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Dutch Euroscepticism: The Manifestation of Pre-Financial Crisis Fears in Post-Financial Crisis Politics and Voting Patterns

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Abstract

This paper seeks to explain the recent rise in Dutch Euroscepticism, especially in the wake of the Great Recession and the Euro Crisis. The rise of Eurosceptic sentiment reflects more than just a "left-" versus "right-wing" political divide in Dutch politics; rather, it signals an increasingly prevalent divide between pro-EU and anti-EU voters and policies. Though Eurosceptic sentiment already existed in Dutch politics at the beginning of the 21st century, this paper argues that the financial crises of the 2000s played a major role in the significant rise of Eurosceptic sentiment and rhetoric in Dutch politics. The Great Recession and the resulting Euro Crisis allowed the pre-existing and potentially more "dormant" Eurosceptic sentiments to break through and influence Dutch politics through populist Eurosceptic parties like the Dutch Freedom Party (PVV) and Dutch Socialist Party (SP), as evidenced in voting outcomes in the parliamentary elections following the era of financial crises.

Keywords

Euroscepticism, 2008 recession, eurozone crisis, Dutch Freedom Party, Dutch Socialist Party

1. Introduction

In the last two decades alone, Europe indeed has seen a lot of crises—crises that tested the ability of European states to work together, as well as the viability of the institutions that brought them together, especially the EU. The financial crises that spanned 2007-2010 were no exception. The Netherlands, historically, has been s strong supporter of the EU; it was even one of the EU's founding countries, making it one of the original members. Yet recently, especially in the wake of Brexit, there is talk of "Nexit:" the Netherlands' potential exit from the EU. The results of parliamentary elections two to four years after the Great Recession of 2008 and the subsequent Euro Crisis, revealed an increase in voter turnout for two of the Netherlands' most Eurosceptic and populist parties: the Dutch Freedom Party (PVV) of Geert Wilders, and the Socialist Party. Both of these parties appeal to their voter base with Eurosceptic rhetoric—rhetoric that questions the legitimacy and value of the EU on the grounds that it robs the Netherlands of its national sovereignty. While such sentiments were definitely present before the financial crisis, the financial crisis certainly heightened them. During the 2008 recession, the Dutch economy suffered because of its reliance on trade. Dutch households felt the brunt of the resulting economic consequences, which led to a drastic decrease in consumer confidence and an overall stagnation of the Dutch economy. As the initial financial crisis segued into the Euro Crisis, responsibility was placed on the Netherlands and other northern EU states to bail out southern EU states. Already experiencing economic difficulty, this definitely posed a burden for the Dutch.

Though Eurosceptic sentiment already existed in Dutch politics before 2008, this paper will argue that the financial crises of the 2000s played a significant role in the rise of Eurosceptic sentiment and rhetoric in Dutch politics that has been witnessed even after these crises, e.g., duing the 2015 migrant "crisis" and Brexit. From a theoretical perspective, these developments reflect the rise of populism in European politics as well as a new divide—one that no longer just pits the left against the right, but instead reflects a new transnational cleavage that sets Eurosceptic and the pro-European voters against each other.

To test this hypothesis, a study of the particular political and social views of the PVV and SP will be crucial. Additionally, statistical information on the Dutch economy's faring during the financial crises as compared to eurozone averages, will need to be considered as well in order to assess the Dutch economy's struggles in the context of the EU. Finally, data concerning parliamentary election results will also be used to discuss voting patterns before and after the financial crises, in order to establish a relationship between the crises and the rise in Eurosceptic sentiment and support for populist parties. This paper begins with a discussion of the Dutch Freedom Party and Geert Wilders. In the following section, we will look at the Dutch Socialist Party—the other populist and Eurosceptic party in the Netherlands. Then, we will review the 2005 Dutch Referenda, which saw a majority of Dutch voters reject the EU's proposal of an integrative European Constitution—a key moment that signified the official presence of Eurosceptic sentiment in Dutch politics and gave parties like PVV and SP an opportunity to assert themselves. Then, the effects of the economic crises on the Dutch economy will be examined to determine the Netherlands' economic susceptibilities and why it felt ignored by the EU. Finally, voting results from parliamentary elections will be discussed in the context of other findings.

