

## Political polarization in Europe

### Video transcription

In recent years, we have seen how **political and institutional polarization has risen** in many European countries and the United States.

Political polarization **can harm a country's economy** by

- generating uncertainty,
- curbing investment and
- hampering responsible fiscal decisions,

directly affecting growth and financial stability.

But **how can we measure polarization?** And **how does it relate to legislative gridlock?**

To better understand this phenomenon, we have analysed **the cases of Spain, Germany, France and Italy.**

When we talk about **polarization**, we refer to the **growing ideological distance between political parties or their supporters.**

We have used two indices to analyse polarization:

- One is the **political polarization index**, which measures the rise in conflict between political parties as an indicator of ideological distancing.
- Second, the **legislative gridlock index** measures institutional obstruction.

In Spain, Germany and France, the two indices move in tandem. The more polarised a country is, the greater the legislative gridlock.

- **In Spain**, polarization has grown significantly since the Catalan crisis and the political fragmentation following the 2016 elections.
- Polarization peaks **in Germany** were related to the refugee crisis and migration and security issues, while in France they coincided with social movements such as the Yellow Vest protests and other economic grievances.
- However, **in Italy**, political polarization grows while institutional gridlock remains stable. This may be the result of the electoral system reform, which reduces the need for coalitions.
- In general, polarization **in Europe** has increased exponentially since the sovereign debt crisis.

Working Paper: Political Polarization in Europe

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