

II

*An End to “Patience”?*THE GREAT RECESSION AND ECONOMIC
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THIS CHAPTER EXPLORES the dynamics of economic protest across post-communist Eastern Europe in the context of the Great Recession. According to the IMF, as of 2010 the postcommunist countries were the world region worst hit from the Great Recession, experiencing steeper economic declines than any other part of the world (IMF 2010). Major economic contractions occurred in seven postcommunist countries (Croatia, Estonia, Hungary, Latvia, Lithuania, Slovenia, and Ukraine). By 2009 the GDP of Latvia was 22 percent lower than in 2007, while that of Lithuania had declined by 14 percent. From 2007 to 2009 unemployment rose in Hungary from 7.4 percent to 10 percent, in Estonia from 4.7 percent to 13.7 percent, in Lithuania from 4.3 percent to 13.7 percent, and in Latvia from 6.0 percent to 17.1 percent. At the same time, there was considerable variation within the region in the effects of the recession. Four countries (Bulgaria, Czech Republic, Romania, and Russia) experienced economic stagnation rather than negative growth, while seven countries (Albania, Belarus, Macedonia, Moldova, Poland, Serbia, and Slovakia) actually continued to achieve positive growth throughout the years of the global recession.

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The Great Recession was not the first time in recent memory that post-communist Europe went through a period of dramatic economic contraction. The 1990s witnessed much more severe economic downturns for most countries of the region, as these societies underwent the transition from socialist to capitalist economic systems. In the three years after 1991, GDP fell by 23 percent in Estonia and 18 percent in Latvia. Yet these two countries weathered the transition to capitalism with less economic pain than many countries in the region; the corresponding declines in GDP were much steeper in Russia (37 percent), Ukraine (55 percent), and Moldova (59 percent). However, as the literature on postcommunist economic transitions emphasizes, for the most part the transition to capitalism, though wrenching, did not produce major waves of protest in many countries, as citizens displayed a surprising degree of “patience” (or at the very least, quiescence) in the midst of massive economic decline. There were, of course, exceptions. Major waves of strikes and labor protest occurred periodically in Russia in the 1990s, particularly over the issue of unpaid wages (Robertson 2010). Poland has routinely been singled out as an exceptional case of labor mobilization under socialism and continued mobilization in the early postcommunist period (Ekiert and Kubik 1998, 1999; Seleny 1999). But in general, and contrary to what many analysts had predicted, “patience” or quiescence is thought to have predominated over protest, particularly in comparison with other regions of the world that also experienced IMF-led structural adjustment programs (Greskovits 1998. See also Przeworski 1991; Agh 1991; Haggard and Kaufman 1992; Walton and Seddon 1994; Howard 2003; Ost 2005; Vanhuyse 2006).

The reaction to the Great Recession in Eastern Europe, however, indicates that, at least in some parts of the region, this period of quiescence in response to economic decline has come to an end. In 1992—a year in which the GDP of Latvia contracted by 32 percent—only three known major demonstrations involving thirty-six hundred participants (and no mass violence) occurred in Latvia over economic conditions.¹ By contrast, in 2009 Latvia experienced thirteen major demonstrations over economic conditions, involving more than fifty thousand participants and including significant violence resulting in forty-three injuries, major property damage, and more than 250 arrests. Indeed, as we will see, the Latvian example is no aberration; in a number of the postcommunist countries the protests touched off by the Great Recession were considerably greater than those that occurred in response to the economic downturn of the early 1990s.

In this chapter we explore the factors that shaped patterns of economic protest across eighteen European postcommunist countries during the

Great Recession. We seek to explain how the Great Recession altered the level and nature of economic protest in the region, and to explore the factors that explain the considerable variation in patterns of economic protest across postcommunist Europe during this period. As we will show, contrary to what one might expect, protest overall in the region declined during the Great Recession. But this is not true of all forms of protest, or of protests over all types of issues. Strikes, protests over ethnic and nationalist issues, and protests for greater economic benefits declined sharply during this period. By contrast, demonstrations assumed greater weight in protest repertoires, and protests against economic cutbacks rose sharply to become the dominant type of protest within the region. In this respect, the Great Recession altered not only protest repertoires but also the character of economic protest, transforming it from a proactive endeavor demanding salary and benefit increases to a more defensive one voicing discontent over austerity measures.

One might logically expect that those countries experiencing more economic pain would also be those experiencing greater economic protest, and indeed we show that countries that continued to grow exhibited lower levels of protest. But we also show that among those countries undergoing significant economic contractions, there was considerable variation in the extent to which economic pain translated into economic protest. Ironically, those countries that were most vulnerable to a high level of economic protest in the late 2000s were those that had been in the forefront of economic reform in the 1990s and most eager to integrate with Europe. This was so, we argue, for two reasons: (1) they were more vulnerable than other countries of the region to a serious economic downturn in the context of global recession, as a result of their high dependence on the global economy; and (2) integration into the EU and the factors that underlay it (as well as relatively successful patterns of economic growth associated with it in the late 1990s) generated expectations about an improving standard of living that were dashed in the context of the Great Recession.

We also show that a number of other factors shaped the extent and nature of protests in those states that experienced economic contractions: (1) level of public sector employment, (2) IMF rescue packages, (3) public trust in government in the run-up to the crisis, and (4) political party mobilization. We illustrate these causal processes through paired comparisons of Latvia and Estonia on the one hand and Hungary and Ukraine on the other. All four countries experienced severe economic downturns in the context of the Great Recession (among the seven most severe economic contractions in our sample). But even though Latvia and Hungary were among the countries

exhibiting the highest levels of economic protest (in terms of number of protests, participation rate, and extent of violence) during this period, Estonia and Ukraine remained relatively quiescent. We argue that these variations in outcomes resulted from the countries’ differential reform trajectories and how they interacted with varying degrees of trust in government and varying abilities on the part of political actors to instrumentalize and channel political polarization.

Patterns of Economic Protest in Postcommunist Countries

To analyze patterns of protest across European postcommunist states during the global financial crisis, we constructed an event database of major protests and incidents of mass violence throughout the region ~~time~~. Electronic searches were conducted of five leading international newswires (Reuters, Associated Press, Agence France Presse, Deutsche Presse Agentur, and Interfax) for the period from January 2007 through December 2010. All articles that reported on demonstrations, strikes, or mass violent events in any of the eighteen European postcommunist countries examined in this study were saved in monthly media files for subsequent review and coding. (The Appendix provides a more detailed description of our coding procedures.) The utility of using five wire services is clear from the fact that no single wire service covered more than 43 percent of the 967 protest events recorded in this study. Reuters, which is often used in cross-national studies of protest events (as, for instance, in the *World Handbook of Political Indicators*), covered only 17 percent of the protest events in the data. Our use of multiple sources also increased the quality of the coded information for many events, filling in details about individual events that otherwise would have remained unknown had only a single source been available.

Of course, media studies of protest events are known to have significant biases, and those biases are likely to be even more significant in a study based on international wire services. Large numbers of protest events are ignored in international wire service reports (especially small events and events outside capital cities), and any media-based study of protest activity is unlikely to be a fully accurate reproduction of patterns of protest. It may, however, be a representative sample of a certain sort. On the basis of what is known about how the media report on protest events, one would expect that international wire services would tend to report primarily on politically salient events and



on events involving violence or taking place in a country's capital. These may actually be the most important events for understanding the impact of economic decline on patterns of protest in any case, since they are the events most likely to affect the political process. For purposes of obtaining a reasonably representative sample across eighteen countries, international wire services are probably the best sources available, since country-level sources have quite different policies on reporting about protest events. It is possible—even likely—that certain international wire services covered particular countries more thoroughly than others. The use of reports from five international wire services can serve to mitigate this selection bias. The sample is right-censored in that both the Great Recession and economic protest in the postcommunist countries continued beyond December 2010, when our data collection ended. But we began sampling in January 2007, well before the onset of the recession in late 2008, in order to be able to identify how the recession itself may have altered patterns of protest.

There is no scholarly consensus over how best to measure trends in protest action. A simple event count can be thought of as representing the frequency of attempts by movements to organize collective action. Often, this is weighted by the number of days over which a protest event occurs, since a one-day protest represents a qualitatively different protest effort from a prolonged, multiweek action.² But we are also interested in the resonance of attempts to mobilize—in particular, the number of people who actually participate in a protest event.³ We assume that the factors shaping movement attempts to mount protests are likely to differ from those that shape the decisions of large numbers of people whether or not to participate in these actions, given the opportunity to do so (Beissinger 2002).

