The Politics of Tough Budgets – Fiscal Responses to Crisis in Ireland, Spain, Portugal, and Greece
Part of IERES' European Politics Series

with

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The global financial crisis opened large budget deficit and public debt problems in the countries of the Eurozone periphery – Greece, Ireland, Portugal, and Spain. All have been required to adopt budget retrenchment measures, particularly so for the first three once they entered EU-IMF loan programs. This paper analyses the dynamics of fiscal responses to the crisis across the four cases, using the content of budget decisions and the profile of budgetary outcomes as the principal primary data. These countries provide interesting variation on several dimensions: in the origins of the crisis (with different mixes of public and private sector debt), in initial responses to the crisis (prioritizing an expansionary or a contractionary stance), in the composition of budget adjustment (revenue-raising or expenditure-cutting), and in the evolution of their budgetary stance over time. The paper uses the full resources of case study methods to examine the policy configurations that underpin commonality and variation, and to expose the elements involved in complex causal processes. This analytical strategy enables us to investigate the political economy conditions underpinning fiscal policy choices in hard times.

Niamh Hardiman teaches comparative political economy and comparative politics in the School of Politics and International Relations at University College Dublin. She has published extensively on the political economy of Western Europe, and on the repercussions of the recent economic crisis. She is currently a Research Scholar at the Global Research Institute at the University of North Carolina at Chapel Hill. Her edited volume, Irish Governance in Crisis, has just been published by Manchester University Press.

Friday, April 27, 2012
12:00 – 1:30pm
Voesar Conference Room
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