Before we proceed, it is important to note that it is difficult to analyze the various reasons why voters support parties like the PVV and SP. The voting pattern analysis in this paper is preliminary, as it investigates more "face value" reasons for why voters may support

Eurosceptic parties. In reality, European Parliament elections are usually considered to be "second order" elections, meaning they are less important to voters than first-order, national elections. Whereas "first order" elections give voters the chance to choose who governs their country through "general elections in parliamentary systems like Great Britain, the Netherlands and Germany," among others, "second order" elections are considered less important to voters because, "although still open to influence by national party politics, they determine the outcome for lesser offices" (Reif et al., 1997). Second-order elections often feature outcomes that are related to the popularity of various national parties within a given state, rather than outcomes that revolve around certain issues or candidates. Voting outcomes in second-order elections may also reflect protest voting, as a way of showing general dissatisfaction with the existing political system. Thus, analyzing European Parliament voting patterns is just a preliminary means of gauging Eurosceptic sentiment.

2. The Dutch Freedom Party

One of the leading parties in the country, the Dutch Freedom Party is a radical, right-wing, populist party founded by Geert Wilders in 2004. Wilders has been nicknamed the "Dutch Trump" and is also considered the replacement for Pim Fortuyn, a former Dutch politician who was assassinated in 2002 because of his Islamophobic politics. Thus, the early 2000s marked an adjustment in the Dutch political priorities: "until 2002, Dutch political parties had mostly focused on economic questions … political debates were focused on the balance between public investments and fiscal responsibility, between unemployment and income redistribution, and between economic growth and environmental protection" (Otjes, 2017). Instead of focusing on such matters, however, Fortuyn "instead spoke about the growing number of Islamic immigrants and their effect on the societal acceptance of homosexuality and women's rights" (Otjes, 2017). The death of Fortuyn just days before the 2002 parliamentary elections created a vacuum for other populist politicians to fill. Geert Wilders took advantage of this opportunity and founded the Dutch Freedom Party (PVV). The party addresses three main concerns: "the protection of the Dutch identity, the protection of Dutch sovereignty, and the protection of the Dutch welfare state" (Otjes, 2017). Cultural themes dominate the PVV's agenda, in particular in relation to Islam, which Wilders views as a threat to Dutch sovereignty and culture. Dutch sovereignty, in PVV's view, is also undermined by the European Union and its various integration projects, including the European Monetary Union. Arguments about the EU's inability to preserve Dutch interests seemed to be validated by the adoption of the Lisbon Treaty following the 2005 Dutch referendum which rejected the proposal for a European Constitution (Otjes, 2017). The PVV used this fact as a point of leverage for its sovereignty politics, claiming that the "discrepancy between the decision of the Dutch people and the inability to effectuate such a decision in the European Union" is a sign of problematic EU-integration politics (Otjest, 2017).

In 2010, in the midst of an economic crisis—namely the Great Recession and the resulting Eurozone Crisis—the PVV began basing its policies on distinct economic discourses. Geert Wilders advocated for the cutting of taxes during that time, but in other economic proposals, he and the PVV advocated for leftist economic policies. Other Dutch parties, in contrast, advocated "budget cuts and welfare state reforms, such as raising the retirement age, liberalizing the labour market, and introducing more out-of-pocket spending in healthcare" (Otjes, 2021). As the Netherlands' most right-wing party at that time, PVV uncharacteristically expressed strong opposition to such reforms, backed by the Socialist Party, which was the most populist party on the left side of the political spectrum. This portended tense outcomes for the Dutch political landscape, as rather than just debating issues on a left-right dimension, economic issues would also be debated across a pro-reform versus anti-reform faultline—"with the Socialist Party and the Freedom Party versus the mainstream parties" (Otjes, 2017). More specifically, the Freedom Party did not support proposals to improve welfare state protection but instead wanted to protect the interests of the "insiders" of the already existing welfare state. Here, the PVV's economic and cultural concerns converged: the Dutch welfare state needed to be preserved in its current form to exclude migrants, who "they also see as an external threat … the Dutch welfare state in their eyes cannot be combined with being an immigration country, as immigrants can easily move to the Netherlands and exploit its social services" (Otjes, 2017). This was combined with a proposal to reverse recent advances in European integration and go back to the idea of European Economic Community. In 2012, however, in the aftermath of the Eurozone Crisis, the PVV started to advocate for completely leaving the European Union, "demanding instead a relationship like Switzerland or Norway has with the EU" (Otjes, 2017).

The PVV is one of the Netherlands' most populist and Eurosceptic parties to date, favoring "Nexit," especially in the wake of Britain's recent exit from the EU. Geert Wilders, the party's founder and face, appeals to his voters by saying that the Dutch parliament is a "fake parliament" because it ignored voter demands in previous elections. He further claims that the lack of priority the Netherlands gets as an EU member state is an attack on its "national sovereignty" (Otjes, 2021). And in the wake of economic crises, PVV positions resonated with a lot of voters.