We report all three measures (events, protest days, and protest participation) in Figure 11.1, which provides an overview of the evolution of protest events in the region over time by form of action, as captured by the five international wire services. As is evident from the figure, during the period of the Great Recession (and contrary to what one might expect) there actually was a general decline in protest activity in the postcommunist region—irrespective of whether one measures protest by the number of events, protest days, or participants. The decline began prior to the onset of the Great Recession but continued to deepen in 2009 in the midst of the global financial crisis. In terms of protest repertoires, most acts of protest reported by the wire services during this period (90 percent) involved demonstrations; only 11 percent involved strikes and only 9 percent involved mass violent events. (Protest events in the sample could include more than one action form.) But even

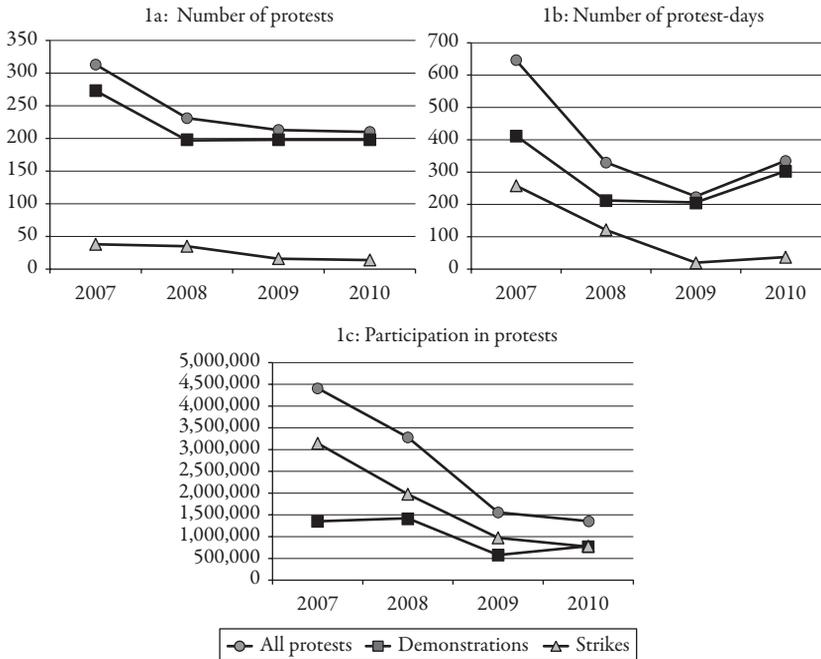


FIGURE 11.1 Protest Activity by Form and Dimension of Mobilization, 2007–2010.

though they constituted a relatively small proportion of protest events overall, strikes accounted for 65 percent of all participants in protest actions during this period.

Over the course of the global financial crisis, the incidence of strikes (both in terms of raw numbers and as a relative proportion of protest events each year) declined sharply, as strikes became a diminishing part (and demonstrations became a larger part) of protest repertoires. Such patterns are in accord with the findings of the scholarly literature on strikes, which has generally found that strikes tend to be more frequent when economies are expanding rather than contracting, since in tough times workers' jobs are at the mercy of employers, and workers have greater difficulty withholding labor when their jobs are under threat. (See, for instance, Tilly and Shorter 1974; Hibbs 1976.)

As Figure 11.2 shows, much of the overall decline in protest activity in the region during the Great Recession was driven by a decline in protests over non-economic issues (in particular, ethnic and nationalist issues). This decline does not appear to have been connected with the recession. In both Russia and Hungary, for instance, 2007 (the year before the onset of the recession) saw unusually intense ethnic and nationalist protest mobilization—in Russia, due primarily to the conflict with Estonia over the removal of a Soviet war memorial

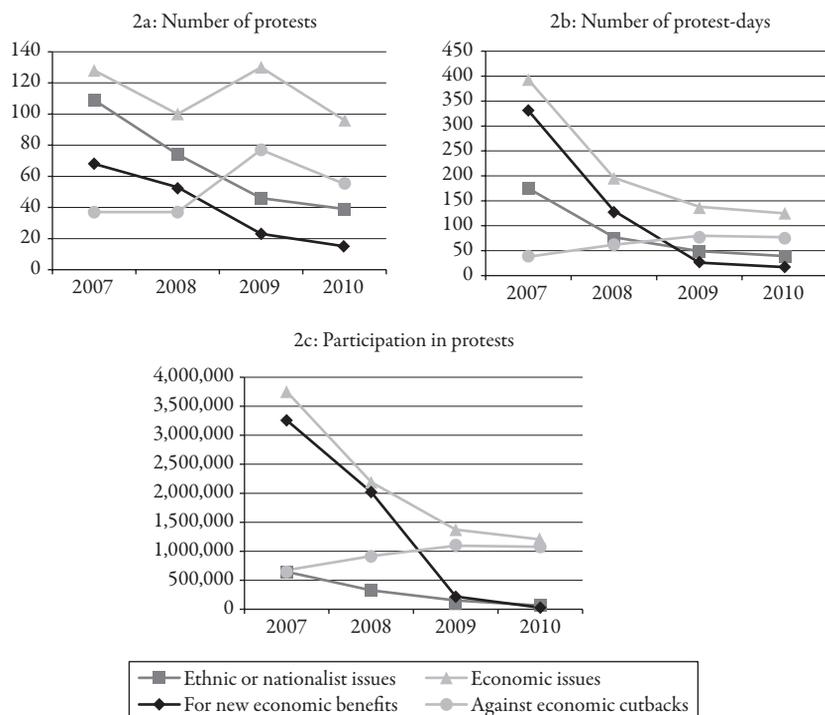


FIGURE 11.2 Protest Activity by Issue Area, 2007–2010.

and activity by extremist right-wing groups; and in Hungary, the result of the activation of Viktor Orbán’s Fidesz party and protests by right-wing extremists against the socialist government of Prime Minister Ferenc Gyurcsány. The latter were linked to the domestic economic crisis experienced by Hungary prior to the onset of the global financial crisis and prepared the ground for ongoing mobilization once external economic constraints grew.

Economic protest actually remained at roughly the same level during the Great Recession as prior to the Great Recession, increasing as a proportion of all protests during this period. Yet, the duration of economic protests and the overall number of people who participated in them declined sharply during this period. Even so, economic issues throughout the Great Recession resonated among protestors in ways that protest over other issues simply did not. Thus, although constituting 47 percent of the number of protests and 55 percent of the number of protest days, economic protest accounted for 80 percent of the participants in protest during this period. Particularly in 2009, immediately after the onset of the global financial crisis, the region experienced an increase in the number of economically related acts of protest,

amounting to 61 percent of all protests and 89 percent of all participants in protests during that year.

Moreover, the Great Recession was associated with a sharp shift in the nature of the economic issues raised in protests. In 2007, before the onset of the economic crisis, three-fourths of all participants in protest acts in the region mobilized in support of obtaining new economic benefits (increased pay, improved working conditions, or improvements in services). By contrast, in the wake of the global financial crisis, protest aimed at obtaining new benefits fell precipitously (declining to only 14 percent of protest participants in 2009 and 2 percent in 2010), while protest against economic austerity measures (cuts in pay, benefits, or services) came to dominate protest agendas, with protests revolving around these demands mobilizing 71 percent of all protest participants in the region in 2009 and 80 percent in 2010. In short, the global recession fundamentally altered the character of protest politics in the region, transforming protest into a largely defensive set of actions in reaction to austerity measures that cut pay, benefits, and services rather than revolving around gaining new benefits, as had overwhelmingly been the case during more prosperous times.

These overall patterns hide considerable country-level variations, and it is at the country level that one can identify some of the factors differentially shaping protest responses across the region. Table 11.1 provides a general overview of patterns of protest across the eighteen European postcommunist states examined in this study, weighted by their population size.⁴ As can be seen, not all countries experienced a high rate of protest over economic issues during this period, and in some countries (Belarus and Estonia, for example) protest over other issues predominated in the agendas. In this study we focus on patterns of protest over economic issues rather than patterns of protest in general, since we are interested specifically in probing the differential protest responses to the Great Recession, and as we have seen, economic protest played the dominant role in the protest repertoires of the region during the Great Recession. It is of course possible that there is an economic component to protest over other types of issues (for instance, democratization or ethnic conflict) that we are bracketing by looking only at protest over economic issues. However, we expect that protest over these other issues is likely to be less directly connected with patterns of economic performance and more likely to be driven by other factors, such as ethnic stratification and diversity and government repression, that are less relevant for understanding the impact of the recession on patterns of protest.

Table II.1 Country-level Indicators of Patterns of Protest, 2007–2010.

