Signals of Responsiveness

National Elections and European Governance

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> Every citizen shall have the right to participate in the democratic life of the Union. Decisions shall be taken as openly and as closely as possible to the citizen
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> Treaty on European Union, Article 10.3

International organizations (IOs) have proliferated since the end of World War II, and they play a vital role in countries around the world. Governments have delegated significant decision-making powers to these organizations even in areas that directly affect their autonomy because it is commonly believed that IO membership offers many benefits. With the increasing involvement of IOs in domestic affairs of member states, however, the criticism that they are elitist and technocratic has grown as well. Commentators assert that decisions are taken out of the voters' hands and transferred to unelected political elites. Since these bureaucrats and foreign actors are not accountable to domestic publics, decisions made in IOs are undemocratic and illegitimate.

According to the critics, international organizations suffer from a "democratic deficit," which erodes both the ability and the willingness of governments to take policy positions and make decisions that represent the preferences of their citizens. The absence of domestic democratic scrutiny is said to give executives wide latitude to pursue their own goals, permit corporate groups to intervene in the policy process unchecked, and allow international bureaucrats to exploit their autonomy to tilt policies toward their organizational or parochial interests. Policies shaped by these influences might well conflict with broader societal preferences.

This crisis of legitimacy has afflicted many international integration projects around the world, including the European Union (EU), Mercosur, the North Atlantic Free Trade Association (NAFTA), the Association of Southeast Asian

Nations (ASEAN), the World Trade Organization (WTO), the International Monetary Fund (IMF), and even the United Nations (UN).[1] With the ever-growing number of policies being made in these IOs, the pressure to "democratize" them has increased. For example, in its determination to improve the legitimacy and viability of IOs, the U.S. State Department settled on their democratization as one of its main goals in the early 2000s.[2]

Nowhere has this debate been more salient than in the most ambitious project of regional integration in the world, the EU.[3] Dramatic setbacks in several policy areas over the past decade have only inflamed the charges against it. On the economic side, the Greek debt crisis of 2010 triggered a financial and political turmoil that brought the Eurozone to the verge of collapse. No sooner had the EU managed to stabilize its panicked markets than it confronted a security crisis when Russia annexed the Crimea in the spring of 2014. This, and the civil war in Ukraine that followed, aggravated the already tense external security situation for the bloc. Doubts in EU's ability to provide for its own security intensified in 2015 when it failed to thwart two major terrorist attacks in Paris and Brussels. The issue became even more complex and contentious when it merged with the problem of dealing with an unprecedented influx of refugees from the Middle East and North Africa. The disunity the Union showed in its failure to fashion a collective response to this mass migration was starkly underlined in June 2016 when a popular referendum in the United Kingdom decided to withdraw the country from the EU, precipitating a still-unfolding period of uncertainty and economic instability for the region.

The cumulative effect of these shocks has been to sharpen the EU's legitimacy crisis and to contribute to a rising wave of populism across Europe. Many Europeans have come to see the Union as being run by distant and unaccountable political elites who negotiate esoteric deals behind closed doors.

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[1] See, for example, Anderson (1999); Malamud (2008); Zweifel (2006); Joseph (2011); Zaum (2013); Dellmuth and Tallberg (2015); Colgan and Keohane (2017).

[2] See the statements by Kim R. Holmes, Assistant Secretary for International Organizations Affairs in 2003 and 2004. Retrieved from https://2001-2009.state.gov/p/io/rls/rm/2003/26949.htm and https://2001-2009.state.gov/p/io/rls/rm/2004/39496.htm, last accessed: November 2016.

[3] The EU changed its name several times since its inception: from the original "European Coal and Steel Community" in 1951 to "European Economic Community" in 1957, to "European Communities" in 1967, and to "European Union" in 1993. To avoid confusion of terms, I use the term European Union throughout this book even though it is anachronistic prior to 1993.

