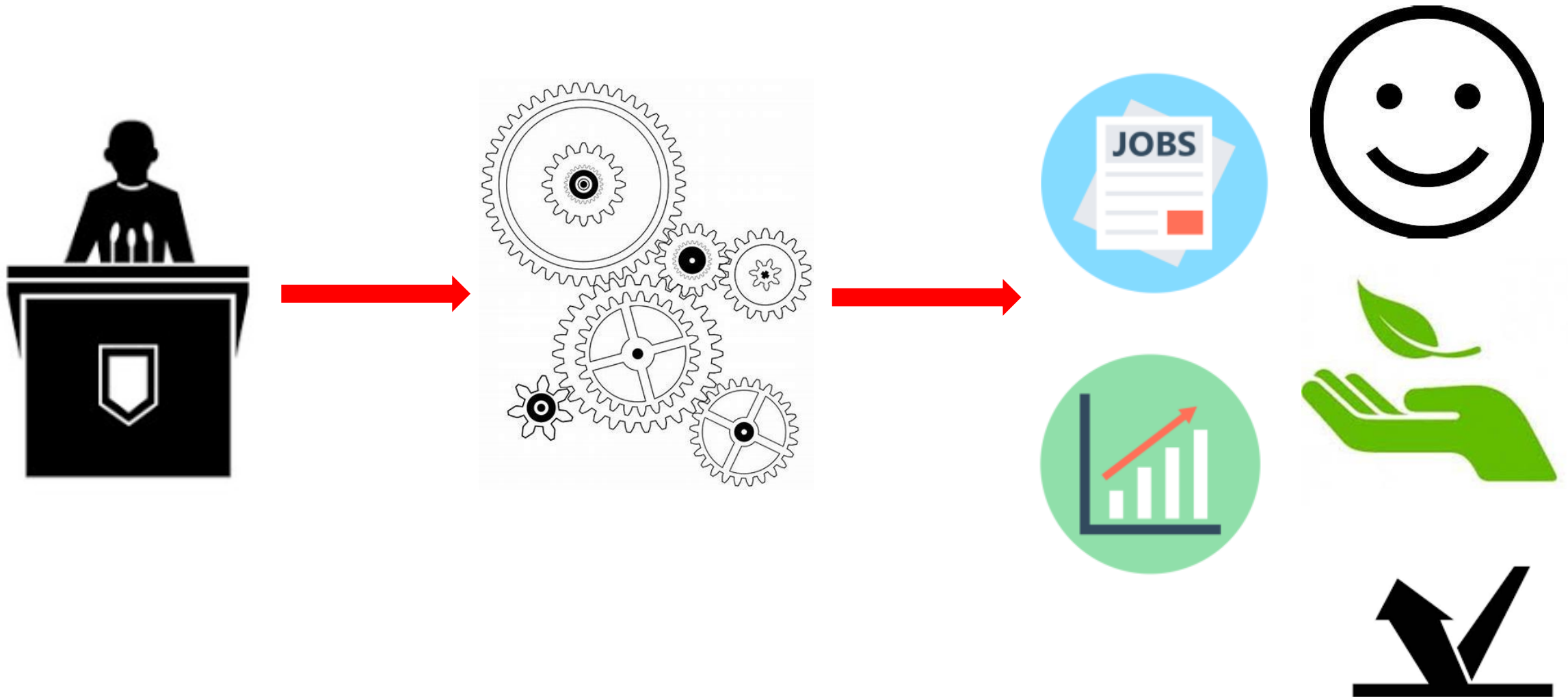
The places that don't matter (III)

Long-term economic and industrial decline as the main drivers of anti-EU vote

Population decline and low employment levels do not have the same effect in generating a geography of discontent. The creation of sheltered economies may be a factor behind this difference
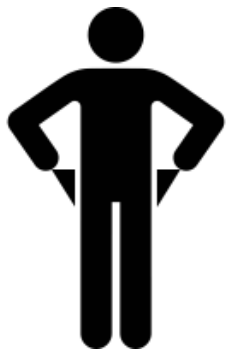
# And public policies seem to matter

Conclusions

EU discontent driven by places that don't matter

o **Rise of anti-EU vote driven by a combination of socioeconomic and geographical factors**

Where people live often trumps their condition

o **The influence of certain types of local economic decline greater than that of individual socioeconomic conditions**

o **Once long-term economic decline is taken into account, it becomes more difficult to assert that pro-/anti-system divides "cut across generational, educational and class lines"** (Goodwin & Heath, 2016: 331).

   o Votes reflect long-term economic trajectories and, once this is controlled for, only education and lack of employment go constantly with predictions

   o Migration, density and rurality become almost insignificant

   o And wealthy areas become more anti-system
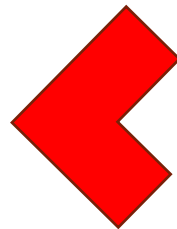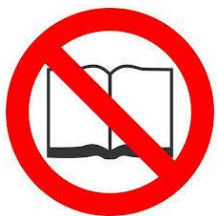
Fixing long-term economic decline essential

o **If Europe is to combat the rise of a geography of EU discontent and fight the ascendancy of anti-system parties**

o **Focusing on simply the largest and more dynamic places is not going to do the trick**

    o **It will bring greater social, political and economic problems**

o **Fixing the so-called places that don't matter is possibly the way to start**

    o Those suffering from long-periods of low-, no- or negative-growth

    o Industrial decline

    o Low employment rates

    o Brain drain

    o Out-migration

    o Neglect

    o And those that have been told there is no hope for them

Fixing "the places that don't matter" is key

o **Because the line between discontent and conflict is very thin**

o **And conflict is not, and should not be, the solution**

THE GEOGRAPHY OF EU DISCONTENT

Andrés Rodríguez-Pose

More information at http://personal.lse.ac.uk/rodrigu1/

@rodriguez_pose