



When Winston Churchill proposed a referendum to Clement Attlee in 1945 on whether Britain's wartime coalition should be extended, Attlee growled that the idea was an "instrument of Nazism and fascism". The use by Hitler and Mussolini of bogus referendums to consolidate their power had confirmed the worst fears of skeptics. The most democratic of devices seemed also to be the most dangerous to democracy itself.

Dictators of all stripes have continued to use phony referendums to justify their hold on power. And yet this fact has not stopped a steady growth in the use of genuine referendums, held under free and fair conditions, by both established and aspiring democracies. Referendums have been instrumental in the dismantling of communism and the transition to democracy in countries throughout the former soviet empire. They have also successfully eased democratic transitions in Spain, Greece, South Africa, Brazil and Chile, among other countries.

In most established democracies, direct appeals to voters are now part of the machinery for constitutional change. Their use to resolve the most intractable or divisive public issues has also grown. In the 17 major democracies of Western Europe, only three—Belgium, the Netherlands and Norway—make no provision for referendums in their constitution. Only six major democracies—the Netherlands, the United States, Japan, India, Israel and the Federal Republic of Germany—have never held a nationwide referendum.

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Every hero, Emerson once said, becomes a bore at last. The Blair era, an era of unparalleled success for the Labor Party that began so triumphantly in 1997, is now moving, inexorably, toward its close. Electorally, Prime Minister Tony Blair has been by far the most successful leader that Labor has ever had, the only one to have won three consecutive elections, two of them with landslide majorities. In fact, he has had a longer continuous run in office than any prime minister since the Napoleonic wars, with the sole exception of Margaret Thatcher.

Moreover, Blair has led the most successful left-of-center government in Europe. Of the three leaders who shared the new dawn of social democracy in the late 1990s, only he survives; both Lionel Jospin, the former French prime minister, and Gerhard Schroder, the former German chancellor, have departed in ignominy, almost forgotten figures. Yet, despite all this, Blair's current reputation is low, and recent allegations that honors have been given in return for party contributions have not helped. Indeed, survey evidence suggests he is now the most unpopular prime minister since opinion polls began.

This is unlikely to prove the final verdict of history. The twilight of a prime ministership, or of a presidency for that matter, is not the best vantage point from which to analyze its significance. In the United States, for example, the reputations of Harry Truman and Gerald Ford were low when those men left office, but have risen steadily since. Ultimately, Blair's tenure of leadership will be remembered for three things: for his reforms of British public services; for a wide-ranging set of constitutional reforms, most of which occurred between 1997 and 2001; and, finally, for the war in Iraq.

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Angela Merkel, whom *The Economist* has called a “world star,” is the most prominent of a new generation of leaders emerging in Europe. She is in charge of Europe’s pivotal country at a time of great challenges to the EU as it seeks to come out of its constitutional and enlargement crises. Germany has the presidency of the EU and of the Group of Eight industrial nations in 2007, but Merkel and her country will be central to Europe’s evolution long beyond this spring.

With Tony Blair in Britain and Jacques Chirac in France serving as lame ducks, and with many other European countries locked in political stalemates, much of Europe today is experiencing a vacuum of leadership. Thus, both George W. Bush and his successor as US president will look to the German chancellor as America’s most important partner in Europe for years to come. Understanding Merkel and the political and economic context in which she operates is, consequently, important for anticipating what to expect for her chancellorship—in its impact both on Germany and on the future direction of the continent.