Public perception of the institution took a nose-dive in the 2010s, when for the first time since the early days of integration there were more Europeans who distrusted the EU than those who trusted it.[4]

It is not merely faceless unelected bureaucrats in Brussels—like the ones that administer the European Commission—that citizens have come to suspect. Even the ministers from their own elected governments have lost the citizens' confidence when acting in their capacity as members of the Council of the European Union.[5] Trust in the Council, which is the EU's main intergovernmental legislative decision-making body, has been steadily eroding since the outbreak of the debt crisis (Figure 1.1). By 2013, only 33% of Europeans trusted the Council, while over 44% did not. When it comes to European affairs, then, people do not seem to be inclined to trust even their own governments.[6] That much is evident in many of the pre-Brexit editorials, which excoriated the governments for being unresponsive to popular opinion when deciding European policies (and for doing so mainly behind closed doors). In 2008, fully 62% of citizens did not believe that their governments listened to them when it came to European issues, and those who perceive themselves to be voiceless on that matter have remained the majority as of 2017, the last year for which data are available.[7]

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[4]Data from the Interactive Eurobarometer (http://ec.europa.eu/COMMFrontOffice/Public/index.cfm/Chart/index, last accessed: September 2016). The question was phrased as: "I would like to ask you a question about how much trust you have in certain institutions. For each of the following institutions, please tell me if you tend to trust it or tend not to trust it?" Data is from the question asked about the European Union. See Appendix A for a graph which illustrates the historical development of trust in the EU.

[5]The Council of the European Union is often called the Council of Ministers or just the Council, and should not be confused with the European Council. I will use these terms interchangeably.

[6]Support for EU membership has generally remained steady around 50-60% since the 1990s after it declined from an unprecedented high in the 1980s. This is on par with the levels during the 1970s. The share of the population that believe that EU membership is a bad thing has stayed well below 20%, suggesting that the legitimacy crisis has not yet become an existential one. See Appendix A for the evolution of popular support for EU membership from 1973 to 2015.

[7]The question specific to the national governments was only asked in 2008, where it was framed as "Please tell me for each statement, whether you tend to agree or tend to disagree? On European issues, my voice is listened to by my government." Data from Eurobarometer 03/2008. The phrasing used since merely asks whether one believes their interests are being taken into account in the EU (61% reported a negative in 2008 on that version of the question). The findings are almost identical for the European Commission and the
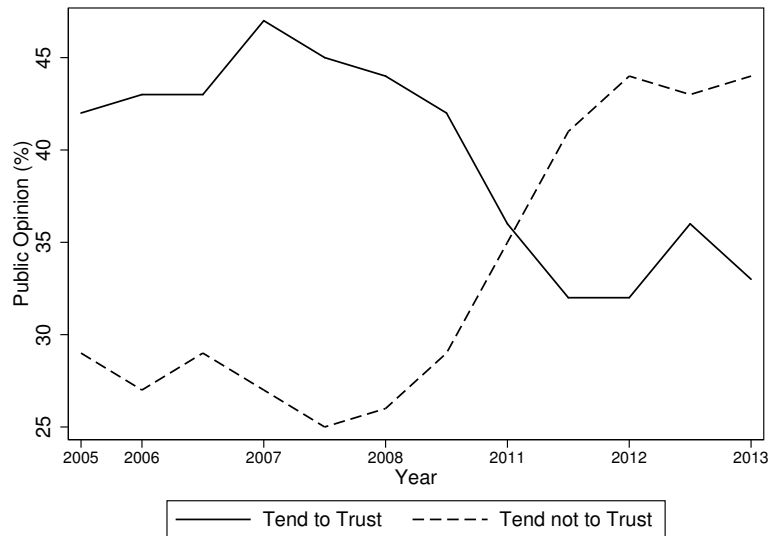
Figure 1.1: Trust in the Council of the European Union. Results of Eurobarometer surveys from 2005-2015 on the question "I would like to ask you a question about how much trust you have in certain institutions. For each of the following institutions, please tell me if you tend to trust it or tend not to trust it? – Council of the European Union." The respondents' answers ("tend to trust," "tend to distrust") are displayed in percentages. Source: Eurobarometer (http://ec.europa.eu/COMMFrontOffice/PublicOpinion/index.cfm/Chart/index, last accessed: September 2016).