3. The Dutch Socialist Party

The Dutch Socialist Party (SP) is, besides the PVV, the other highly Eurosceptic, populist party. However, in contrast to the PVV, which is right-wing, the SP is on the far left. Its focus is less on cultural issues and more on socioeconomic ones. Specifically, the Socialist Party makes its socioeconomic arguments through a critique of the European Union. Its discourse is mainly based on "a criticism of the existing political order," and it has displayed "distaste for intermediary political institutions and established parties, and favoured democratisation of the decision-making process" (van Kessel, 2015). It also argues that neo-liberal thinking has completely engulfed Western Europe to its own detriment, and so severely that neo-liberal, integrationist thinking "infects" all mainstream Dutch parliamentary parties, regardless of whether they are on the left or right. The SP also argues that economic power is concentrated in the elite class, which allows the party to have great populist appeal for ordinary, non-elite Dutch citizens. In terms of socioeconomic policies and priorities, the party advocates for higher minimum wages and opposes welfare state reforms, "such as raising the pension age, restricting the eligibility for unemployment benefits, and privatisation of health care provision" (van Kessel, 2015). In contrast, the PVV and other right-wing parties have mostly displayed more pro-business sentiments and practices. Yet, despite these differences, the SP shares the PVV's stance on European integration: "This became evident in the campaign for the referendum on the European Constitutional Treaty in 2005, when both the SP and PVV urged citizens to vote against—which a majority of those turning out (61.5 per cent) eventually did" (van Kessel, 2015). Wilders and his PVV mainly focused on labor migration, claiming that increased globalization through greater European integration would pose cultural threats to the Netherlands. Meanwhile, the SP primarily critiqued "the neo-liberal character of European integration" (van Kessel, 2015). Though these parties are quite different in terms of political leaning and specific policies, they both share the same anti-EU sentiments, and both have found success in appealing to populist-minded, anti-EU voters.

4. 2005: The Dutch rejection of the European Constitution

In 2005, the European Union attempted to ratify a European Constitution. Through referendum votes, every member state had to vote on its ratification. In the end, the ratification did not go through because France and the Netherlands voted "no." Ratifying such a treaty seemed like a logical next step, given other treaties that, while "not constitutions, incorporate much of what is found in national constitutions" and "establish the powers (called competencies) of the Union, create institutions to make, enforce, and adjudicate Union laws, and establish decision-making procedures" (Kirley-Tallon, 2007). The fact that the treaty did not go through, due to France's and the Netherlands' "no" votes, provoked a discussion about a possible impending crisis—not so much due to the treaty's failure to pass, but rather because of what the failure indicated: "a disconnect between the European Union and its citizens," and attitudes of discontent towards the idea of further integration through a constitution that would transcend the national borders of individual member states (Kirley-Tallon, 2007). It is noteworthy that such discontent was expressed even before any "crisis," such as the Great Recession and the subsequent Euro Crisis. This level of disconnect may have manifested itself in the lack of knowledge that an ordinary European citizen had about the process, for although the Convention drafting the constitution operated in such a way that all convention documents were available on the internet, an average Dutch citizen, for example, "was barely aware of the existence of the Convention, much less its working and the document it was to produce" (Kirley-Tallon, 2007). According to the official results, 38.4 percent of Dutch voters voted "yes" to the constitution and 61.6 percent of voters voted "no." Ironically, the "referenda" voting process of passing the Constitution was meant to actually enhance the democratic process. For while Dutch elites may have supported the treaty, it was another matter whether non-elites would feel the same way. Thus, the Netherlands' move to choose a "referendum" voting process, along with some other member states, which would allow "citizens to decide the fate of the Constitutional Treaty," was seen as more democratic (Kirley-Tallon, 2007). The referenda vote "could also encourage citizen engagement with the European Union, something the elections to the European Parliament had thus far failed to accomplish" (Kirley-Tallon, 2007). Surveys on why voters chose "no" revealed concerns that the EU would threaten the Netherlands' national sovereignty, and that further EU integration, through a potential Constitution, would pose cultural threats. It is these very concerns that presented the perfect opportunity for the PVV—a party concerned about the potential effects of cultural threats on Dutch national sovereignty and identity—to appeal to voters in the referendum. There was a broad consensus in favor of ratifying the Constitution in the center-right Christian Democratic Party and the liberal parties, while the "no" votes came primarily from PVV and SP voters. A study that explored the relationship between Dutch partisanship and party attachment found that party attachment played a significant role in voter decisions in this 2005 vote and has continued to do so in subsequent parliamentary elections—those supporting the governing parties were more likely to vote "yes," whereas PVV and SP party voters were much more likely to vote "no," an outcome that also indicates a lack of satisfaction with the Dutch government and its elites. This, of course, makes perfect sense, as the PVV and SP parties are very populist and would rely on anti-elite rhetoric to appeal to their voter base. At the same time, the outcome of the referendum shows that populist rhetoric by parties like Wilders' PVV and the SP had a lot of influence over the decision of Dutch voters to refuse a European Constitution. This is perhaps unsurprising, given that "the debate surrounding the populist right-wing List Pim Fortuyn and Geert Wilders … had already made issues of Dutch identity and culture highly salient in the public sphere, and this may have also influenced people's perception of the ECT," but it also reveals mixed attitudes towards the European integration project, due to "traditional concerns over loss of a national cultural identity and cost of membership" (Hobolt & Brouard, 2011).

