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The Self-Destruction of Right-Wing Populism?
Austria's Election of 24th November 2002

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The Self-Destruction of Right-Wing Populism? Austria's Election of 24th November 2002*

Introduction

The catalyst for Austria's premature general election of 24 November 2002 was the spectacular implosion of Jörg Haider's right-wing populist Freiheitliche Partei Österreichs (FPÖ). That in turn was in large measure a consequence of the circumstances surrounding the genesis and performance of the outgoing government. This article will thus first summarise those circumstances before highlighting the direct causes for the government's early collapse. Thereafter, it will consider the 2002 election campaign, the results of the election and the options available to the actors in the as yet incomplete process of forming Austria's next government.

The 1999 Election and the Sanctions of the EU-XIV

At the regular general election of 3 October 1999, the FPÖ had beaten the Österreichische Volkspartei (ÖVP) into second place, albeit by a mere 415 votes (see Müller, 2000; and Table 1 below). Though obtaining its lowest ever result, the Sozialdemokratische Partei Österreichs (SPÖ) had remained the strongest party and Federal President Thomas Klestil thus appointed its outgoing Chancellor, Viktor Klima, government *formateur*. Klima tried for over three months to re-negotiate an SPÖ-ÖVP coalition, but given his categorical refusal to co-operate with Haider's FPÖ, his bargaining position was much weaker than that of ÖVP leader Wolfgang Schüssel, who had retained this option. Indeed, it is now widely believed Schüssel had long since decided the only way to staunch losses his party had been suffering since the early 1980s was to coalesce with the FPÖ. Aware that his 'supping with the devil' would be unpopular, Schüssel maintained the appearance of engaging in serious coalition talks with the SPÖ, but deliberately set conditions he knew the SPÖ would be unable to agree to. On 27 January, Klima duly informed Klestil he was unable to

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form a government. Schüssel and Haider immediately stated they were entering coalition negotiations and on 1 February announced they had reached agreement.

Schüssel and Haider had anticipated major protest against their proposed coalition, but its vehemence and extent exceeded their expectations. The speed with which their negotiations were concluded indicated how well they had been prepared behind the scenes[1] and caused an incandescent SPÖ – facing ejection from government for only the second time since 1945 – to accuse Schüssel of duplicity. Klestil had long opposed the FPÖ's entry into government and considered this *fait accompli* an affront to his presidential prerogative of nominating the government *formateur*. International media reaction included predictions of apocalyptic consequences for Austrian and European democracy, whilst thousands protested on the streets of Vienna. Last but by no means least, on 31 January Austria's European Union partners (the EU-XIV) threatened to introduce diplomatic sanctions should the FPÖ enter government (see Falkner, 2001).[2] However, this threat was never likely to prevent an ÖVP-FPÖ government (formed on 4 February). The only alternative was a continuation of the post-1987 SPÖ-ÖVP coalitions. These had largely been motivated by a desire to isolate Haider, but had patently failed to prevent the FPÖ's rise and increasingly become both unpopular and bereft of substance.

Inasmuch as they were imposed on a government whose coalition agreement was not extremist and which had yet to undertake any actions, the sanctions were premature and lacked an 'exit strategy'. Their susceptibility to 'mission creep' was demonstrated soon after their implementation with (calls for) a wider boycott of cultural and other exchanges. Though nominally merely bilateral, they soon also impacted upon Austria's role in multilateral EU policy-making.[3] The sanctions did help mobilise Austria's anti-FPÖ forces and caused Haider formally to resign the chairmanship of the FPÖ on 1 May 2000 in favour of Vice-Chancellor Susanne Riess-Passer, who led the FPÖ's government team. However, Haider remained the FPÖ's *de facto* strongman and a member of the coalition committee. Moreover, by generating a

[1] This was also confirmed in interviews the author conducted with key FPÖ politicians.
[2] The USA and Canada joined in and Israel went further, withdrawing its Ambassador. Allegations abounded that the sanctions had been encouraged – if not initiated – by Austrians opposed to an ÖVP-FPÖ coalition and Haider subsequently proposed Klestil be impeached for his alleged involvement.
[3] It would exceed the scope of this article to go pursue this here, but this assertion is borne out by interviews the author conducted with diplomats and politicians from various EU countries.

common external 'enemy', the sanctions strengthened Austria's nationalist and anti-EU sentiment. They permitted the governing parties to interpret as disloyalty to Austria the opposition's disinclination to defend the governing parties from external attack. In sum, the sanctions effectively strengthened the governing parties and were thus counter-productive.

In July 2000, the EU-XIV sought to extricate themselves from their self-generated political predicament by commissioning the 'Wise Men Report'. In September, it judged the FPÖ still merited the characterisation of 'a right wing populist party with radical elements' that had *inter alia* 'exploited and enforced xenophobic sentiments in election campaigns'. However, it also concluded both that 'the Austrian government is committed to the common European values … and in some areas … Austrian standards can be considered to be higher than those applied in many other EU countries', and that that 'the Ministers of the FPÖ have by and large worked according to the Government's commitments'. Its rather disingenuous recommendation was thus that 'the measures taken by the XIV Member States, if continued, *would become* [emphasis added] counterproductive' and should thus be dropped (see paragraphs 110, 108, 113 and 116 respectively). Accordingly, whilst the Report criticised the FPÖ, it effectively rehabilitated both it and the Austrian government, paving the way for sanctions to be lifted.