Country	Total Protests	Protests per Million Pop.	Protests Raising Economic Demands	Economic Protests per Million Pop.	Protests Against Economic Cutbacks	Protests per Million Pop.	Protest Participation per 1,000 Pop.	Participation in Economic Protests	Participation in Economic Protests per 1,000 Pop.	Participation in Protests Against Economic Cutbacks	Participation in Protests Against Economic Cutbacks per 1,000 Pop.	Economic Violence index ^a
Albania	9	3.0	2	0.7	0	0.0	54300	18	23000	8	0	0
Belarus	30	3.1	10	1.0	5	0.5	46931	5	11185	1	5810	0.693147
Bulgaria	69	9.7	48	6.8	13	1.8	2308658	325	2262287	319	23098	4.034241
Croatia	29	6.5	14	3.1	7	1.6	204010	45	178660	40	37100	0
Czech Rep.	46	4.5	17	1.7	8	0.8	1101484	108	1077742	106	816067	0
Estonia	12	9.4	1	0.8	1	0.8	7100	6	3000	2	3000	0
Hungary	92	9.2	52	5.2	37	3.7	651453	65	557372	56	402622	3.091043
Latvia	33	15.0	16	7.3	13	5.9	74875	34	56175	25	42075	4.817617
Lithuania	10	2.8	7	2.0	4	1.1	29500	8	25050	7	14650	3.931826
Macedonia	12	5.8	2	1.0	0	0.0	349650	168	310000	149	0	0
Moldova	6	1.4	1	0.2	0	0.0	49183	11	100	0	0	0
Poland	72	1.9	47	1.2	19	0.5	1210550	31	1184850	31	560800	2.197225
Romania	70	3.2	50	2.3	31	1.4	1510955	69	1399905	64	1138400	1.791759
Russia	247	1.8	94	0.7	43	0.3	1143226	8	253155	2	48766	2.74084
Serbia	43	5.9	14	1.9	2	0.3	292843	40	50000	7	10300	2.944439
Slovakia	6	1.1	2	0.4	1	0.2	15948	3	5148	1	4500	0
Slovenia	9	4.5	9	4.5	4	2.0	899500	450	899500	450	572100	1.098612
Ukraine	172	3.8	68	1.5	18	0.4	654255	14	224580	5	86017	1.386294
TOTAL	967		454		206		10604421		8521709		3765305	

Note: ^a Calculated as the natural log of the product of the number of people injured in mass violent events concerning economic issues; * the score on a property damage index for these same events.

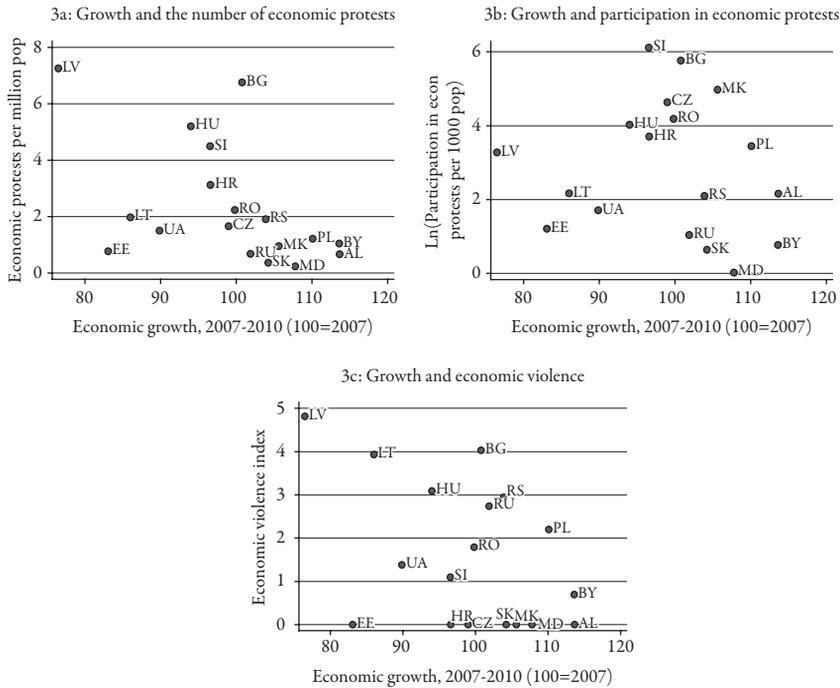


FIGURE 11.3 Economic Growth and Economic Protest, 2007–2010.

In Figure 11.3 we use the population-weighted figures on protest activity to examine the bivariate relationship between rates of economic growth and patterns of protest over economic issues, aggregated over the entire 2007–2010 period. In Figure 11.3a we focus on the number of events, and in Figure 11.3b on the number of participants. In Figure 11.3c we focus on variation in the level of mass violence over economic issues (as measured by an index reflecting the number of people injured in mass violent events and the level of property damage involved in them).⁵ In all three figures, there is a negative relationship between economic growth and level of economic protest, and the patterns of variation in all three bear certain similarities. In Figure 11.3a, for instance, those countries that experienced a positive rate of economic growth during the Great Recession (Albania, Belarus, Macedonia, Moldova, Poland, Slovakia, Serbia, and Russia) also had a lower number of economic protests per population. But among countries that experienced zero or negative growth (Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Romania, Slovenia, and Ukraine), there was a great deal of heterogeneity in the extent to which they experienced protest over economic issues. Figure 11.3b shows a similar pattern for levels of participation, with

a downward trend among those countries that experienced a higher rate of growth, but with significant variation among countries that experienced zero or negative growth. Latvia, Hungary, Bulgaria, Croatia, Slovenia, Lithuania, and Romania exhibited the highest number of economic protests, while Bulgaria, Slovenia, Macedonia, Czech Republic, Romania, Hungary, Poland, and Latvia displayed the highest levels of participation in economic protests. In Figure 11.3c, the overall pattern is again sharply negative, with greater variance in level of violence among countries that experienced zero or negative economic growth. Latvia, Bulgaria, Lithuania, and Hungary stood out for their relatively high levels of economically related violence during this period.

Thus we are left with a puzzle: economic growth may explain why those societies that continued to benefit from growth during the Great Recession did not experience a high level of economic protest, but it cannot explain why, among those societies that experienced significant economic downturns during the Great Recession, some exhibited considerable economic protest while others did not. Countries experiencing similar amounts of economic pain exhibited significantly different degrees of protest over the consequences of economic contraction. We now turn to a multivariate analysis of patterns of economic protest and to two paired case studies to help explain this puzzle.

Multivariate Analysis of Patterns of Protest

In the analysis that follows, we use country-years as the basic unit of analysis and implement a cross-sectional time-series design, focusing on four dependent variables of interest: the number of protests (weighted by their duration) over economic issues, the number of participants in protests over economic issues, the number of protests (weighted by duration) specifically against economic cutbacks, and the number of participants in protests specifically against economic cutbacks.⁶ As we saw earlier, economic protest during the 2007–2010 period varied considerably in its goals. In the context of the Great Recession, protest for new economic benefits receded as the predominant form of economic protest, with protest over economic cutbacks instead coming to dominate agendas. By exploring the factors shaping protest over economic issues more broadly and against economic cutbacks more specifically, we can gain a good sense of some of the key drivers during the Great Recession.

For the event-count dependent variables, we use a random effects negative binomial model.⁷ For the participation dependent variables we use a tobit model, which addresses the issue of nonrandom selection when a variable is

censored or truncated at a certain point. In this case, one cannot have participation in protest without first having a protest, so that a simple regression model confounds the issue of how many people decide to participate in protest with the issue of whether or not a protest is organized in the first place. Participants in protest generally do not decide whether and when an event will occur, but only whether to participate in an event already organized by others. By censoring those observations in which no protests occurred, we can estimate whether a particular independent variable increased or decreased participation, given the availability of an opportunity for people to participate in protest.⁸

We begin with baseline models relating population size and rates of economic growth to the number of economic protests (in Table 11.2) and the number of participants in those protests (in Table 11.3). As reported in Model 1 in Table 11.2a, both variables have statistically significant relationships with the number of protests over economic issues in general. As one would expect, countries with larger populations experienced more economic protest, and economic growth was strongly related to lower levels of economic protest. Controlling for population size, we found that every percentage point of increase in economic growth (relative to the base year of 2006) decreased the expected number of economic protests annually by 5.5 percent. As Model 1 in Table 11.2b indicates, population size and rate of economic growth were also strongly related to protest against economic cutbacks specifically. Every percentage point of economic growth (relative to the base year of 2006) decreased the expected number of protests over economic cutbacks annually by almost 8 percent. Thus, in a country that experienced an economic decline of 14 percent below the 2006 level (as occurred, for instance, in Latvia in 2009), one would expect a 77 percent increase in the rate of economic protest in general and a 109 percent increase in the rate of protest over economic cutbacks, whereas in a country that experienced 14 percent economic growth compared to the 2006 level (as occurred, for example, in Poland in 2009), one would expect equivalent *decreases* in economic protest and protests against economic cutbacks.

Model 1 in Table 11.3a shows that population size had a marginally significant relationship with the number of people who participated, given the opportunity to participate in a protest over economic issues, but economic growth did not. However, as Model 1 in Table 11.3b indicates, given the opportunity to participate in a demonstration against economic cutbacks, both population size and economic growth had statistically significant effects on the number of people who participated. Every percentage point of economic

Table 11.2 Random Effects Negative Binomial Regression of Yearly Economic Protest Events (Weighted by Duration).