General attitudes towards the European project mattered greatly in influencing voters' decisions in the 2005 referendum. More specifically, statistics on the "no" vote revealed that 19% of "no" voters opposed the Treaty on the grounds that it would potentially undermine Dutch national sovereignty. Another 13% complained that membership in the European Union was already too expensive, "based on the fact that the Netherlands is a net contributor to the Union and receives less in benefits from the Union than it contributes" (Kirley-Tallon, 2007). An additional 8% voted "no" because of explicit and deliberate opposition to the European Union and further integration efforts. Scholars argue that based on additional data from studies on the 2005 Dutch Referendum, the results in the Netherlands "showed fully, for the first time, a gap between elites and voters in the Netherlands on views concerning the direction and pace of change in the European Union" (Kirley-Tallon, 2007). Specific concerns were raised on the "direction and pace of change in the European Union" and skepticism was expressed "regarding the common currency," as they saw "the euro as having disadvantages and costs" (Kirley-Tallon, 2007). Interestingly enough, voters raised these concerns even before the Euro Crisis. The euro was certainly a point of contention in this particular vote, as the idea of a common currency was more appealing "among the political elites than among the general public" (Aarts & van der Kolk, 2006). Though the introduction of the euro to the Dutch economy in 2002 went relatively smoothly, the budget requirements of participating states that signed the *Stability and Growth Pact* created tension between the European Monetary Union finance ministers and the Dutch people. Many consumers were convinced that the euro had created a widespread increase in the overall prices of essential goods. Thus, attitudes towards the euro had already been slightly negative even before the Euro Crisis, meaning that the foundation for an increase in Eurosceptic attitudes as a result of a future economic crisis was already present. Additionally, this meant that although Dutch elites viewed increased integration through euro adoption more favorably, non-elite citizens did not. This was the perfect opportunity for populist politicians like Wilders of the PVV as well as the SP, to build their populist platforms on anti-EU rhetoric. The coming recession and subsequent Euro Crisis would play right into the hands of both VPP and SP, as the common currency would significantly compound the problems caused by the global recession. These crises would expose many of the weaknesses of having a common currency, causing increased Euroscepticism in future parliamentary elections.

5. The financial crisis in Holland

The Euro Crisis came about as an "after-effect" of the 2008 Global Financial Crisis, which began in the United States. A realty market debt crisis in the United States spread to Europe and became a greater international issue of public debt when taxpayers in various countries, including EU member states, had to bail out banks. However, the main issue is that different member states had different costs of borrowing money, despite the presence of the euro as a common currency. Many northern member states, like the the Netherlands, had better credit rating, meaning they could borrow money at lower interest rates than southern member states like Greece, where the Euro Crisis was most dire. Already struggling economically, especially in comparison to the Netherlands, Greece would not be able to pay back its debt nearly as fast. Therefore, it had to borrow money at a higher rate of interest. The EU and IMF provided billions of dollars in loans, but many countries that invested pulled out because they were dubious of Greece's ability to actually pay back these loans in a timely manner once the crisis was over. Thus, Greece and other southern states introduced strict austerity measures in their spending, cutting back on welfare programs. Protests ensued because of poor economic conditions and a lack of welfare provisions. Such protests also sparked conflicts between EU states, setting the northern member states against the southern member states. Because most of these states shared a common currency, the euro, austerity measures and economic deterioration in southern states had effects that reverberated across national borders and eventually spread into the northern states. Such economic conflicts and disputes undermined the legitimacy of the EU and cast doubts on its ability to ensure the economic well-being of its member states, particularly those that relied on the euro as their form of currency (Giavazzi & Baldwin, 2015).