The ÖVP-FPÖ Government

Austrian politics remained polarised throughout the government's lifetime. The traumatic genesis and early months of the new government were one reason. Another was the governing parties' eschewal of traditional governmental consensualism. For example, they increasingly rode roughshod over the wishes of Austria's hitherto influential neo-corporatist institutions. They were also exceptionally hard-nosed in removing from public posts as many persons with SPÖ leanings as possible. Some replacements were FPÖ-sympathisers, but most supported the ÖVP, whose already significant presence in public sector and para-state institutions was thereby significantly enhanced.

The government's actions were not nearly as illiberal as some had predicted. Yet FPÖ politicians continued to be provocative regarding Austria's ethnic minorities[4] and troubled past,[5] and met with persons such as ex-*Front National's* politician Bruno Mégret, and István Csurka of the Hungarian Truth and Life Party.[6] Serious allegations surfaced that the FPÖ had paid informers within the police service for politically sensitive information. Immigration and asylum policy were tightened, with the introduction of obligatory citizenship classes for new immigrants and proposals for 24-hour fast-tracking of asylum applications. Yet it was often not the FPÖ, but ÖVP Interior Minister Ernst Strasser who was the most assertive in such initiatives, something that elicited comment from both more moderate and fundamentalist FPÖ politicians.[7] By contrast, the government finally resolved long-standing issues related to compensating Holocaust victims. In October 2000, Austria signed an agreement with the USA and six East European countries, setting up a fund for Second World War slave labourers. In January 2001, a deal was signed to set one up for Jews who had had property and assets seized by the Nazis. Though of limited political salience domestically, these were of considerable (symbolic) significance for the government's attempts at international rehabilitation.

FPÖ Finance Minister Karl-Heinz Grasser elevated budget consolidation – a cornerstone of the coalition agreement – into a near-obsessive drive for a 'zero deficit'. His goal was momentarily reached, yet consolidation was pursued not via expenditure reduction (as had been promised), but primarily by increasing revenue. State assets were privatised, existing charges (e.g. road tolls) raised and new charges introduced (e.g. hospital out-patient and university tuition fees and an accident annuity tax). Politically better received were new measures such as a fixed child

[4] For example, Haider caused uproar by stating that as Governor of Carinthia he would not implement a December 2001 Federal Constitutional Court ruling requiring that bilingual place name signs henceforth be erected in communities with 10% (hitherto 25%) of Slovenian residents.

[5] In 2002, for example, FPÖ fundamentalist and former parliamentary party leader Ewald Stadler argued that Allied occupation of Austria's from 1945-55 had been not much better than Austria's occupation by the Nazis.

[6] Organised in November 2001 under the auspices of the right-wing paper *zur ZEIT* at the very time Riess-Passer was on an official visit to Hungary and attended by significant FPÖ figures such as Stadler, Gudenus, Herzog and Rosenkranz. In July 2002, Hadier held – and deliberately leaked to the press – a meeting with *Vlaams Blok* and *Lega Nord* representatives, one topic of which was possible EU-level co-operation.

[7] For example, Mathias Reichhold's adjudged Strasser's stance on immigration and asylum seekers to be too harsh (*Der Standard*, 5-6.10.2002), whilst Ewald Stadler bemoaned that fact the FPÖ had been outdone on the immigration by Strasser, whom he thought was behaving like an honorary member of the FPÖ (*Der Standard*, 19.12.2002).

payment for all parents, regardless of employment status (*Kinderscheck*), and the extension of employee redundancy rights (*Abfertigung neu*). Overall, the government's short tenure was characterised by poor economic performance: growth was sluggish and though unemployment remained below the EU average, it was high by Austrian standards and growing fast. The government also held the distinction of having increased the tax burden to its highest ever level.

The FPÖ Implodes

Two central planks of the FPÖ's (often inconsistent) electoral manifestos have been opposition to patronage and a commitment to reducing the tax burden (of the 'small man'). Though the FPÖ leadership cited *Kinderscheck* and *Abfertigung neu* as evidence it was keeping its commitments, many functionaries viewed their ministers as overly fond of the trappings of power and the government as obsessed with budget consolidation and market liberalisation. Haider had negotiated the coalition agreement and as a member of the coalition committee still influenced government policy. Yet he also persisted in publicly attacking many of those policies and frequently threatening to force early elections. Such 'internal opposition' played well with functionaries familiar with populist protest, but ill at ease justifying (unpopular) government decisions.