Table 11.2a: All Economic Protest Events

Variable	Model 1		Model 2		Model 3		Model 4		Model 5	
	IRR	z-score								
Ln population	2.051	6.17****	2.136	6.25****	2.046	5.96****	2.260	5.97****	2.056	5.97****
GDP growth (2006 = 100)	0.945	-3.83****	0.949	-3.46****	0.943	-3.57****	0.943	-3.62****	0.941	-3.47****
Freedom House score, 2006			0.952	-0.94			0.878	-1.64		
EBRD economic reform index, 1998					0.847	-0.49	0.528	-1.37	0.825	-0.53
Public sector employment									1.002	0.09
Dummy, IMF standby program									0.897	-0.36
Number of observations	72		72		68		68		68	
Number of groups	18		18		17		17		17	
Wald chi-square	42.17****		44.01****		40.14****		40.82****		40.14****	
Log likelihood	-211.612		-211.180		-200.880		-199.421		-200.811	

Table 11.2b: Protest Events over Economic Cutbacks

	Model 1	Model 2	Model 3	Model 4	Model 5					
Protest Against Economic Cutbacks										
<i>Variable</i>	<i>IRR</i>	<i>z-score</i>	<i>IRR</i>	<i>z-score</i>	<i>IRR</i>	<i>z-score</i>				
Ln population	2.150	5.18****	2.284	5.28****	1.987	6.84****	1.969	5.68****	2.003	7.01****
GDP growth (2006 = 100)	0.922	-4.44****	0.928	-4.00****	0.937	-3.91****	0.937	-3.89****	0.931	-2.85****
Freedom House score, 2006			0.926	-1.15			1.009	0.14		
EBRD economic reform index, 1998					2.128	2.95****	2.192	2.39**	2.376	3.73****
Public sector employment (%), 2005									1.049	2.24**
Dummy, IMF standby program									1.836	2.01**
Number of observations	72		72		68		68		72	
Number of groups	18		18		17		17		18	
Wald chi-square	35.33****		36.20****		51.61****		52.07****		64.08****	
Log likelihood	-140.402		-139.747		-130.397		-130.387		-126.623	

Table 11.3 Tobit Regression of Annual Participation in Economic Protest Events.

Table 11.3a: Participation in All Economic Protest Events

Participation in All Economic Protest	Model 1	Model 2	Model 3	Model 4	Model 5					
<i>Variable</i>	<i>Coeff.</i>	<i>z-score</i>	<i>Coeff.</i>	<i>z-score</i>	<i>Coeff.</i>	<i>z-score</i>				
Ln population	80930.0	1.93*	107930.9	2.91***	80742.5	1.98*	110946.0	2.67***	116529.1	3.02***
GDP growth (2006 = 100)	-7198.3	-1.21	-1597.5	-0.28	-566.4	-0.82	-3699.1	-0.58	-2099.5	-0.34
Freedom House score, 2006			-37700.9	-2.45**			-41059.9	-1.79*	-42684.0	-2.44**
EBRD economic reform index, 1998					83339.4	0.91	-50970.9	-0.44		
Public sector employment (%), 2005									4462.5	0.67
Dummy, IMF standby program									-54181.0	-0.5
Number of observations	72		72		68		68		72	
Number of groups	18		18		17		17		18	
Uncensored observations (censored at 0)	55		55		51		51		55	
Wald chi-square	4.40		11.06**		5.32		9.88**		11.70**	
Log likelihood	-789.385		-787.096		-732.354		-728.499		-786.740	

Table 11.3b: Participation in Protest Events Against Economic Cutbacks

Participation in Protest Against Economic Cutbacks	Model 1	Model 2	Model 3	Model 4	Model 5					
<i>Variable</i>	<i>Coeff.</i>	<i>z-score</i>	<i>Coeff.</i>	<i>z-score</i>	<i>Coeff.</i>	<i>z-score</i>				
Ln population	77431.9	2.58***	95511.3	3.34***	72511.2	2.84***	82651.9	2.92***	100347.9	3.76***
GDP growth (2006 = 100)	-9532.4	-2.48**	-6948.4	-1.81*	-7366.8	-1.96**	-7147.9	-1.90*	-4564.4	-1.22
Freedom House score, 2006			-23604.1	-2.15**			-12698.6	-0.85	-32305.8	-2.79***
EBRD economic reform index, 1998					88745.8	1.60	43037.5	-0.56		
Public sector employment (%), 2005									4794.6	1.07
Dummy, IMF standby program									42953.5	0.68
Number of observations	72		72		68		68		72	
Number of groups	18		18		17		17		18	
Uncensored observations (censored at 0)	42		42		38		38		42	
Wald chi-square	9.87***		14.40***		13.22***		13.90***		18.79***	
Log likelihood	-583.205		-581.149		-523.808		-523.451		-566.496	

growth (relative to 2006) increased the annual number of participants in protests against economic cutbacks by about 9,500 persons, so that an economic decline of 14 percent below the 2006 level (Latvia in 2009) would be associated with more than 130,000 more participants in protests against economic cutbacks, whereas a country with 14 percent growth above the 2006 level (Poland in 2009) would have had 130,000 fewer participants in such protests. In short, the baseline models show that the effect of economic contraction on protest mainly occurred through encouraging movement activists to organize more frequent protests over economic issues (and over economic cutbacks in particular). But even if we take this into account, the belt-tightening effects of the recession did encourage greater numbers to participate in protests against economic cutbacks in those countries that experienced contractions.⁹

In Models 2, 3, and 4 we introduce two other independent variables that we expect to affect the level of economic protest in the context of economic contraction: (1) a country's Freedom House score (ranging from 2 to 14, with a score of 2 representing full democracy and 14 representing full autocracy) for 2006, on the eve of the Great Recession¹⁰; and (2) the EBRD Economic Transition Index for 1998, measuring the extent to which a country had made the transition to capitalist forms of economy in the 1990s.¹¹ We expect a negative relationship between the Freedom House score and economic protest, as more authoritarian polities should be less tolerant of attempts to organize protests in general, and individuals living in more autocratic countries should be less willing to risk participation in the face of negative incentives.

There are also a number of reasons one might expect prior patterns of economic transformation to affect economic protest in the context of the Great Recession. Those countries that were more progressive in terms of transforming their economies into market economies in the 1990s were the very countries that earlier had demonstrated "patience" in the midst of economic contraction. This might have led one to expect similarly quiescent responses to the Great Recession. However, there are also some reasons to believe the opposite would be true: those countries that had been in the forefront of economic reform in the 1990s would experience a higher level of protest during the Great Recession. "Patience" in the 1990s had been closely intertwined with the promise that rapid economic transition and the additional pain that countries underwent for the sake of integration with the European Union would eventually bring a higher standard of living.¹² Indeed, the decade prior to the Great Recession had been one of remarkable economic growth throughout the region, reinforcing these expectations. But for many living in the region, the sharp economic decline of the Great Recession shattered

those dreams, undermining the implicit economic contract between state and society on which European integration was built.

It could also be that countries that had reformed themselves more thoroughly in the 1990s were more vulnerable to the effects of the Great Recession in the late 2000s because of the consequences of economic reform for their economies. The EBRD Economic Transition Index is strongly correlated with the proportion of a country’s GDP comprising imports and exports, and with the role of foreign direct investment in a country’s economy—both factors that would likely make a country more vulnerable to a global economic downturn. However, these factors would not be expected to operate directly on protest, but indirectly through their effect on economic decline, so that we are in essence already controlling for their effects by controlling for the influence of economic growth on protest.

Still, in interpreting the effects of democratization and the transition to capitalism on economic protest during the Great Recession, we need to proceed with caution; as is well known, there was a close relationship between democratization and economic reform in the 1990s, and indeed the level of autocracy in a postcommunist country in 2006 was still strongly negatively correlated ($r = -.73$) with the extent to which it had engaged in economic reform in the 1990s. Therefore, in Models 2 through 4 we test for the effects of each of these two variables separately and jointly, exploring which provides better explanatory power, if either. Surprisingly, the findings show that, if we control for population size and economic growth, a country’s level of democracy had no independent effect on the frequency with which movements organized economic protests or protests against economic cutbacks. Level of democratization did, however, have an independent effect on the willingness of people to participate in these protests assuming the availability of an opportunity to participate. Every one-point increase toward autocracy on the Freedom House scale resulted in about 38,000 fewer protestors per year over economic issues in general and about 24,000 fewer protestors against economic cutbacks. Thus a country such as Russia, which is relatively high on the Freedom House scale (i.e., more autocratic) would be expected to have about 340,000 fewer participants in economic protests in general during this period and 216,000 fewer participants in protests against economic cutbacks than a country such as Latvia, which is relatively low (i.e., more democratic) on the Freedom House scale.