Before these financial crises, the Netherlands was doing very well economically, even in comparison to other EU member states. Such a comparison is noteworthy because in constrast to the other prosperous member states, like Germany, the Netherlands has a small economy. Before the financial crises of the early 21st century, the Netherlands' economy was characterized by relatively low unemployment, a large trade surplus, and low government debt. Economists predicted that the Netherlands would be able to weather the Great Recession. "[T]his view was [further] reinforced when the Dutch economy seemed to remain relatively untouched by the overseas problems at the start of the crisis" (Masselink & van den Noord, 2009). In 2007, right before the crisis, the Netherlands saw a 3.5% increase in economic growth, while the EU average 2.75% in comparison. In 2008, the negative impacts of the crisis became more apparent in the Dutch economy, as its economic growth halted during the second quarter. Before the financial situation became even more dire, the Dutch GDP growth was still above the European average; in contrast, in 2009, two years into the recession, GDP growth had dropped to -4.5%, which was below the eurozone average of -4%. The specific cause behind this rapid contraction in GDP was the very prevalent decrease in world trade. The Dutch economy was and is very dependent on global trade, so any dramatic decreases in international trade would affect the Netherlands also. On the domestic side, wealth shocks dealt a blow to domestic demand. Consumption and investment were both impacted very negatively. Yet, beyond structural developments, the Dutch flexible labor market and limited reliance on foreign capital helped it recover despite the crisis (Masselink & van den Noord, 2009).

Because the Netherlands has one of the most open economies in the EU, the export of goods and services as a proportion of its GDP is greater than other member states. At the time of the crisis, the export of goods and services amounted to approximately 80% of GDP, which was almost twice the European average. The Netherlands' impressive ability to export goods and services at a high rate made the country one of the largest European exporters, behind only Germany and France, and allowed for very notable economic growth. Consequently, a decrease in exports due to a global recession was bound to deal a great blow to the Dutch economy. Throughout the Great Recession and into the Euro Crisis, exports were expected to decrease by close to 11%, "resulting in a negative contribution to economic growth of over 8%" (Masselink & van den Noord, 2009). At the start of the crisis, no EU country had a larger foreign claim than the Netherlands did, as measured in percentage of GDP. This created extreme vulnerability for the Dutch economy as other economies around the world crumbled. The total foreign claims of Dutch banks culminated to be over 300% of its GDP, meaning the well-being of its economy depended greatly on external developments. Meanwhile, the European average was less than half of the Dutch figure, coming to only 135% of the GDP.

The Netherlands' stocks also greatly decreased in value during the Global Financial Crisis. At the start of the crisis in 2007, the amount of stocks possessed by Dutch households totaled approximately 40% of the Dutch GDP. The recession had very detrimental effects on pension assets through these stocks, and Dutch households were the ones to feel the brunt of such effects. In the first year of the financial crisis alone, the Dutch economy, through Dutch households, lost over 70 billion euros in pension assets, equivalent to 12% of the Dutch GDP. Higher premiums as a result of this loss created an additional burden for Dutch households, thus decreasing their wealth and leading to a reduction in consumption, consumer confidence, and economic growth. In addition, Dutch households at that time were quite dependent on bank loans, meaning that debt became a major issue. In 2007, the total indebtedness of Dutch households amounted to 120% of the GDP, in comparison to much lower percentages of GDP in other countries: 64% in Germany, 49% in France, and 47% in Belgium (Masselink & van den Noord, 2009). In addition to household dependency on bank loans, Dutch corporations were also quite dependent on them; the corporate debt amounted to 83% of GDP, which again was much higher than the rates in other European countries. Because economic conditions took a bad turn due to the recession, it was difficult for households and businesses to meet their debt payment obligations. Dutch banks had to announce a tightening of credit conditions because the corporations and households could not pay back their debts; instead, these debts were rolling over to the next year, which complicated the process of financing new loans (Masselink & van den Noord, 2009). Overall, Dutch consumer confidence declined greatly, especially in 2009. This is noteworthy because Dutch consumer confidence had been following the European trend from 2007 to 2008—in that the level and degree of confidence were decreasing at similar rates to other European countries. However, "although developments in producer confidence in the Netherlands stayed in line with [the] EU average, the level used to be somewhat more positive than in other European countries in previous years, which implies that the drop was somewhat larger for the Netherlands" (Masselink & van den Noord, 2009). Additionally, private consumption and investment suffered bigger hits in the Netherlands than in other EU member states.