Managing the enormous transition from Western Europe's most successful party of populist protest to a party of government responsibility was proving difficult, albeit as yet not insurmountable (for a systematic analysis of the challenges of this transition see Luther, 2003 forthcoming). One cost of incumbency was the party's first sustained electoral decline. Losses averaging 4 points were suffered at virtually all subsequent elections. They averaged only about 4 points, though at the March 2001 election to the Landtag of Vienna – which contains ca. one fifth of Austria's total population – the party dropped from 27.9 to 20.2%. The leadership had expected incumbency to generate losses, but that did not mitigate the concomitant intensification of candidate selection conflicts, inflammation of personal rivalries and accentuation of policy priority differences. Incumbency highlighted the FPÖ's long-standing difficulty recruiting quality candidates for public office. The party's rate of ministerial attrition was high. Its Justice Minister suffered an 'emotional breakdown' and resigned within

the month; its widely ridiculed Social Affairs Minister was replaced in October 2000 and even the most durable of the three Transport Ministers lasted only fifteen months.

On the other hand, the two most senior FPÖ ministers (Riess-Passer and Grasser) achieved surprisingly high poll ratings and were widely presented as the acceptable face the FPÖ. Convinced the party owed its success to his tireless dedication and still harbouring (Prime-)ministerial ambitions, Haider was frustrated he remained *persona non-grata*. This helps explain his repeated engagement in provocative actions, the most damaging of which were his two visits to Saddam Hussein. The first coincided with Riess-Passer's official visit to Washington DC in February 2002, and was roundly condemned, including by Grasser and parliamentary party chairman Peter Westenthaler. In public, Riess-Passer's reaction was restrained, but she has since characterised this episode as the beginning of the end.

Haider initially responded by planning Westenthaler's removal, but on 15 February (again) declared his permanent departure from federal politics and then resigned from the coalition committee. Nonetheless, the internal strains grew apace. In late spring, Riess-Passer rejected Haider's secret offer to resume the party leadership at the regular party conference of 9 June, and she was duly re-elected (with his public support) by over 90% of delegates. The conference's main motion committed the party to introduce tax cuts before the general election, due late 2003. In August, however, Austria suffered severe flooding and the government announced tax cuts would be postponed. This provoked a furious response from within the party, including from Haider, who had not attended the 14 August party executive meeting endorsing the postponement. In particular, critics pointed to June's party conference motion, as well as to the government's decision of 2 July to purchase the Eurofighter, the most expensive interceptor fighter option under consideration.[8]

Henceforth, the fractious party increasingly conducted its disputes via the print and electronic media, generating a media feeding frenzy lasting weeks. For example, on

[8] They went considerably further. Anonymous documents circulating within the party attacked those close to and within the leadership for high-handedness and strongly insinuated that some – including the Vice-Chancellor – had been involved in corruption. The Eurofighter decision was but one of many cases raised. Riess-Passer vehemently denies these allegations and has threatened legal action against anyone repeating them.

the afternoon of 26 August, Haider announced he was to launch a popular petition to reinstate the tax cuts. Riess-Passer responded live in that evening's main TV news with a counter-proposal that the electorate be asked in a consultative referendum to choose between early tax cuts, or assisting flood victims. Well aware that polls showed 70% favoured the latter option, she had effectively trumped the arch populist. At midnight, Haider attacked this as cynical and used the next evening's live news broadcast to inform the FPÖ leadership he was suspending his proposed petition 'as a conciliatory gesture', though unless it responded appropriately, he would 'withdraw from politics step-by-step'. In following day's magazine *News*, Riess-Passer offered Haider the option of taking over as Vice-Chancellor and Chancellor candidate at the next election.

Given their failure to get their way via party committees, or the media, Haider and his supporters turned to an obscure party statute clause that required an extraordinary party conference to be held if a third (ca. 250) of federal party conference delegates signed a petition to that effect. On 31 August, Stadler launched such a petition 'to ensure the FPÖ remains Haider's party'. Entitled 'Tax reform before interceptor fighters', it called *inter alia* for FPÖ ministers to be mandated to withdraw their support for the Eurofighter purchase; to re-commit themselves to introducing tax cuts in 2003 and to veto EU-enlargement if the Benes decrees were not rescinded. Two hours before a party executive meeting scheduled for 6pm on 3 September, Stadler handed in 380 signatures at party headquarters. This rapidly caused an already critical situation to escalate out of control. Riess-Passer (rightly) regarded Stadler's move as a profound challenge to her leadership and government team. The marathon executive meeting ended at 8am the next morning with a statement that unless the signatures were withdrawn, Riess-Passer and her three deputy leaders would resign.

Given his own penchant for resignation threats, it is possible Haider did not take this one seriously enough, though the next day he stated the petitioners' conference would only be called as a last resort and invited all the signatories to an informal meeting in Knittelfeld on 7 September, to try to find a compromise solution. The night of 6 September, Haider met secretly with Riess-Passer and agreed the text of a compromise he undertook to support at Knittelfeld, where Grasser and FPÖ Defence Minister Herbert Scheibner were to represent the government. Yet the Knittelfeld

delegates demonstratively tore up that document, replacing it with a text Stadler was deputised to present to Riess-Passer the next day. Though many (including Stadler) apparently believed it would prove acceptable, things had gone too far. Following the party meeting at 2pm on 8 September, Riess-Passer resigned from her party functions and government office. Grasser and Westenthaler followed suit and were later joined by Transport Minister Mathias Reichhold. Schüssel ruled out co-operation with the 'Knittelfeld Rebels' and within days early elections had been called.