By contrast, we found that the EBRD Economic Transition Index, despite having no relationship with the frequency of economic protest in general or with participation in economic protests or in protests against economic

cutbacks, was strongly associated with a significant increase in the frequency of protest against economic cutbacks (with every point on the EBRD index more than doubling the rate of protest on these issues, controlling for the effects of population size and economic growth). Thus, one would expect three times as many protests over economic cutbacks in a country such as Hungary (on the cutting edge of economic reform in the 1990s) than in a country such as Ukraine (a perennial laggard), even though the two countries experienced similar levels of economic contraction during the Great Recession. In short, the very countries that had led the transition from socialism to the market in the 1990s with relatively little protest were in the forefront of protest over the effects of the Great Recession in the late 2000s.

Finally, in Model 5 we add two additional factors that might also be associated with economic protest in the midst of economic decline: (1) public sector employment as a percentage of total employment, and (2) whether a country adopted an IMF Standby Arrangement in order to deal with the financial fallout from the recession. High public employment could affect economic protest during recession in several ways. Countries with large public bureaucracies that had failed to contain public spending were highly exposed to the impact of the financial collapse at a time when funds no longer flowed as easily into public coffers. Public employees and their benefits are likely to be the first targets of cuts when governments are forced to rein in spending during difficult times. Moreover, public employees tend to be highly unionized and organized, and therefore relatively more easily mobilized in the face of threats to their standard of living. Highly visible and easily politicized as both domestic political failure and foreign interference in domestic affairs, IMF rescue arrangements have often served as pretexts for protest waves around the world, as they typically require the adoption of austerity measures aimed at bringing the borrower's economy back into balance. The IMF played a major role in extending loans to postcommunist countries during the transition from socialism without eliciting much protest reaction. However, if the Great Recession brought a climate of diminished "patience," we might expect that the effect of IMF rescue packages in postcommunist Eastern Europe would be no different in the rest of the world, where they are often associated with protest.

As Model 5 indicates, every additional percentage point of total employment that resided in the public sector increased the frequency of protest against economic cutbacks by about 5 percent. Thus, a country such as Latvia (which had a proportion of public sector employment of almost 35 percent) would be expected to experience nearly 50 percent more protests against

economic cutbacks compared to Estonia (whose public sector employment was only 24.5 percent of total employment). The adoption of an IMF Standby Arrangement increased protest against economic cutbacks by 84 percent. Those postcommunist countries that experienced the highest levels of economic protest and violence associated with the Great Recession were indeed those that relied on IMF loans to prop them up, and they were also early seekers of entrance into the EU (Hungary, Latvia, and Romania). By contrast, postcommunist countries that borrowed heavily from the IMF during this period but were not EU members (Belarus and Ukraine) experienced little protest associated with their adoption of Standby Arrangements.¹³ Neither public employment nor IMF loans had any independent effect on economic protest overall or on level of protest participation.

These findings held up to a number of robustness checks.¹⁴ Next we explore them in more detail through two paired case studies (Estonia-Latvia and Hungary-Ukraine) that illustrate some of the causal mechanisms involved and identify a number of additional processes that are not easily incorporated within a quantitative framework.

Latvia and Estonia: A Paired Case Comparison

Latvia and Estonia have similar economic and political reform records; both experienced similar EU integration processes; their economies have similar sectoral structures; both enjoyed buoyant pre-crisis economic growth,¹⁵ followed by severe economic contractions in 2008 and sharp rises in unemployment in 2008–09. In light of these similarities, the stark contrast between Latvia’s high number of economic protests and participation rates and Estonia’s quiescence throws into sharper relief more fine-grained differences between the two countries that help to explain these differing protest outcomes. Latvia’s higher level of public sector employment (34.7 percent in 2005, compared to 24.5 percent in Estonia)¹⁶ and the IMF rescue package in Latvia are obvious differences, but other factors contributed to the contrasting patterns of protest as well.

One might have expected both Latvia and Estonia to exhibit significant protest mobilizations in the early 1990s. Protest for independence in the late Soviet era had created a powerful precedent, and the economic reform process was radical and imposed significant social costs. However, the absence of protests organized by ethnic Estonians and Latvians may be at least partly explained by the shared drive to build an independent state and “return to Europe.” For their part, the sizeable Russophone populations in both

countries were initially politically disenfranchised and encountered persistent obstacles to full social and political integration. Moreover, Russophones are a diverse group with a shared language rather than clear social or ethnic markers; many had opportunities to migrate to Russia or work in Europe; Russophone parties lacked organizational coherence, and the mainstream political discourse was skewed to the center-right and right, tending to crowd out minority views. These factors may go some way toward explaining the relative quiescence of Russophone populations in both Latvia and Estonia.

In the absence of systematic data on the participation of specific ethnic groups in economic protests during the Great Recession, we cannot address this cleavage systematically. However, very few economic protests in Estonia or Latvia during the Great Recession seem to have had a distinct ethno-linguistic dimension to them, at least as reported in the media. Public sector employment is higher among ethnic Latvians, and outmigration (within the EU) has been higher among the Russophones, suggesting that ethnic Latvians might have accounted for a significant (if not the main) share of economic protesters during the crisis. In Estonia, neither Estonians nor Russophones mobilized over economic conditions during the Great Recession in significant numbers.

Although Estonia and Latvia tend to be discussed as variations of the same case in terms of economic and political reforms, a closer look reveals important differences that shaped how they experienced the boom and bust cycle of the 2000s and the strict austerity measures both countries imposed on their populations. One crucial difference is that Estonia consistently pursued a balanced budget and generated a budget surplus since 2002, which it used to build up a Stabilization Reserve Fund precisely for emergency situations (Kraan, Wehner, and Richter 2008, 10; Martin 2010). By contrast, Latvia did not secure its reserves but instead spent its growth proceeds (Kraan et al. 2009, 190). As a result, Estonia's austerity measures could concentrate on cutting other expenditures than social transfers, whereas Latvia's IMF-overseen austerity program introduced cuts across the board. By softening the blow of austerity cuts, Estonia's balanced budget and financial reserves helped the government maintain a public reputation for effectiveness. (On the importance of budget deficits for protest mobilization, see Kriesi's Chapter 10 in this volume.)

Similarly, different degrees of corruption led to variation in levels of public trust in government in the two countries. Indeed, on a number of corruption measures Latvia has performed consistently worse than Estonia.¹⁷ Latvia entered the financial crisis with the issue of corruption conspicuous on the public agenda after a number of high-level corruption allegations against party and government officials and controversial government decisions aimed

at restraining its Anti-Corruption Bureau, which had been investigating several prominent businessmen with political influence. Several demonstrations over these issues had mobilized sections of society already prior to the onset of the Great Recession (in particular, a rally in October 2007, at which several thousand protesters called for the resignation of Prime Minister Aigars Kalvitis of the People’s Party over his decision to dismiss the head of the Anti-Corruption Bureau) and opened the way for a series of protests driven by economic demands once the implications of the crisis became more tangible. The prime minister was forced to step down in early December 2007 after President Zatlers called for his resignation. Corruption issues remained high on the political agenda, with the chief of the Anti-Corruption Bureau eventually dismissed in June 2008 in yet another controversial decision, leaving the bureau without a new head until early 2009.

Estonia’s transition from communism has been less conflictual than Latvia’s, and the quality of formal and informal institutions has been higher (Kuokstis and Vilpisauskas 2010; Pettai and Mölder 2010). Ironically, when the Latvian Prime Minister Kalvitis resigned in late 2007 in the wake of corruption scandals after three years in office, he had become the longest-serving prime minister in Latvian politics since 1991. The political volatility in Latvia (compared to government stability in Estonia) underpinned perceptions of a lack of government effectiveness. This volatility was only partially masked by a repeated pattern of keeping the government in place while replacing its members (a pattern that continued during the financial crisis).

The link between perceptions of government ineffectiveness or corruption and protest is an indirect but important one. These perceptions undermined public trust in government, which in turn helped to politicize society in the context of a crisis situation. In Latvia public trust in the government was low (20 percent in spring 2007, and still only 13 percent by spring 2010). By contrast, even in the midst of severe economic contraction it remained high in Estonia (66 percent in spring 2007, and 53 percent in spring 2010)—significantly higher than the EU average of 41 percent for 2007 and 29 percent for 2010 (Eurobarometer 67, 2007; Eurobarometer 73, 2010).

On the eve of the Great Recession, recognition of past economic progress and expectations of continued economic improvement were high in the Baltic states. When asked in spring 2007 if their situation had changed in the last five years, 75 percent of Estonians said their situation had improved, 16 percent said it was unchanged, and only 8 percent thought their situation had worsened. Latvians were somewhat less positive but still well above the EU average at the time: 58 percent thought their situation had improved, 23 percent saw it as unchanged, and

18 percent said it had worsened (Eurobarometer 67, 2007, 265). The outlook for the next five years was similarly optimistic: 66 percent of Estonians and 58 percent of Latvians expected their situation to improve in the next five years (well above the 43 percent average for the EU as a whole; Eurobarometer 67, 2007, 266). The impact of the crisis would have thus come as a shock to populations in both countries, but Estonia's policy track record and its stable and trusted government provided it with a buffer that was lacking in Latvia.