The idea that voters have lost influence over their own governments on European matters is superficially appealing (not the least because voters seem to believe it), but is it supported by the evidence? We know very little about the level of government responsiveness to domestic opinion when it comes to co-operation within the EU, which is surprising in light of the Union's deepening and widening penetration into domestic policy. What incentives do governments have to represent the interests of their national publics in the European Union? What does it mean for governments to be responsive in that context? And even if they are acting in the interest of their citizens, how can

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European Parliament. Appendix A provides historical results, which rely on the more general question of whether respondents felt that their interests were taken into account in the EU.

these governments demonstrate that when policies are decided at multiple levels of governance with the participation of a variety of institutional actors in the opaque and convoluted system of the EU? Since the Council of the European Union remains the most important legislative actor in the Union, and because its members are ministers from the governments of Member States, it provides a natural medium for responsiveness to domestic politics.[8] If citizens could reward or sanction their national governments on the basis of their performance in European affairs, they could furnish the incentives for the governments to be responsive to their opinions even at the EU level.

Have electoral politics at the domestic level had any influence on government conduct at the EU level? How is that influence effected? What are the consequences for European cooperation and domestic politics? These are the questions I seek to answer in this book.

1.1 The Argument in Brief

The book presents a comprehensive account about how EU governments signal responsiveness to their citizens while cooperating at the European level. I develop and test a theoretical framework of the intergovernmental dimension of responsive governance in the European Union, using evidence amassed in nearly ten years of multi-method research. In a nutshell, I find that European cooperation in the Council of the European Union takes place in the shadow of national elections. EU governments are particularly responsive to their domestic constituencies before national elections (when they are most accountable). Surprisingly, they behave this way even when the issues are not politicized domestically. Governments signal responsiveness to their publics by taking positions that are in the interests of politically relevant voters at the national level, defending these positions throughout negotiations in the Council, and seeking appropriate policy outcomes at the EU level. When they anticipate

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[8]The other important legislative body is the European Parliament. The Parliament is directly accountable to European citizens via European elections, and its accountability has been studied elsewhere (Reif and Schmitt, 1980; Van der Eijk, Franklin and Marsh, 1996; Schmitt and Thomassen, 1999, 2000). In this book, I focus on the responsiveness of governments to their citizens in the Council, which is another central but understudied (intergovernmental) source of democratic legitimacy in the European Union. For studies of responsiveness in the supranational institutions of the EU, see for example, Thomassen and Schmitt (1997), Proksch and Slapin (2010), and Rauh (2016).

unfavorable outcomes, they attempt to avoid blame and punishment by delaying negotiations until after national elections.

The argument can be briefly summarized as follows. The integration of policies in areas that affect everyday life has made the welfare of citizens more dependent on their governments' behavior at the EU level, which has politicized the Union. This is so despite the fact that many policies decided at that level are neither salient domestically nor even obviously electorally relevant. The problem for the governments is that they cannot reliably predict whether this will remain so. With the media, political parties, and interest groups increasingly subjecting European policies to public scrutiny, nobody can foresee what particular issue would catch on domestically. The governments hedge against appearing unresponsive in policy areas that become unexpectedly politicized during national elections by signaling their commitment to domestic interests at the European level whenever there is a chance that the policy might become electorally relevant.

The expansion of domestic electoral politics to encompass European affairs means that national elections affect both individual and collective bargaining behavior of governments of EU Member States, and so influence policy in the Union. Governments that are willing and able to represent the interests of the relevant national electorate in EU legislative negotiations signal *political responsiveness* to their electorally relevant constituents. Governments wish to signal to domestic audiences that they are competent negotiators of their country's interests and that they can attain outcomes that benefit their electorates; that is, that they govern responsively in the EU. They attempt to convey this impression by staking out and defending negotiation stances that can be interpreted as being in the national interest. They are particularly aggressive in this positioning during the electoral cycle, sometimes going against common European interests. Governments do not do this merely to burnish their populist credentials but to pull the European policy so that it more clearly favors their domestic constituencies so that they can claim credit for that. Failing this, they drag their feet as long as possible in order to delay the announcement of a policy the electorate would disapprove of until after it can no longer affect the votes.