The Election Campaign

Compared to the frenzied drama preceding the government's collapse, the campaign was at first rather dull. Beyond seeking to mobilise their own traditional supporters, a major aim of the SPÖ and ÖVP campaigns was to maximise recruitment of the copious numbers of former FPÖ voters whom polls suggested were ripe for the picking. Even the Greens were not wholly averse to this tactic, whilst the FPÖ naturally wished to retain as many as possible. All parties used traditional campaign instruments (posters, rallies, etc.), as well as more modern methods (e.g. the internet). For the first time, non-party groups undertook poster campaigns. The staged TV debates introduced in the 90s appear to have caught on. There were six head-to-head confrontations between the leaders of the four parliamentary parties. The round-table three days before the poll was watched by over a third of the electorate.

The ÖVP's campaign initially had three major foci. The first was Chancellor Schüssel, depicted alongside the slogan 'Who else if not him?'. The second was the outgoing government's alleged achievements, many of which (e.g. *Kinderscheck*, and *Abfertigung neu*), had actually been FPÖ initiatives. Third, it presented the election as a choice between continuing promising reforms and the uncertainty of a red-green coalition. This theme was strengthened by events in Germany, where shortly after September's election, the new red-Green coalition abandoned many electoral pledges. The tactical coup of the ÖVP's campaign came in mid-November, when Schüssel and Grasser announced that if re-elected, the ÖVP would propose Grasser as its non-party Finance Minister. This brought to the ÖVP team the politician who had enjoyed the highest poll rating and also helped attract disenchanted FPÖ voters.

The SPÖ did not conduct a leader-oriented campaign, not least because of the persistently low poll rating of its chairman, Alfred Gusenbauer, who had earlier that year also been subjected to considerable intra-party criticism. The SPÖ's stated goals included remaining the strongest party and forming a red-green coalition. It argued the election offered a stark choice between a continuation of ÖVO-FPÖ 'chaos', or a red-green 'new start'. Supported by US campaign guru Stanley Greenberg, the SPÖ's campaign aimed to win back blue-collar voters who had deserted in droves for the FPÖ. It promised to rescind the government's new charges, cancel the Eurofighter and prioritise policies designed to increase employment and re-animate the economy. The party had some difficulties, however, in persuading people of the credibility of its economic programme. In mid-October, the SPÖ started to present high profile non-party personalities who had agreed to stand on its list and were designated for specific roles in Gusenbauer's proposed 'Cabinet of Light'. The most popular were Wolfgang Petritsch, the admired diplomat who was to become Foreign Minister, and Josef Broukal, senior anchorman of Austria's most popular evening news broadcast and proposed Minister for Science and Research. They helped the SPÖ's campaign, as did Gusenbauer's unexpectedly strong performance in his TV confrontation against Schüssel on 14 November.

The Greens' main campaign targets were doubling their 1999 vote and entering government with the SPÖ. The election was presented as a clear choice between a renewed ÖVP-FPÖ government – depicted as confrontational, socially divisive and economically incompetent – or a red-green coalition pursuing social justice, environmental policies and inclusion. Central to their campaign was their leader, economics professor Alexander Van der Bellen. Regarded as intelligent and honest, he has long enjoyed a high approval rating. Yet his campaign performance was often rather lacklustre. The Greens' poll rating was initially well into double figures, but soon fell. The campaign suffered greatly from the very critical coverage of the abovementioned developments in Germany. Moreover, once the polls no longer suggested a red-green majority, the SPÖ's re-oriented its campaign towards the prospect of a coalition with the ÖVP, which caught the Greens wrong-footed.

The campaign of the FPÖ, for years Austria's most effective electoral protagonist, was an unmitigated disaster. First, vicious internal disputes continued, often via the

media. As the scale of the potential loss of seats became clear, it created exceptionally bitter candidate selection battles. Second, in the two-and-a-half months preceding the election, the FPÖ had four different leaders. Riess-Passer's interim replacement was her deputy, Scheibner, but he refused to stand for the leadership. Contrary to universal expectation, so did Haider. The sole candidate, Reichhold, was elected on 21 September, but resigned 40 days later, allegedly because of an irregular heartbeat. He was replaced by his new deputy, Social Affairs Minister Herbert Haupt, a Carinthian Haider loyalist. Third, given these changes at the top, agreeing and maintaining a consistent campaign message proved impossible. For example, under Reichhold's leadership, the party opted for a candidate-oriented campaign. It spent copious amounts on publicity material stressing Reichhold's reliability and presenting him as his own man. With Reichhold gone, that material was redundant and Haupt now switched to a more fundamentalist campaign largely predicated upon the Knittelfeld agenda. He also reversed Reichhold's decision not to include Haider on the party's electoral list. Fourth, the public approval rating of Scheibner, Reichhold and Haupt were miles behind those of Riess-Passer (whose electoral campaign participation was minimal), and Grasser, (who now appeared exclusively on ÖVP platforms). They also lacked the charisma and campaign experience of Haider, though the latter was now of course more of an electoral liability than an electoral asset and his entry into the national election campaign in the final couple of weeks could no longer turn things around.