Latvia's large public sector also played an important role in spurring protest in response to the economic crisis. In September 2008 health workers, teachers, and police demonstrated in Riga to demand higher salaries (*Telegraf*, September 19, 2010). Soon afterward, on October 30, about a thousand doctors and nurses began a two-day strike while the Saeima (the Latvian legislature) was debating an austerity budget envisaging job and health expenditure cuts. In December the Latvian government agreed to an IMF rescue deal (involving the EU) of €7.5 billion (of which €600 million was immediately disbursed, with further tranches earmarked for 2009–10). As a result, a range of austerity measures were put in place to bring the budget deficit under control, including job cuts and an average public salary cut of 25 percent. The IMF deal proved the crucial catalyst for mobilizing the public sector at large. On January 13, 2009, large-scale antigovernment protests involving about ten thousand people turned violent when hundreds of youths (apparently a mixture of Russian speakers and Latvians) overturned cars, looted shops, and threw cobblestones ripped from the streets of the old city into the windows of Saeima's building (Reuters, January 13, 2009). This was the worst violence in Latvia since 1991, and it triggered a swift political response by President Zatlers, who openly criticized the coalition government for having lost touch with voters. Following the Trade Union Federation's call for a constitutional referendum, he asked the Saeima to strengthen his constitutional powers to initiate new elections in the event of legislative gridlock and to give the public the right to seek early elections via a referendum. Zatlers also urged the government to facilitate a turnover in government posts and bring opposition parties into the cabinet (Reuters News, January 14, 2009). Prime Minister Godmanis survived a vote of no confidence in early February, but his position became untenable when two of his coalition partners left the government. In March 2009, Valdis Dombrovskis of the New Era Party took over as prime minister. Throughout 2009—in the run-up to and after the Saeima's approval of further budget cuts to qualify for a tranche of the IMF package (AP, June 18, 2009)—smaller and medium-size anti-austerity protests, led by public sector workers, continued. Dombrovskis temporarily oversaw a minority government, but

he won a narrowly contested election in October 2011 against the Harmony Center, the center-left party associated with the Russophone electorate. Early parliamentary elections held in September 2011, after a referendum on the dissolution of parliament, kept Dombrovskis in office as part of a coalition government, although his party had actually come in third, after Harmony Center and the new Reform Party set up by former President Zatlers.

Estonia’s government stability and relative quiescence in the midst of an analogous economic decline make for a marked contrast. Prime Minister Andrus Ansip (Reform Party) was appointed in 2005 to replace Juhan Parts and managed to see out an entire elected term in office from 2007, surviving a vote of no-confidence over austerity measures in February 2009 and overseeing a minority government after his coalition partner, the Social Democrats, left in May 2009. He was reelected (albeit narrowly) in March 2011, again as part of a coalition of center-right parties (with Pro Patria and Res Publica Union; *European Voice*, February 24, 2011).

Estonia’s entrance into the eurozone on January 1, 2011, also set Estonia apart from Latvia (although Latvia maintained its currency peg against the euro). After EU membership, the adoption of the euro had become the next big international test of new member states’ economic and financial credentials. Estonia’s commitment to staying on target for euro membership despite the financial crisis provided an external and domestic anchor and reinforced its image of policy coherence. Because Estonia did not need to be bailed out with the help of an IMF loan, the government could present itself as strong, providing an additional societal buffer against protests in the midst of severe economic pain.

The comparison between Latvia and Estonia confirms that a large public sector hit particularly hard by austerity measures played an important role in evoking economic protest, and that IMF rescue packages also acted as an important lightning rod for protest. The comparison also brings out the importance of domestic differences related to the public’s trust in transparent and effective government, the existence of financial reserves, and external reform anchors (such as the adoption of the euro) for explaining differential protest responses to the economic disaster.

Hungary and Ukraine: A Paired Case Comparison

Hungary and Ukraine varied greatly in the type and comprehensiveness of their economic and political reforms in the 1990s,¹⁸ but in the middle to late

2000s both countries experienced a deep financial and economic crisis that required the help of the IMF. In Hungary a severe domestic crisis after many years of expectations tied to the country's reform success was reinforced by the global financial crisis; in Ukraine external shocks abruptly ended a short period of strong economic growth and plunged the country back into its long accustomed crisis. Hungary saw sustained large-scale protest mobilization, whereas Ukraine continued to experience only small-scale protests on a wide range of economic and political issues. These differing trajectories and Hungary's larger public sector (31.5 percent in 2005, compared to 21.6 percent in Ukraine) go some way toward explaining why protest activity was more significant in Hungary than in Ukraine. But the disparate political landscapes of these countries also provide some critical clues to the dynamics involved in producing differing protest responses to the Great Recession. Indeed, they point to the fact that economic conditions, a sizeable public sector, and a catalyst such as an IMF loan and accompanying austerity programs need to be activated by social movements or political parties in order to translate into significant protest. Hungary and Ukraine share an extremely polarized political environment—arguably a conducive starting-point for protest. But they are polarized differently, and the nature of this polarization, combined with differing expectations within their respective publics about government, played important roles in producing contrasting protest outcomes. Hungary belonged to the frontrunners of reform in the region, and after more than two decades since the start of comprehensive economic reforms and several years into EU membership, a domestic financial crisis and the immediate austerity program hit society hard, further polarized it, and fed into party-led mobilization. Ukraine's extremely drawn out political and economic reform process since 1991 and the disillusionment that enveloped Ukrainian society after the enormous mass mobilizations of the Orange Revolution in 2004 made the new financial and economic crisis less of a rallying point for political parties and for society at large.

In 2006 Hungary had the largest budget deficit in the EU. Austerity measures, including an envisaged 10 percent cut to the public sector, were introduced before the onset of the Great Recession in response to the country's economic problems. The domestic economic crisis unfolded against an extreme and growing political polarization between the Socialist Party (MSZP) and the center-right party Fidesz under Viktor Orbán. A leaked "secret speech" by Socialist Prime Minister Ferenc Gyurcsány in autumn 2006 in which he admitted that he had lied about the state of the economy before the elections provided the trigger for a long series of antigovernment protests,

culminating in Fidesz’s landslide victory in the April 2010 elections, when the political center/center-left was practically obliterated and democratic checks and balances came unhinged.

From early 2007, there were repeated antigovernment protests of varying magnitude (several hundred to several thousand) in Budapest and cities across Hungary demanding the prime minister’s resignation over the government’s plan to raise taxes, cut subsidies, and dismiss thousands of public sector employees (AP, January 20, 2007). In February antigovernment protesters staged road closures in a hundred locations across the country in protest against the austerity package. In addition, there were sector-specific protests and local issue-specific protests tied to the austerity measures.

During these first protests Fidesz still appeared “weak and divided” (*New York Times*, March 11, 2007). However, Fidesz gradually stepped up the pressure on the coalition of Socialists and liberal Free Democrats (SZDSZ) by actively shaping the public discourse and organizing protests (some deliberately coinciding with national holidays), using the social unrest over austerity measures to boost its own electoral support. Antigovernment protests increasingly acquired nationalist overtones, as Fidesz faced growing competition from the extreme right in Jobbik, a right-wing youth movement transformed into a party in 2003 that was gradually increasing its support base. In September 2007 antigovernment protests marked the first anniversary of the leaked prime minister’s speech, with mass protests against anti-austerity measures mobilizing an estimated ten thousand people.

In late October and early November, train drivers staged warning strikes across the country against government plans to close various rail routes. This was followed by about half of Budapest’s bus drivers and about four thousand bus drivers across Hungary, who protested against planned layoffs. In March 2008 a Fidesz-initiated referendum, approved by the Constitutional Court, put three questions to the public: on the introduction of doctors’ fees, hospital charges, and university tuition. More than 80 percent of those who participated voted against all of the proposals.

Hungary narrowly averted a financial crisis with the help of an International Monetary Fund–led \$25.1 billion rescue package put in place in November 2008. It involved the EU and was tied to strict austerity measures aimed at controlling the budget deficit. Hungary’s currency fell to an all-time low against the euro, as investors fled amidst concerns over the country’s high budget deficit, public sector debt, and heavy reliance on external financing (Reuters, November 29, 2008). Large-scale foreign borrowing had allowed the country to run a sizeable current account deficit (7.5 percent of GDP in

2006, and 6.4 percent in 2007) and a large fiscal deficit in 2006 (Cordero 2009). Access to cheap international credit saw the private sector and households exposed to high debts, often held in foreign currencies. When external capital inflows dried up in connection with the global financial crisis, the Hungarian economy imploded. The presence of the IMF mission further fueled the ongoing protests. In late November 2008 they built into large-scale anti-government actions against pay and pension cuts, with about ten thousand workers across Hungary going on strike at train stations, manufacturing plants, schools, pharmacies, and electricity plants. Several thousand public sector workers represented by thirty unions also protested outside the Hungarian National Assembly against pay cuts (Reuters, November 28, 2008). On December 15 the budget tabled by the prime minister, including a slight upward revision of the fiscal deficit targets that was sanctioned by the IMF, passed the National Assembly. Immediately, rail worker strikes started up again, and public sector unions announced a new series of strikes for early 2009 (Reuters News, December 15, 2008).

