

One of the most difficult questions in European politic...

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This is from the [FT this morning](#), by [SteingrÃ-mur SigfÃ³sson](#):

Iceland's response to the financial crisis has been taken as a model for how a country should react to a dramatic economic shock. However, international observers should also take note of our country's [recent election result](#). Despite guiding the country through a difficult but impressive recovery, the governing parties were ousted. The parties that were blamed for the financial crisis won a slim majority. This raises a fundamental question: in our age of austerity and slower growth, can politicians maintain popularity without the proceeds of a bubble economy? Put differently: can any politician meet the unrealistic expectations of Europe's voters?

The question, of course, is not that dissimilar in a way to that [posed by Martin Wolf](#) on climate change in the same paper this morning.

[SteingrÃ-mur SigfÃ³sson](#), who was Icelandic finance minister concludes:

The result from Iceland should prompt introspection not just from politicians, but from voters as well. Are our expectations realistic? Is the only way to meet the insatiable demand for growth to build economies based on quicksand? For that is a recipe for an ever more destructive boom-and-bust cycle.

No wonder we need a Green New Deal to break that approach to destructive growth.