Several conclusions can be drawn from this. First, the Netherlands was more susceptible to a global financial crisis than other EU member states because its national GDP was highly dependent on exports. Secondly, the international nature of its financial sector also meant that the Netherlands would be more susceptible to feeling the effects of the economic crisis in other countries. Additionally, because of how the economic effects of the crisis rippled through the vast Dutch pension funds and impacted Dutch households directly, consumer confidence in the Dutch economy was bound to decrease. Even more important to note, however, is the fact that this drop in consumer confidence could also reflect something on a grander level, namely a drop in confidence in the EU and the value of having a single, common currency like the euro. This kind of crisis would present the perfect opportunity for Eurosceptic politicians to take the stage in Dutch politics.

When the initial financial crisis first began, the Netherlands had a very low government debt; its debt in 2007 made up approximately 45% of GDP—quite low in comparison to the European average of 59% of GDP. This "relatively good starting position made it possible for the Dutch government to undertake massive operations in order to stabilise financial markets" (Masselink & van den Noord, 2009). However, the recession also affected the Netherlands' "fiscal space," which is determined by a country's current account position. The Dutch current account had a large surplus for several years before the crisis broke out—in fact, its account surplus was close to 10% of its GDP, making it one of the highest in Europe. Additionally, in contrast to other member states, the Netherlands also showed a surplus in the capital balance, limiting the dependency on foreign capital" (Masselink & van den Noord, 2009). During the recession, the current account surplus began to trend downward in a cyclical manner, likely due to the collapse in global trade, and also because of the Netherlands' dependence on global trade for its own economic well-being. When the recession culminated in the Eurozone Crisis, the Netherlands was already in a weak fiscal position. Thus, the additional responsibility to help bail out southern EU states did not bode well for an economy that was already struggling and trying to recover. This would serve to cast more doubts about the merits of EU and EMU membership, once again setting a perfect stage for Eurosceptic politics and populist rhetoric of the PVV and SP.

In conclusion, at the onset of the crisis, the Dutch economy was assessed to be well-prepared in comparison to other EU states because of its low unemployment, stable current account surpluses, and low level of government debt. It had also displayed robust economic growth that was above the euro area average. Yet, the negative effects of the crisis were more pronounced for the Netherlands in 2008, when "economic growth came to a grinding halt in the second quarter" (Masselink & van den Noord, 2009). In 2009, the GDP was predicted to have the sharpest contraction ever, putting it below the euro area average. This, again, was due to the Netherlands' greater susceptibility to external economic shocks because of its reliance on global trade. Aspects of the Dutch economy that were previously regarded as its greatest strengths, including the pension system and its strong position in world trade, revealed themselves to be additional vulnerabilities. The economy did initially show a promising ability to recover, especially that the considerable current account surplus "ma[de] the country less dependent on changes in international capital flows" (Masselink & van den Noord, 2009). However, tough times were still ahead for the Dutch economy.

6. The Eurozone crisis and subsequent voter patterns

In a study that tried to investigate whether the Great Recession and subsequent Euro Crisis were catalysts for anti-EU sentiment, as expressed through voting results in the 2010 and 2012 parliamentary elections, Meijers (2013) argued that the Euro Crisis could very well have affected how voters who supported populist parties like the PVV and SP evaluated the EU—most likely, the voters would view the EU negatively. Such sentiments could have also have been heightened by how actve the media became in discussing EU politics at the time of these parliamentary elections. The study concluded that "although the Europeanization of public spheres increased as the Euro-crisis developed, the EU was mostly portrayed negatively" and that the media, in talking about the European integration project, "focused predominantly on economic issues … [and] political contestation was hardly visible" (Meijers, 2013). The study linked these concerns to the economic problems that began with the recession in 2007; initially, eurozone members thought they could get off "scot-free," but the monetary union, already unstable from the events of 2007 and 2008, would not escape the rage of the 2009 financial market crashes. This led to further questioning of the democratic credence of European structures like the EU and the European Monetary Union. During the subsequent parliamentary elections, the media became a site of the "European public sphere," where opinions and politics of the eurozone crisis played out. The study compared the amount of Dutch media coverage dealing with the EU before and after the worst of the Eurozone Crisis. After the Eurozone Crisis, the degree of EU coverage in the Netherlands tripled. Between 2008 and 2011 alone, EU coverage went from 13.7% to 17.8% of Dutch news coverage (Meijers, 2013). This reflected the "escalation of the Euro-crisis," which was "expressed by the dramatically increasing degree of 'economic' news for EU-related items" (Meijers, 2013). More specifically, a majority of EU-related news in the Netherlands dealt with economic problems—the study reported that an "average citizen" in the Netherlands encountered an "economic" Europe on TV, meaning "that other relevant policy areas of the EU [were] hardly televised" (Meijers, 2013). Between 2008 and 2011, the amount of negative reporting in the Netherlands also increased, which is not unexpected, given the occurrence of the Euro Crisis within those three years. Additionally, in line with this trend, a considerable change occurred in the issue negativity for EU economic issues: "whereas in 2008 only approximately 30% of the 'economic' stories were accompanied by a negative tone, in 2011 over 80% were negatively portrayed" (Meijers, 2013).