The strength of the motivation to choose such strategies varies with domestic political conditions and the government's ability to navigate the collective decision-making process in the EU. Governments are incentivized to signal responsiveness when national elections are competitive and when the issues

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are politicized domestically. For instance, poor economic performance could galvanize a strong opposition to charge the government with ineptitude, which could be countered by a competent performance in EU negotiations. The incentives are even stronger when the issues the government is negotiating are politicized domestically, so success could be expected to boost its approval ratings.

Even the most motivated government must engage the collective bargaining process in the EU to secure favorable policy outcomes. Whatever sovereignty it enjoys in setting its own foreign policy is drastically attenuated when it comes to EU policy, where it has to contend with 27 other Member States and a motley assortment of supranational actors like the European Commission and the European Parliament. The Council might be among the leanest EU institutions but it still requires each minister to deal with 27 counterparts. In some policy areas decisions still require unanimous consent, which at least in principle endows each government with the negative power to block undesirable policies unilaterally. Of course, it also severely weakens their positive power to obtain policies that they prefer.

In practice, though, there is not much difference between policy areas since most decisions in the Council are reached through cooperative consensus bargaining, which drastically limits an individual government's ability to set the terms or block them unilaterally. Even governments with great formal and informal bargaining power cannot simply secure their most preferred outcomes when other EU members coordinate their positions; something they might be quite willing to do in order to help each other appear responsive during election periods. As a result, electorally-motivated short-term opportunistic behavior in the EU can have long-term effects on policies when it shifts them away from what they could have been had they been decided outside the shadow of national elections.

This argument assumes that voters are at least occasionally want to take note of their government's responsiveness on European affairs when they go to the polls. I utilize observational and experimental evidence to analyze how the government's bargaining behavior in the Council (i.e., its attempt to signal responsiveness) and the perceived success in legislative negotiations affect public support for the incumbent. I show that both uncompromising and responsive negotiation stances as well as preferable policy outcomes are rewarded with significant increases in public support. Interestingly, on average this increase would not alter the incumbent's vote share enough to be decisive

in the election by itself. One could interpret this to mean that governments generate "unnecessary" signals of responsiveness in the EU. But a more likely scenario is that this reflects prudential reasoning by governments that operate in a fluid domestic environment that makes it very difficult to forecast what issues might become salient and make a difference in competitive elections. The mere possibility that an EU policy might become electorally relevant domestically exports its politicking to the European level; a sort of politicization without foundation.

1.2 Core Contributions

The government's responsiveness to the will of the people is a key characteristic of democracy and indelibly linked to its legitimacy (Dahl, 1973, 1). Scholars who study democratic responsiveness have been mainly concerned with government conduct at the national or subnational level. This research has focused on the extent to which national politicians act in the best interest of their electorates by taking positions or making policy decisions that are representative of the preferences of domestic constituencies. Because these issues are so vital for our understanding of democracy, it is not surprising that they are the core of the academic study of democratic governance. This makes it all the more surprising to observe a large lacuna in our knowledge about governmental responsiveness within the European Union.

Questions about the democratic responsiveness within the EU are of great academic and public interest. The Union's ability to contribute efficiently and effectively to the welfare of its citizens depends crucially on their perception of its democratic legitimacy. But the Union's widening reach has severely limited the member governments' capacity for autonomous decisions. An ever expanding scope of policies are now within the purview of EU's collective decision-making apparatus. In all these policy areas member governments must contend not only with domestic opposition parties and institutional veto players at the national level but to navigate the Byzantine EU bureaucracy on top of that as well. This drastically complicates the governments' formulation of policies, potentially threatening the responsiveness to their publics.

One cannot hope to understand democratic governance in this complex system of multi-level delegation by studying responsiveness only at the national or subnational levels. And neither can one do so by focusing on the European

superstructure alone, whether it is by treating the EU as a system or analyzing overall decision-making output. There is much to be gained by analyzing the responsiveness of member government's behavior in intergovernmental negotiations at the EU level.

My study of the ability of EU governments to represent the views of their citizens builds on the extensive scholarly work on responsiveness within democratic countries and on the separate strand in the literature that studies the evolving institutions of the Union. By integrating and extending these approaches, I examine the challenges governments face when they need to appear responsive over policies at the European level, and show how they can achieve that goal in the context of EU's collective policy-making process. I argue that their behavior in these negotiations is an important ingredient of the democratic legitimacy of the EU. The intergovernmental view that I advance in this book fills a critical gap in the literature, contributes to the work on responsive governance in the European Union, and gives us a novel way of thinking about its legitimacy crisis.

