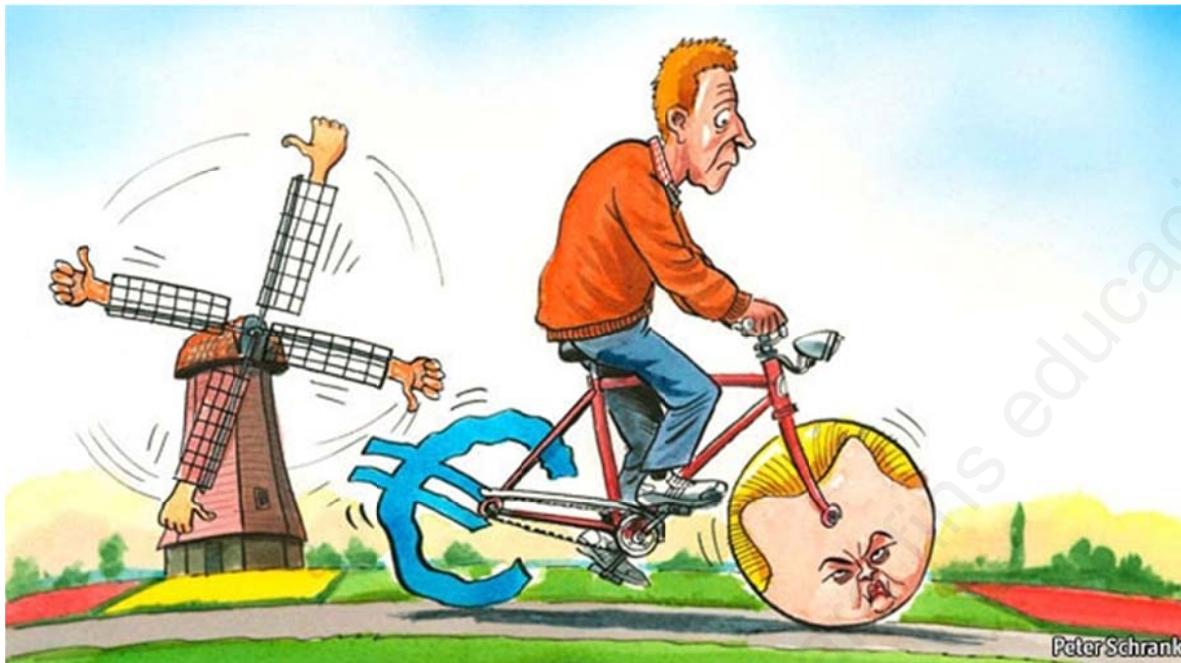


## Cycling against windmills



*What does the euro crisis mean for everyday politics? The forthcoming Dutch elections offer a clue.*

FEW nations beat the Dutch for practicality. Befuddled voters, who have 20 or so parties to choose from in the general election on September 12th, can save hours of poring over manifestos by submitting to the StemWijzer. This government-backed website presents 30 pithy statements ("All [drug-selling] 'coffee-shops' in the Netherlands should be closed down"; "European supervision of banks should be implemented"), and matches voters to the party that best fits their views. Separately, the Central Planning Bureau also runs the main parties' programmes through an economic model, to compare how each will affect things like jobs, output and, miraculously, queues on motorways.

Despite these aids, the Dutch are disenchanted with politics. At J.H. Van Dijk's cheese stall in Amsterdam's main street market customers are fed up with all those politicians and their confusing parties. Further into town, at the Independent Outlet music store (where "corporate rock still sucks"), a young man behind the counter complains how "politicians always let you down". A hairdresser in The Hague, who in her time has shorn plenty of MPs, cannot make up her mind. The StemWijzer is all very well, she says, but politicians "don't do what the people vote for."

In this section

Dutch discontent dates back to well before the euro crisis. But complex coalition politics makes the Netherlands a test bed for a question that today concerns the entire euro zone. As leaders strive to save Europe's currency and integrate its politics, is the crisis galvanising voters and politicians, or is it driving them apart?