7. The new Dutch national economic policy space after the financial crises

In the midst of these economic crises, the economic "left versus right" division no longer sufficed to explain the economic policy positions of political parties. Rather than follow a left-right faultline, the party positions now followed "a reform line of conflict that divides parties from the left and right into pro-European reformers oriented at sustainability of the welfare state and Eurosceptic defenders of the existing welfare state" (Otjes, 2016). Among the latter group, left-wing parties, like the SP, favored government intervention, while right-wing parties, like Wilders' PVV, wanted to prioritize market solutions and emphasize the idea that economic inequality would create economic incentives. The reasons for the faultline shift were many, but they were primarily motivated by the European Commission's actions in expanding its power to monitor state compliance, especially during the Eurozone Crisis. Austerity measures that were implemented as a result of the Eurozone Crisis also shifted this faultline.

The Netherlands provided an interesting case during this time, as both ends of the political spectrum featured Eurosceptic parties—Wilders' PVV on the right, and the SP on the left. The "core" of the Dutch party system was made up of three other parties: the Christian Democratic Appeal (CDA), the Dutch Labor Party (PvdA), and the People's Party for Freedom and Democracy (VVD), all of which were pretty centrist (VVD was slightly right-wing). In the relevant elections, the results showed that voter patterns were influenced by a "demarcation versus integration" line of conflict— pitting pro-European and Eurosceptic parties against each other. As argued in Otjes (2016), this "second" line of conflict, related to attitudes towards the EU, had more influence in the 2010 and 2012 parliamentary elections than it did in 2006. This is probably best explained by the presence of economic crisis in 2010 and 2012 that did not exist in 2006: the Great Recession and the Euro Crisis. In the 2006 parliamentary elections, political parties were grouped into the typical "left" and "right" on economic issues. However, as seen in the 2010 and 2012 parliamentary election results, a new divide formed: a divide between pro-European and Eurosceptic parties. It is logical to conclude that this "pro-European versus Eurosceptic" dimension was an influential consideration in the 2010 and 2012 parliamentary elections Furthermore, "this indicates that this [new] dimension reflects a social-economic interpretation of the pro-European/Eurosceptic division: Eurosceptic parties like the PVV and SP oppose welfare state reforms meant to bring the Netherlands in line with the budgetary requirements of the Stability and Growth Pact" (Otjes, 2016). The *Stability and Growth Pact* outlines rules that are designed to ensure the stability of EMU by requiring member states to "pursue sound public finances and coordinate their fiscal policies" (European Commission, n.d.). The Dutch resistance against this reflects a unilateral desire to prioritize its own economic interests—perhaps because the country was hit harder than other EU member states during the financial crises due to its reliance on global trade and the fall of consumer confidence (and the consequent economic stagnation). In 2006, the main division was still between libertarian and traditionalist views "linking to a distinct Christian-democratic approach to the welfare state," but in 2010, the change was visible—the nature of the divide changed and it was now between Eurosceptic, populist parties, like the PVV and SP, and pro-European parties like the social-liberal Democrats 66 (D66) and GreenLeft (GL) (Otjes, 2016). The PVV and Socialist Party were very oppositional towards the idea of restricting national sovereignty over the budget, while the latter two parties on the other side of the split advocated for more Europeanization in the post-crisis, budgetary recovery process. These economic issues were a proxy battlefield for pro-European and Eurosceptic parties, a battle playing out between parties that wanted to reform the welfare state to "ensure its sustainability and parties that oppose[d] reforms because they hurt those who ended the support from the welfare state now" (Otjes, 2016).