The momentum of regular Sunday demonstrations against the government gradually picked up throughout the spring of 2009. In March Prime Minister Gyurcsány resigned in the hope of enabling the Socialist Party to catch up in the polls before the elections scheduled for early 2010. In mid-April Gordon Bajnai (MSZP) was sworn in as the new prime minister. In Hungary's highly politicized setting, this internal turnover triggered further demonstrations, strikes, and clashes with the police. The extremist party Jobbik achieved a breakthrough in the European Parliament Elections in June 2009 (gaining three representatives) and continued to position itself in anticipation of the 2010 elections. Large-scale anti-austerity protests by public sector workers continued until the elections in April 2010, which saw Fidesz win a landslide victory and Viktor Orbán become prime minister, commanding a two-thirds (constitutional) majority in the National Assembly without an effective opposition. Jobbik gained parliamentary representation (twenty-six seats) as Hungary's third-strongest party. It had played an important role in the mobilization of sustained protest and affected a significant shift of Hungary's party system to the right.

Compared to Hungary, Ukraine's transition in the 1990s proved considerably more complex. This was due to the country's integration into the Soviet economy, the need to build a new independent state alongside fundamental political and economic reforms, and the existence of strong regional cleavages not only around language and identity issues but also including differences in economic structures and domestic and international political

preferences (Sasse 2010). In addition to the post-Soviet output collapse, soft budget constraints saw the country slide into hyperinflation by late 1993 and only gradually recover through monetary stabilization in 1996. The privatization process was slow and gathered speed only in the late 1990s (D’Anieri, Krawchuk, and Kuzio 1999, 166–205). And it was not until the early to mid-2000s that Ukraine began to experience significant positive economic growth. Presidential policy wavered continually during these years to appease certain regional constituencies, numerous governments collapsed, and the constitutional division of power between the president and the prime minister became politicized (and remains ambiguous even today).

The authoritarian drift of the scandal-ridden Kuchma regime ended abruptly with the Orange Revolution in late 2004, a moment of massive protest mobilizations (centered on Kyiv and the western regions) against electoral fraud in the presidential elections. The protests led to a rerun of the elections and brought to power a reform coalition of President Viktor Yushchenko and Prime Minister Yuliya Tymoshenko. After many years of economic crisis, corruption, and an uncertain foreign policy course, public expectations for domestic reform and Ukraine’s European integration were high, at least in western and central Ukraine. However, these expectations were soon dashed by the growing policy disagreements and personal rivalry between Yushchenko and Tymoshenko and by repeated government changes that saw the return of Yushchenko’s 2004 electoral rival Viktor Yanukovich as prime minister in 2006 (and eventually, in 2010, as president). Corruption remained rampant, further undermining societal trust in government.¹⁹ Opinion polls showed that throughout 2007 around 40 percent of respondents did not support the activities of the government; this proportion rose throughout 2008, peaking in March 2009 at 63.7 percent (Opinion Polls for 2007–2009, from the Razumkov Centre). Even after the presidential elections in 2010 that were won by Yanukovich, 30 percent immediately disapproved of his new government, and opposition steadily rose to 45 percent by the end of 2010 and to 62.6 percent in 2011 (Razumkov Centre, Opinion Polls, 2010–2011). In response to the question of whether Ukraine was developing in the right or wrong direction, there was only a brief period in early 2005, immediately after the Orange Revolution, when more than 50 percent of Ukrainians responded positively, dropping to about 20 percent by the end of 2007, and even lower by 2009 (Razumkov Centre, Public Opinion, 2004–2008). Such widespread disillusionment with Ukrainian politics that cut across the political spectrum and across the country’s regional divide limited the ability of any political actor to mobilize public support around a tangible political alternative. It

would be misleading to characterize Ukrainian society as apolitical; there was persistent low-level protest mobilization (at times reaching several thousand protesters) in Kyiv and regional cities over a wide range of political issues, such as opposition to NATO membership, Crimean Tatar mobilization, protest over economic issues, and pre-election rallies orchestrated by the two main parties (Yanukovich's Party of Regions and Tymoshenko's Bloc). But these scattered protests have not jelled into larger campaigns or events. None of the dominant political actors had the credibility or vision to formulate a tangible political alternative that would tap into the alienation accompanying the economic crisis, not even for parts of the country.

Ukraine's brief period of impressive economic growth in the mid-2000s (GDP grew by more than 12 percent in 2004 and by more than 7 percent in 2006 and 2007) was driven by the steel sector benefiting from high global steel prices and was accompanied by property and credit booms. All this came to a halt as a result of the external shock of the global financial crisis. However, even the IMF rescue package of \$16.4 billion, agreed on in late October 2008, sparked only a few medium-sized protests and no sustained protest campaigns. The last installment of the IMF loan was frozen in late 2009 when the Ukrainian government raised minimum wages and pensions. The involvement of the IMF—against a backdrop of earlier IMF loans in the late 1990s—failed to act as a catalyst for large-scale protests like those in Latvia or Hungary. Ukraine's biggest anti-austerity protests (up to five thousand protesters) occurred in December 2008; the implications of the IMF deal for jobs and social transfers were singled out by the protesters (mostly coal miners from state-run mines and pensioners) at the time (DPA, December 23, 2008). In February 2009 several thousand people protested against the austerity budget of the city of Kyiv. The protests brought together representatives of the Ukrainian Trade Union Federation, workers of state-run companies, public sector employees, and political activists from both Yanukovich's and Tymoshenko's parties (Ukraine General Newswire, February 12, 2009). The biggest protest since the legislative elections in 2007 took place in April 2009—estimates vary between twenty thousand and fifty thousand participants—at a pre-election rally by Yanukovich supporters demanding the resignation of the president and prime minister for their failure to resolve the economic crisis (Reuters, April 3, 2009; dpa, April 3, 2009). This event occurred a week after the legislature passed two bills restoring the flow of IMF credits. In July 2010 a new IMF loan of \$15.2 billion was agreed on, directly linked to a significant hike in household gas and utility prices. The period October–December 2010 also saw a series of medium-sized protests

(involving several thousand people) by small business owners and employees against the new tax code, resulting in President Yanukovich vetoing the provisions on higher taxes for small businesses (AFP, November 30, 2010). Though effective on their own terms, the interests represented were issue-specific and failed to mobilize a wider societal concern about the economic crisis.

For a country the size of Ukraine and with the depth of economic contraction that Ukraine experienced during the Great Recession, economic protest was decidedly small. The Ukrainian case illustrates that economic crisis, an IMF program, the precedent of recent massive mobilization, and a high level of political polarization need not translate into large-scale mass protest without parties mobilizing along this cleavage and without the public believing in the prospect of a credible alternative. In Ukraine’s postrevolutionary political landscape, disillusionment with all the key actors prevails. A series of elections in close succession provided sufficient opportunities for the main political parties to mobilize around the fallout from the economic crisis; however, they chose instead to tap into familiar regional identity cleavages without extensively activating the issues of profound economic hurt that Ukraine has experienced as a result of the Great Recession. By contrast, in Hungary the political landscape was polarized between left- and right-wing parties. Given that the homegrown financial crisis prior to the Great Recession was associated with the Socialist Party, the combined effect of domestic and international crises gave the right-wing party Fidesz an opportunity to stoke and channel public discontent into electoral support. Growing support for the extreme right party Jobbik moved Fidesz further to the right. Ukraine’s political scene is similarly polarized between two political parties and their leaders (Yanukovich and Tymoshenko), but they represent regional constituencies rather than clear ideological programs. Having rotated in and out of office, both leaders failed to articulate a credible alternative amidst the widespread disillusionment of Ukrainians across regional and political affiliations.