The Results

Contrary to media predictions, the outcome of the 2002 general election was not a dead heat between SPÖ and ÖVP, but a clear victory for the latter. The ÖVP attracted over 800,000 more voters than in 1999, increased its share of the vote by 15.4 points to 42.3% and its number of seats from 52 to 79 (of 183). This was its best showing since 1983, placed it ahead of the SPÖ for the first time since 1966 and comprised the largest increase in a party's share of the vote in the history of the Second Republic. Conversely, the FPÖ suffered the largest ever defeat. Deserted by over 750,000 voters, it slumped from 26.91 to 10.01% of the vote and lost two thirds of its parliamentary seats (down from 52 to 18). The SPÖ was able to improve on its historic 1999 low by 3.4 points and 4 seats (to 36.51% and 69 respectively), but this was insufficient for a red-green coalition. Especially painful for the party was its loss

– by a much greater margin than anyone had predicted – of its strongest party status. The Greens had achieved their best ever result (9.47% and 17 seats), but were disappointed that this was considerably lower than their declared target. Finally, the Liberal Forum – which in 1999 had narrowly failed to negotiate the 4% electoral hurdle and thus dropped out of parliament – has effectively been relegated to a sideshow, polling under 1% of the vote, which is only marginally more than the politically wholly irrelevant Communists.

Table 1: Elections to the National Council (1999 and 24 November 2002)

	2002			**1999**		
	Seats N	Votes (000's)	Votes (%)	Seats N	Votes (000's)	Votes (%)
Österreichische Volkspartei	79	2,077	42.30	52	1,243	26.91
Sozialdemokratische Partei Österreichs	69	1,792	36.51	65	1,532	33.15
Freiheitliche Partei Österreichs	18	491	10.01	52	1,244	26.91
Die Grünen – Die Grüne Alternative	17	465	9.47	14	342	7.40
Die Liberalen (Liberales Forum)	0	48	0.98	0	169	3.65
Kommunistische Partei Österreichs	0	28	0.56	0	22	0.48
Sozialistische Links Partei	0	4	0.08	-	-	-
Die Demokraten	0	2	0.05	-	-	-
Christliche Wählergemeinschaft	0	2	0.04	0	3	0.07
Die Unabhängigen	-	-	-	0	47	1.02
NEIN	-	-	-	0	19	0.42
Turnout (%)			84.27			80.42

Source: Bundesministerium für Inneres

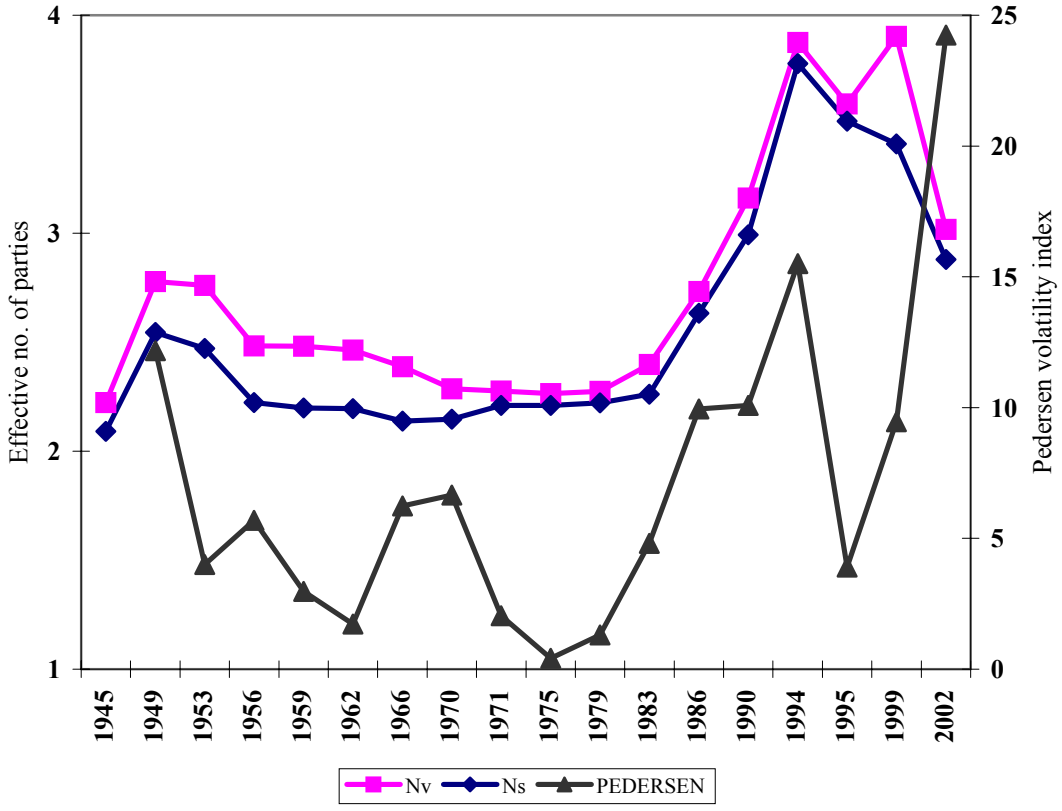
The uneven distribution between the parties of the increased turnout helped determine the result. The ÖVP's net gain was 108,000 votes, whilst those of SPÖ and Greens were 97,000 and 64,000 respectively. The FPÖ and the Liberal Forum suffered net losses of 11,000 and 15,000 respectively. However, the most significant determinant was the parties' relative success in recruiting former FPÖ voters. The most successful was the ÖVP, which enjoyed a net gain of 590,000, whilst the figures for SPÖ and Greens were 122,000 and 19,000. SORA notes that gross voter movement between right-of centre parties totalled 614,000, whilst that between left-of centre parties