The 2014 European Parliament elections displayed outcomes that "can be seen as one of the most overt and explicit manifestations of the new nature of EU attitudes in the Netherlands" (de Vreese et al., 2017). This is noteworthy because the election results seemed to mark an increase in Eurosceptic sentiment—a linear increase that was also reflected in the 2010 and 2012 elections. Before the early 2000s, when parties such as Wilders' PVV emerged, "Dutch attitudes toward the EU were a quintessential example of positive permissive consensus" (de Vreese et al., 2017) and "opposition at the political elite level was virtually non-existent and public support was positive and stable"—even "voting at the EP elections up until 2009 was characterized by strong support for pro-integration parties" (de Vreese et al., 2017). In 2004, only 10% of Dutch citizens held a negative image of the EU and the "European integration project," and let this influence their voting decisions. Over the following years, however, the share increased to almost 25%, as reflected in the public support for the two most populist, Eurosceptic parties in Dutch politics: PVV and SP. In 2009, the PVV party received 16.79% of the parliamentary vote, while the SP received 7.1% (de Vreese et al., 2017). Five years later, in 2014, the PVV received 13.32% and the SP received 9.6% of the vote. Scholars have interpreted these outcomes as a reflection of increased Euroscepticism among Dutch voters, which seemed to have "peaked during the height of the Eurozone Crisis in 2013" (de Vreese et al., 2017). Political distrust seemed to have been one of the main drivers behind Eurosceptic voting patterns that favored the Socialist and Freedom parties. The main link was between political distrust and general support for protectionism—protecting the Dutch economy from future financial shocks that would result from its open market but also its level of integration, specifically with regard to having a common currency and needing to help other, less disciplined countries deal with their debt. Generally, Euroscepticism revealed itself "to be part of the link between support for protectionism and voting for populist parties at both ends of the political spectrum" (van Boheman et al., 2019). Interestingly, however, van Boheman et al. (2019) argued that the

Netherlands experienced "weak" effects of the economic and financial crises of the 2000s, and that "economic concerns do not explain Euroscepticism among Dutch leftist populist constituencies." Instead, and in line with another study that found that "economic concerns played a marginal role in explaining Euroscepticism, even during the global financial crisis and its aftermath," they suggest it was "cultural concerns and anti-institutionalism [that] were crucial drivers of Euroscepticism" (van Boheman et al., 2019).

8. Conclusions

While Eurosceptic sentiments were expressed in Dutch politics before the 2008 recession and the subsequent Euro Crisis, the financial crises of the 2000s appear to have served as catalysts for increased support for populist, Eurosceptic parties like Wilders' PVV and the Dutch SP. It is important to note that PVV's populist concerns are also cultural—the party fears that immigration could threaten Dutch national sovereignty and identity—but the party's main concern is national sovereignty and recognition. It expresses skepticism towards the EU because it feels that the Netherlands is ignored in decision-making. It also feels that the Netherlands had to bear an unfair "burden" during the Euro Crisis, as the country was expected to help other member states while it was trying to recover from its own economic struggles.

The Dutch economy was particularly vulnerable to the effects of the global financial crisis because of how much it relied on international trade. Thus, the economic crises in other countries inevitably spread to the Netherlands. Its use of the euro as a common currency also allowed for a further crisis to ensue when southern EU member states, like Greece, went bankrupt and needed to be bailed out. These adverse effects appeared at a time when some Dutch citizens and politicians (Fortuyn and Wilders, for example) were already beginning to feel unseen by the EU and started to question the utility of EU membership to the Netherlands' success as a nation-state. Now, with the detrimental effects of the Great Recession and the subsequent Euro Crisis spreading to all Dutch households, the citizenry's overall confidence in the EU and the euro was seriously undermined. According to parliamentary election results from elections right before and right after the period of the financial crisis, populist parties like PVV and the SP gained more voter support—likely because they were able to appeal to the non-elite voters that expressed doubts about the merits of EU membership and further integration efforts, in contrast to Dutch elites, who supported any and all possible integration opportunities. Such voting patterns reflect a rise of Eurosceptic sentiments in the Dutch state. Subsequent European crises, such as the refugee crisis and Brexit, have posed additional concerns for EU member states, and allowed for populist parties in the Netherlands to gain further appeal on the grounds that migration movements pose threats to Dutch sovereignty and that leaving the EU, or "Nexit," is a possibility.

It is important to note that in more recent years, there has been a rise in pro-European sentiment in the Netherlands. An article published in January 2023 revealed that "support for leaving the EU fell in every member state for which results are available … [I]n the Netherlands, the proportion of people saying they would vote to leave fell by 8.4 percentage points to 13%" (Pascoe, 2023). Yet, this does not challenge the core argument that crises such as the financial ones of the 2000s caused increased Eurosceptic sentiments. In fact, these should be viewed as key developments in the recent rise of populism in European politics, as well as as one of the sources of the newly emerging cleavage—one that transcends the "left versus right" dichotomy, and instead sets the Eurosceptic against the pro-European.

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