Conclusion

It is hardly surprising to find that in the region of the world hit hardest by the Great Recession in the 2007–2010 period, significant outbursts of protest occurred. However, the story of the end of “patience” in Eastern Europe is not quite that simple. As we have seen, countries in the region weathered the economic crisis differentially, with some continuing to experience economic growth and others undergoing severe contraction. In Tolstoyan fashion, those “happy” countries that continued to experience economic

growth in the midst of global crisis were all little affected by protest, while those “unhappy” countries that experienced significant economic contractions were all “unhappy” in their own ways, displaying quite varied protest responses to economic decline. We showed that those countries that were most vulnerable to a high level of economic protest during the Great Recession were precisely those that had been in the vanguard of economic and political reform in the 1990s, in part because they were more vulnerable to economic downturn as a result of their high dependence on the global economy, in part because they had generated huge expectations surrounding their track records of reform and EU integration, which were dashed in the context of the Great Recession. But a number of other factors also shaped differential protest responses to economic crisis. Countries with high levels of public sector employment experienced greater protest, as austerity measures targeted public employees in particular, and public employee unions provided the mobilizing capacity for generating large and sustained protest campaigns. IMF rescue packages yielded both an opportunity and a grievance for accelerating protest, through the cutbacks they mandated and in how they demonstrated government incapacity. Governments that, prior to the onset of the crisis, already lacked public trust or a reputation for effectiveness were more likely to see sustained and significant protest. We also showed the importance of political context and the key role that political parties and public expectations play in politicizing the cleavages born out of economic crisis. (For further analysis of the link between electoral politics and protest mobilization in response to the crisis, see Kriesi’s Chapter 10 in this volume.) If parties lack the credibility or desire to mobilize citizens around the issues of economic pain that they are experiencing, and if citizens are disillusioned and incapable of imagining that collective action might be an effective remedy to their plight, then even a severe economic contraction, an IMF austerity program, and a past history of mobilization will not produce significant or sustained waves of protest.

Thus the protest response to the Great Recession in postcommunist East Europe shows that there is certainly a relationship between deprivation and protest. But it also shows that this relationship is hardly a simple one and depends on the presence of particular facilitating structural conditions, opportunities, and mobilizing structures. The stark contrast between the relatively more “patient” or quiescent protest responses in Eastern Europe during the transition to capitalism in the 1990s and the more contentious protest responses to the Great Recession (even though they both involved deep economic pain) raises broader questions about the conditions under which

individuals mobilize collectively against economic hardship. “Patience,” it seems, is much harder to sustain the second time around.

Appendix: Procedures for Coding of Event Data

For the purposes of this study, a *demonstration* was defined as an event (1) that was a voluntary gathering of persons with the purpose of engaging in a public collective display of sentiment for or against public policies, (2) that involved a minimum of one hundred persons, and (3) in which the number of participants was not restricted by the organizers of the event (i.e., it was not a conference, convention, or other restricted organized meeting). A *strike* was defined as a work stoppage with the aim of protesting the policies of government, enterprise management, or some other authority (with a minimum size of one hundred participants). For both demonstrations and strikes, a minimum of one hundred participants was required for an event to be included in the sample, since events with fewer participants than that are usually not reported in media sources. A *mass violent event* was defined as collective violence against people or property, with a minimum size of fifteen participants. For ease of coding, any protest act that lasted for a portion of a day was counted as having lasted for an entire day.

Searches of Reuters were conducted using Factiva, while searches of AP, Agence France Presse, Deutsche Press Agentur, and Interfax were conducted using LexisNexis. To ensure that the use of index terms and relevancy filters on searches undertaken in LexisNexis did not bias the results, the list of article headlines returned using the narrow search criteria was systematically compared for a period of six months with the list of article headlines generated by an unfiltered, traditional subject search. No biases were found. As a further check on the coverage of the five international wire services, searches of national newswire services for seventeen of the eighteen countries were undertaken for a period of three months to see whether local coverage of protest events differed systematically from international coverage. The results suggested that coverage of events in Hungary, the Czech Republic, and Lithuania by the international newswires likely underestimated the extent of politically salient protest in these countries. Between January 1 and March 31, 2009, national newswires reported on nine events in Hungary, eight events in the Czech Republic, and seven events in Lithuania that were not covered by the five international wire services. In all other cases, however, coverage of events was roughly identical. At the same time, the results suggested that national wire services had their own substantial lapses in coverage, as a number of the events captured by the international newswires went unreported by the national outlets examined.

Once the media reports were collected, they were examined in detail by one of three members of the coding team and coded using a common coding protocol and detailed set of instructions into a relational database. Information on fifty-five fields was collected, including data on the location of the event, the type of event, the duration of the event, the number of participants, the specific demands made and the targets of protest, the types of participants and the organizers of protest, the police response and

the number of arrested or injured, and the extent of civilian-led violence and the degree of damage it caused. All sources used to code each record were hyperlinked to the individual record, thereby allowing the use of this rich body of reports on protest activity as part of the parallel qualitative analysis in the second half of this essay. In order to ensure inter-coder reliability, coders met weekly to resolve questions jointly (and with participation of the principal investigators). A sample check on inter-coder reliability for a sixth of the coded cases revealed an inter-coder reliability of approximately 95 percent. The coding of all events was also reviewed by the principal investigators to further ensure accuracy and consistency.

Notes

1. Data comes from Beissinger (2002).
2. In our sample, the duration of protest events varied from a portion of a day to a high of 134 days, with more than 90 percent of events lasting for a day or less.
3. The number of participants in the events we recorded ranged from a minimum of 100 to approximately 800,000, with a median of 738.
4. In the scholarly literature on cross-national patterns of protest, population size is normally related to the amount of protest in a society (for example, Hibbs 1973, 25). This well-researched pattern accords with the assumptions of critical mass theory, which argues that the larger and more variegated a population, the more likely it is that groups will find a sufficient number of participants to overcome collective action problems (Marwell and Oliver 1993). Indeed, as we will show, across the eighteen postcommunist countries examined here population size was systematically related both to the frequency of protest events and to the level of participation in them.
5. Property damage was coded as follows: those events that involved no violence were coded as 0; those involving violence but no property damage as 1; those involving minor property damage as 2; those involving sporadic looting or arson as 3; those involving widespread looting or arson as 4; and those involving major property destruction as 5.
6. We use event counts weighted by duration, as is common practice in event-count analyses, since this better reflects protest effort than simple event counts.
7. Since this is a short panel (only four years), and some of the independent variables to be tested are time-invariant, a fixed-effects model would not be appropriate. See Cameron and Trivedi (1998, 287–292). For robustness checks, we tested these results against a pooled sample with standard errors adjusted for clustering by country.
8. On cross-sectional time-series tobit models, see Arellano and Honoré (1998).
9. For all four models we tested for the presence of any lagged effects of economic growth on protest and found none.

10. By using 2006 (the year prior to our first measurements of protest), we seek to avoid potential issues of endogeneity, as protest itself (and reactions to it on the part of regimes) could affect the measurement of democracy.
11. The EBRD Transition Index includes thirteen measures of economic reform on issues of privatization, enterprise governance and restructuring, price liberalization, trade and foreign exchange, competition policy, banking reform, securities markets, and infrastructure reform, each ranging in score from 1 (little reform) to 4.33 (the level typical of advanced industrial economies). The measure used here represents an average of the thirteen measures. Data for the Czech Republic are missing from the EBRD data.
12. On the stereotypes about the West associated with EU accession among Hungarians, for instance, see Fölsz and Tóka (2006).
13. Essentially, this factor is controlled for in the protest event models in Table 11.2 by the EBRD Economic Transition Index, which is highly correlated with EU membership.
14. We tested the event models and the tobit models using a pooled sample with standard errors adjusted for clustering at the country level, with no major changes in the substantive results. (The pooled model for economic protest in general, however, did indicate very weak statistical significance for the EBRD Transition Index and IMF Standby Arrangements.) We also tested for the inclusion of a series of other independent variables to see if they changed the results in any way (with no effect): the degree of fractionalization of government parties in the legislature, the degree of fractionalization of opposition parties in the legislature, the seat difference between the largest government party and the largest opposition party in the legislature, the difference in vote share between government parties and opposition parties, the percentage of unemployed, and gross debt as a percentage of GDP. We did find some additional effects from a yearly change in unemployment variable, which in the event count models soaked up much of the effect of our GDP growth variable (as one might expect) but had no effect on the findings overall or on their interpretation.
15. According to the World Bank (2006), Latvia recorded the fastest economic growth in the EU in 2006 (12.2 percent GDP growth), with Estonia not far behind (10.6 percent).
16. Figures are computed from EBRD Structural and Institutional Change Indicators data, using the share of the private sector in total employment in order to estimate the share of public sector employment as a percentage of total employment. The data are available at <http://www.ebrd.com/pages/research/economics/data/macro.shtml>.
17. According to Transparency International’s Corruption Perceptions Index (CPI), ranking more than two hundred countries worldwide, Latvia scored 4.8 (out of 10) in 2007 and came in thirty-ninth out of the countries included, compared to Estonia scoring 6.5 and being ranked twenty-eighth. See Transparency International, CPI (2007).

18. Hungary had an EBRD economic reform index of 3.92—significantly higher than Estonia and Latvia.
19. According to Transparency International's CPI, Ukraine scored 2.7 out of 10 in 2007 and ranked 118th out of about 200 countries; see Transparency International, CPI (2007).

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