Consider, for instance, the Council of the European Union. Responsive behavior of governments in the Council is an important component of democratic governance, akin to the conduct of state governments when they represent their states' public interests in federal negotiations. For example, U.S. Senators are not expected to ignore their home states in Congress. Yet, the Senate would not be considered democratic if these representatives were not responsive to their constituencies. Transposing this to the EU means that a basic requirement for democratic legitimacy is that the member governments are responsive to their citizens when they cooperate in the EU. This is so even though EU governments are not accountable to all European citizens (like, for instance, the European Parliament could be through European-wide elections), and even though the Council is only one of the intergovernmental institutions within the EU. The mechanism that can hold the governments accountable to their citizens even at the EU level is national elections. If electorates are concerned with policies decided in the Council, then these elections can provide ample incentives for their governments to act responsively there.

That domestic politics matter for European cooperation is of course well known. Far more interesting is the question of *how* domestic politics matter for European cooperation. My theory embeds models of national electoral politics into models of intergovernmental cooperation to study how governments signal responsiveness over EU-level policies to home constituencies. By ana-

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lyzing how domestic politics affect the way leaders negotiate within the EU, I provide the missing link between the work on the politicization of European affairs at the national level and the work on cooperation at the supranational level. The integration of the national and European dimension into a unified framework yields rich insights into the electoral dynamics of European cooperation. The combination of qualitative research—including archival work and interviews with political elites who were involved in the negotiations—with experimental and observational quantitative methods offers a unique opportunity to study the empirical implications of my theoretical argument from various angles, and to provide nuance to the proposed way of thinking about European cooperation in the shadow of national elections.

The findings speak directly to some of the central criticisms of democratic legitimacy in the EU. On the one hand, they corroborate the impression that in many cases European affairs have not attained the domestic salience they deserve. On the other hand, they also support the notion that European affairs have been politicized, especially so in the post-Maastricht era. European affairs have become an important factor in national electoral politics even though the importance varies across issues. In this, they have gone beyond the traditional impact of diffuse support for the EU on national elections. I show that it is not merely whether voters have warm feelings toward European integration that influence their electoral choices, but also whether they perceive the incumbent government as having been responsive on specific policies at the EU level. In this, I bring the study of EU legitimacy closer to our standards for established democratic systems, where we typically use specific policy support as a benchmark for accountability.

1.3 Plan of the Book

I develop my theoretical argument about responsive European cooperation in the shadow of national elections in two parts. Chapter 2 provides a historical overview of the changing motives for EU governments to act responsively in EU negotiations. Employing a variety of different data sources at the national and the European level, I demonstrate that incumbent governments have found themselves under increasing pressure to signal that their conduct in the European Union is responsive to the preferences of their citizens. Domestic partisan dealignment and electoral volatility have magnified their uncertainty over

the chances of winning reelection. Simultaneously, the incumbents' ability to appear responsive by making certain policy choices nationally has become more constrained by the widening reach of the EU. The intensifying domestic politicization of European integration has made EU-level policies more salient electorally, which has enabled citizens to hold their governments accountable for negotiation behavior and policy outcomes they can achieve at that level.

Chapter 3 develops the main theoretical argument about signals of responsive governance in the European Union. The first step is to understand how domestic elections affect the incentives and opportunities of governments to show themselves responsive through negotiations in the Council. I develop a domestic political economy model that links the competitiveness and timing of elections to the government's need to appear responsive at different stages of these intergovernmental negotiations. I adapt the typical definition of responsiveness in democratic system to fit the European context, and study both *input* and *output* responsiveness. The former refers to the government taking and defending positions that represent the interests of their national electorates. The latter refers to the government attaining policy outcomes that favor their national electorates. When governments are unable to signal responsiveness because they expect an unfavorable outcome, they might seek to delay these intergovernmental decisions until after national elections. Governments that face higher electoral uncertainty because of low public support or bad economic conditions, or who have to deal with European issues having been politicized domestically have stronger incentives to signal responsiveness in EU negotiations.