totalled merely 48,000 and concludes the election result essentially comprised merely a shift within the bourgeois Lager (Ogris, 2002). However, Plasser and Ulram dispute this interpretation (2002: 12).

The SORA tracking polls highlight the impact of specific campaign effects, such as the ÖVP's 'Grasser coup' and the SPÖ's presentation of Petritsch and Broukal. They also clearly document how each successive FPÖ crisis caused their supporters to switch to the ÖVP (Ogris, 2002: 14). Using the Fessel exit poll, Plasser and Ulram provide evidence on the relative impact of candidate-oriented and coalition-oriented motivations. They conclude 52% of candidate-oriented voters supported the ÖVP, 29% opted for the SPÖ, 14% for the Greens, but only 5% for the FPÖ. Conversely, of those motivated by the desire to promote or prevent a specific coalition option, 41% and 39% went for the SPÖ and ÖVP respectively, with 11 and 8% deciding to cast their vote for the FPÖ or the Greens (Plasser and Ulram, 2002: 49). These competing motivations help explain why the Austrian electorate was exceptionally mobile in 2002. Some 34% wavered in their electoral decision and records were set for the proportion of late deciders (23%), and party changers (22%) (Plasser and Ulram, 2002: 24, 16, 18).

The election brought about at least one major change to the social structure of the parties' vote. By 1999, the FPÖ's seemingly inexorable rise amongst blue-collar voters had resulted in 47% of this voter segment supporting the party. In 2002, however, only 16% did so. Though blue-collar voters constitute an only marginally smaller proportion of the FPÖ's electorate than in 1999 (24 versus 26%), the shifts in 2002 have resulted in important changes in the parties' relative share of this voter segment. The SPÖ recouped some of its traditional strength amongst blue-collar voters. Of the unskilled and semi-skilled, 47% voted SPÖ, 26 ÖVP, 18% FPÖ and only 3% Green. Yet for the first time ever, the ÖVP is strongest (albeit only marginally) amongst skilled workers, having achieved 39%, as compared to the 37, 15 and 14% obtained by the SPÖ, FPÖ and Greens respectively (Plasser and Ulram, 2002: 25-26).

Figure 1: Electoral Volatility and Effective Number of Parties (1945-2002)



This was the Second Republic's most volatile election by far, scoring 24.2 points on the Pedersen Index of net volatility.[9] As Figure 1 illustrates, however, for the first time in decades, increased electoral volatility was accompanied not by further party system fragmentation, but by significant re-concentration. The effective number of parties thus declined from 3.90 to 3.02 in the electoral (Nv) and 3.41 to 2.88 in the parliamentary arena (Ns).[10] The 1999 election had returned three broadly evenly sized parties (SPÖ, FPÖ and ÖVP) and one minor party (the Greens). The structure of the party system produced in 2002 is one in which the ÖVP and SPÖ are again dominant (albeit with the ÖVP now the larger of the two), sharing approximately 80% of vote and seats. The remaining votes and seats are roughly equally shared between the much smaller FPÖ and Greens. In other words, a noteworthy outcome of the 2002

[9] Own calculations based on Pedersen (1979).
[10] Calculations based on Laakso and Taagepera (1979). The disparity between the effective number of electoral parties (N_v) and the effective number of parliamentary parties (N_s) in 1999 reflects vote wastage caused by the Liberal Forum's narrow failure to jump the 4% hurdle for parliamentary representation.

election is that the format of the Austrian party system has reverted to approximately that which pertained in the mid-1980s. However, its electoral foundations are very different, since Austria's voters are no longer as reliable as they once were. A series of elections characterised by relatively high electoral volatility means the political parties lack the loyal voters they once had.