The economy partly explains the Netherlands' sour mood. The Dutch are thriving compared with the Greeks; unemployment, at about 5.3%, is a fifth of the rate in Greece. Yet the Dutch are not inclined to look on the sunny side: life is getting harder. The value of pensions is shrinking, and charges for services such as health care are likely to increase. Tax breaks on mortgages are bound to be cut for first time buyers, putting further downward pressure on house prices and sentiment.

Altogether, output is set to slow sharply in the second half of the year, with GDP for 2012 falling by about 0.6%. Charles Kalshoven at ING, a Dutch bank, reckons that a provisional "austerity budget" for 2013 will lop 0.5 points off growth. By the end of 2013, he says,

mortgage debt will eclipse the property value of about 800,000 Dutch households—fully one in four.

Optimists say that for this very reason the nation will now roll up its sleeves and sort out its difficulties. The polls predict that the largest party will be the liberal VVD, with about 35 seats—41 short of a majority. Its leader, the outgoing prime minister, Mark Rutte, is an astute political tactician. Perhaps he can join other established parties to form a strong coalition. This might dare to court short-run unpopularity, calculating that steps to restore the economy and deal with the euro crisis will be rewarded at the next election in four years.

Yet the once-proud Dutch record of coalition government has become increasingly threadbare. It takes months to form new governments. A succession of short-lived, inflexible administrations has tended to tussle over small, unambitious programmes in what Bas Heijne, a Dutch journalist, quoting Freud calls “the narcissism of small differences”. The more parties and the greater the ideological spectrum they cover, the harder it is to hold them together.

Thirty years ago Dutch politics was stable, dull even. Now the centre has collapsed. The Christian Democrats, who ran the post-war Netherlands for decades, have shrunk so much that they were not included in the four-way prime-ministerial television debates. Each established party has its insurgent counterpart. Mr Rutte’s liberals are shadowed by the anti-immigrant, Eurosceptic PVV, led by Geert Wilders. The Labour Party (PvdA) has been trailing the anti-globalisation, anti-elite Socialist Party, which—though now far from its Maoist roots—has never been in government. Even Green Left has to watch out on its radical flank for the Animal Rights party, which under the Dutch proportional-voting system might pick up a couple of seats.

Some take comfort from voters’ weariness with Mr Wilders’ aggression. His decision to pull down the previous government, over that austerity budget, was deemed irresponsible, and he is likely to lose seats. Labour has seized back the lead over the Socialists. After a stellar performance in the television debates, its new leader, Diederik Samsom, must even fancy his chances of becoming prime minister.

But parties in government are soft targets for their insurgent rivals—particularly when they peddle unpopular policies. With municipal and European elections in 2014, a reforming coalition would have to show improbable discipline and resolve. Analysts doubt that the established parties’ new leaders are strong enough to ride a wave of popular dissent. And they doubt that the cautious Mr Rutte has it in him.

In the end it comes down to the fragmentation of the Dutch party system. André Krouwel, a political scientist, argues that the populist Mr Wilders has warped Dutch politics by pulling parties to the right and rendering them narrower and more radical—even as he has taken up centrist positions on health care and pensions. Maurice de Hond, a pollster, notes that when he asks voters about the coalitions they want, the one that ends up in power is often ninth or tenth on the list. Because governments are less representative and more inflexible, they can get less done.

Where does that leave the euro? The Netherlands is a trading nation. Most Dutch remain instinctively pro-European. There is no popular call to leave Europe or the single currency. Yet many Dutch resent the idea that Europe might interfere with their health care and pensions. They no longer assume that dealmaking in Brussels is fair and do not trust their own politicians to sort out the mess. And they do not want to surrender more Dutch savings or Dutch sovereignty. To shore up the euro, Germany foresees give-and-take in which core countries pay to save the periphery in exchange for a more federal Europe. To the Dutch, that looks like take-and-take.

**Fonte: The Economist, London, v. 404, n. 8801, p. 49-50, Sept. 8<sup>th</sup> – 14<sup>th</sup> 2012.**