

The risk of a political crisis is growing in Austria

Two of the most prominent members of the Austrian People's Party (ÖVP) are retiring from politics and, for the second time this year, an Austrian chancellor has stepped down. While the jury is still out on what might be behind this series of resignations, the risk of a political crisis in Austria has increased



Alexander Schallenberg has stepped down as Austria's chancellor

Alexander Schallenberg, who had only served as Austria's chancellor for about two months, stepped down on Thursday, just two months after his predecessor Sebastian Kurz quit the role. Earlier yesterday, Kurz announced his exit from politics, stepping down as party leader and the party's parliamentary group leader. Later in the day, Finance Minister Gernot Blümel announced that he, too, would retire from politics. The exit of three prominent Austrian politicians in one day leaves more questions than answers. It is hard not to see these decisions as connected to the ongoing allegations of bribery and corruption by the Austrian Economic and Corruption Prosecution Authority (WKStA) against Kurz.

Until there is a new chancellor or new party leader, Schallenberg will remain in office. A potential successor could be the current Interior Minister Karl Nehammer. However, it remains to be seen how the ÖVP's coalition partner, the Green Party, reacts to these latest developments and whether

they will stick to the coalition agreement. In a worst-case scenario, snap elections could be an option early next year.

As the Austrian economy remains in tight lockdown, which could push the economy close to recession, the risk of a political crisis has clearly increased.

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