Coalition Options

Schüssel's historic victory has strengthened him within the ÖVP and fundamentally altered the parties' relative strength in coalition bargaining game. Schüssel is the pivotal player and hypothetically could form a majority coalition with any one of the three other parliamentary parties. At the time of writing (December 2002), that bargaining is still underway, so the following paragraphs can merely outline initial developments and possible coalition options. For policy reasons, an ÖVP-Green coalition had never been – and still not – regarded as a credible option, though the unexpected sight of post-election soundings between the two parties suggests it might constitute a future configuration.

An ÖVP-SPÖ coalition is advocated by important groups within both parties, by President Klestil and by a significant proportion of the public, but is far from certain. For one, during the campaign Gusenbauer committed himself to not serving as Schüssel's junior, thought he might well of course yet find a way of backtracking on that commitment. A more significant argument against an ÖVP-SPÖ coalition is that of all the options open to the ÖVP, this one would provide it with the fewest spoils of office. Third, there are a number of key policy differences, including on university tuition fees, pensions and interceptor fighters. Fourth, personal relations between ÖVP and SPÖ remain poor. Given their experience of the 1999-2000 negotiations, many in the SPÖ doubt the sincerity of Schüssel's claim to be willing to conduct serious coalition talks. Finally, some within the SPÖ argue the party needs a longer period in opposition to reform its internal organisation and policy-orientation. Indeed, many in the SPÖ believe it will remain in opposition, a prospect underscored by the decision of its Foreign-Minister designate Petritsch to resign his newly-won seat and return to his diplomatic career.

In view of its recent experience, it might appear irrational for the ÖVP to contemplate reconstituting the black-blue coalition. The FPÖ's internal divisions remain unresolved, leaving it a potentially unpredictable partner. Moreover, the FPÖ's election campaign adopted a fundamentalist stance diametrically opposed to that of the ÖVP in key areas (see above). On the other hand, there have been a number of hints a black-blue coalition may still be possible. For example, it may well be telling that in their televised debate during the final phase of the campaign, Schüssel stated that if the FPÖ stuck to its threat to veto enlargement it would be ruling itself out as a possible ÖVP coalition partner, to which Haupt immediately responded by tempering his position. Since the election, the leadership group around Haupt has been at pains to try to underscore the party's commitment to re-entering government. Moreover, Haider did not stand for the party leadership at the conference of 8 December, but stayed away and has (yet again!) declared he is determined to withdraw from federal politics. The party has also made a number of moves that suggest it might well effectively jettison the policy commitments that had caused the internal disputes resulting in the collapse of the government. For its part, the ÖVP has been quite conciliatory towards the FPÖ since the election, both verbally and in actions such as conceding to it the position of Third President of Parliament.

There are least three strategic reasons why re-establishing a coalition with the FPÖ may be in the ÖVP's interests. First, coalescing with a much-weakened FPÖ would provide greater spoils of office. Second, the ÖVP will no doubt be acutely aware that a third of its total 2002 vote comprises persons who voted FPÖ in 1999 and it will wish to keep them on board. Third, to allow the FPÖ to return to opposition is probably the best way to permit it to regroup and re-assert itself in the Austrian party system. In 1999, Schüssel took the gamble of bringing the FPÖ in from the cold and de-mystifying it. He may well decide that retaining this strategy is the best way of ensuring the FPÖ continues to decline and thus of affording his own party the best prospect of retaining and potentially even enhancing its lead over the SPÖ. This strategic perspective is clearly demonstrated in the *Kleine Zeitung* of 17 December, where Interior Minister Strasser stated there must be no room to the right of the ÖVP for a right-wing populist party.

Should the ÖVP agree terms with neither the SPÖ nor the FPÖ, it could in principle form a minority government. Though Schüssel has stated he does not favour this option, there is a precedent. The SPÖ did so in 1970 with the tacit approval of the FPÖ and a year later won an absolute majority it retained for 13 years. If the ÖVP preferred to coalesce with the FPÖ, but the latter were unable to compromise on EU-enlargement, one way out might be for it to form a minority government, ratify enlargement with the votes of SPÖ and Greens and then – the enlargement issue having been resolved – seek to form the black-blue coalition, possibly after new elections. Yet the odds against a minority government are high. Governing would likely be exceedingly difficult and getting parliament to approve the kind of budget Schüssel would wish might prove impossible. Moreover, a second premature government collapse might augur badly for the ÖVP at the subsequent election.

Conclusions

These concluding comments will address three issues that arise from the title of this essay. The first is the question of whether the appalling 2002 election result of the right-wing populist FPÖ was a self-inflicted disaster. As has been documented above, there is much for which the party has nobody else to blame. Examples include the lack of personnel resources to staff and support the government team; the simultaneous neglect by the leadership of the party organisation; the leadership's failure adequately to integrate into the party management team the various factions within the party; the unwillingness of local functionaries to accept the compromises that come with incumbency; Haider's inability to resist the temptation of playing to the gallery of local functionaries by conducting populist 'internal opposition' and the fact that all too often, personal political ambitions were put above party interests. As we have argued elsewhere, these are in large measure the problems one could have predicted for a party struggling with the profound challenge of managing the transition from a party of populist protest *par excellence* to one of government responsibility (Luther, 2003 forthcoming).

These endogenous, or self-inflicted problems do not fully explain the extent and speed of the FPÖ's collapse, however. Also important were exogenous factors related to change in the pattern of party competition. From 1986 until 2000, the competitive strategy of the other parliamentary parties had been to treat the FPÖ as a pariah.

During this period, the party nearly tripled its share of the vote. Just as the rise of the FPÖ was a product of not only Haider's political skills, but also of the failures of the established parties, who were unable to find effective strategies to counter him, so the collapse of the FPÖ's vote is a consequence not only of internal squabbles, but also of the changed strategies of the FPÖ's interlocutors and in particular of Schüssel's ÖVP, which decided to co-opt the party into government. Schüssel was also extremely skilful in driving wedges into the FPÖ. Foremost among these was that between Riess-Passer and Grasser on the one hand, whose competence he continually trumpeted, and Haider and the more fundamentalist wing on the other. One conclusion which other political systems may wish to draw from the Austrian experience may well be that a strategy of 'co-optation and castration' by the bourgeois parties might well be the best way to fight right-wing populism.

The second issue we wish to speak to is whether the FPÖ is now destroyed. It has clearly been very severely damaged by the loss of two thirds of its voters and much of the political credibility it had started to gain under Riess-Passer's leadership. The inescapable massive reduction of income from state party subsidies will have a profound impact upon the party central office. Expecting the worst, the party issued numerous central office staff with redundancy notices a month or two before polling day. Even if the party manages to return to government, the loss of two thirds of its parliamentary seats means that the parliamentary 'party in public office' will at a stroke lose the majority of its assistants and be deprived of its hitherto influential role on parliamentary committees. The position of the 'party on the ground' may not be quite as dramatic, though it is as yet too early to tell. There have allegedly been a significant number of individual resignations and some cases of local branches dissolving. Notwithstanding these problems, it would be premature to assume the party is finished. Unlike right-wing populist parties in many other countries, the FPÖ is not a recent incarnation, but dates back to 1956 (or arguably even to 1949). Despite the problems outlined above, it retains a sizeable membership, strong local structures and enjoys state funding at the provincial level. Though things could yet deteriorate, at present, the likelihood is that the party as an organisation will persist, albeit in a much weakened form.

The final issue of these closing remarks relates to whether the 2002 election marks the ultimate destruction of populism in Austrian politics. For the purposes of this discussion, we shall use populism in the broader sense as recently advanced by Mény and Surel (2002). They point out that modern liberal democracies contain two main legitimating principles. The first is the liberal constitutional principle, concerned above all with the protection of citizens from the excesses of government and from majority rule. The alternative legitimation is predicated upon the principle of popular sovereignty. Mény and Surel point out that though both these principles are inherent to the very notion of modern democracy, they are in a constant state of tension. For them, populism denotes political phenomena that challenge not democracy itself, but the specific organisational form of representative democracy they encounter and do so by reference to that alleged superiority of a 'populist/popular' sentiment. In a nutshell, populism attacks democracy in the name of democracy (see Canovan, 1999).

There are at least two aspects to the question of whether populism remains a potent force in Austrian politics. The first relates to whether the Austrian party system will retain a populist party that is 'relevant' in Sartori's (1976) sense. At present, the only likely candidate is the FPÖ. Whether it fulfils this role in future will depend to a significant extent upon whether the FPÖ returns to opposition and is thus 'liberated' to resume a strategy of irresponsible outbidding. Even if the ÖVP permits this to happen, the FPÖ is unlikely to regain the strength it had achieved.

The second aspect of the question concerns the fate not of a populist party (or parties), but of elements of the FPÖ's post-1986 policy agenda. It appears that some elements of that right-wing populist agenda have been taken up by the ÖVP. Most prominent among them has been a hardening of discourse and policy related to immigration and asylum-seekers. A second theme of the FPÖ's populist agenda that has been adopted by other Austrian parties relates to the advocacy of greater use of direct democratic institutions. Since the late 1980s, this had been associated predominantly with the FPÖ, and to a lesser extent with the Greens (albeit obviously in the context of a very different political agenda). By contrast, the SPÖ and ÖVP largely frowned upon the utilisation of such instruments. Since 2000, however, the position of the SPÖ has shifted and it has on a few occasions (e.g. in response to the government's proposed purchase of interceptor fighters) suggested resorting to measures such as popular

petitions. In part, this is of course understandable for a party that has moved into opposition for only the second time since 1945.

Yet it also reinforces Mény and Surel's proposition that populist principles are inherent to democracy. Despite the fact that populist parties are vulnerable to (self-) destructive tendencies – in particular when faced with the challenges of incumbency – populism should thus not automatically be dismissed as pathological for modern for liberal democracy.

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