To study how governments can convey such a signal, I embed the domestic political economy model into a model of intergovernmental negotiations that take into account both formal procedures and informal rules in the EU. I argue that governments can use both individual and collective bargaining strategies to send signals about their responsiveness to the electorate. Governments can publicly stake out clear and unyielding positions that represent the prevailing opinion in the electorate, and they can keep defending these positions throughout the negotiation process. What outcomes these negotiations produce, of course, depends on the governments' competence in navigating the collective decision-making of the EU. They can use leverage that formal rules accord to them and influence that informal norms give to them to shape the policy in ways that move the outcomes closer to their preferences. They can also achieve informal understanding with other EU governments for mu-

tually beneficial reciprocal cooperation that allows each electorally vulnerable government to signal responsiveness prior to national elections. I dub this behavior *hidden cooperation* by analogy to similar opportunistic behavior at the domestic level, and to reflect the fact that it is achieved behind closed doors.

The chapter concludes with a general discussion of the empirical implications of the theoretical model that will be analyzed in the second part of the book.

Before delving into this, I scrutinize one of the central assumptions of my theory—that voters are willing to hold their governments accountable over European policy issues. Chapter 4 describes a survey experiment designed to analyze how publics respond to different signals of responsiveness and to assess the internal validity of the demand side of the model. I conducted two conjoint experiments through an online survey of more than 2,500 Germans in the fall of 2016 over two salient European policy issues: the provision of another financial rescue package for Greece, and the admittance of more refugees and asylum seekers into the EU. I asked respondents about their approval for politicians who participate in EU-level negotiations over these issues. The politicians differed in several characteristics that affect approval (e.g., experience, party affiliation, gender), and I provided respondents with various signals of responsiveness that correspond to concepts in my theoretical model.

The results are consistent with the assumption: voters are more likely to approve of politicians who present the voters' preferred policy position, defend that position throughout the negotiations, and succeed in achieving the desired outcome. Voters are also apt to blame politicians for pursuing policies they disagree with, and for failing to achieve outcomes voters like. These signals of responsiveness matter even when we account for partisan ideology—one of the strongest predictors of vote choice in Europe.

These findings, along with qualitative and quantitative evidence presented in subsequent chapters, underpin the causal mechanism and reveal the strong incentives for governments to signal responsiveness during EU-level negotiations. The rest of the book evaluates whether governments that face these incentives behave in ways consistent with the theoretical model and whether that signaling behavior has the expected effect on their domestic approval.

The first set of tests concerns the negotiations over the EU budget in the Council. These negotiations are particularly appropriate because the budget shares for individual Member States are allocated annually under formal rules that provide a baseline expectation of what these shares should be. The regu-

larity of the negotiations makes them especially useful for domestic election-eering, and the baseline allocations make it easy to observe when governments receive larger than expected shares.

In Chapter 5, I use a unique data set of all EU budget negotiations in the Council from 1970 to 2013 for a quantitative analysis of the size of allocations and its correlation with the need and ability to signal responsiveness. I find that EU governments with domestic elections in the near future receive significantly larger shares of the budget compared to those that do not have to face the voters. The effect has become more noticeable in the post-Maastricht era—when the EU became much more politicized—and is stronger when the upcoming elections are expected to be competitive because of a bad economy or low public approval for the incumbent government. The effect is also stronger when the electorally vulnerable government secures the hidden cooperation of the other members, and when the formal rules place them in a favorable bargaining position.

All of this evidence points to governments attempting to signal responsiveness over EU-level issues for domestic electoral purposes. But does it have the desired effect on the voters? I use aggregated Eurobarometer data to assess whether these signals are correlated with public approval of national governments. I find that public support for the governing coalitions increases when governments manage to secure larger budget shares in the annual negotiations. This result corroborates the experimental evidence presented in Chapter 4, and is consistent with the theoretical mechanism that grounds the governments' behavior during EU-level negotiations in domestic political necessities.

The statistical correlations might be persuasive, but one still wishes to know whether they were produced by the mechanism specified by the theory. This requires a far more fine-grained analysis of specific negotiations. In Chapter 6, I present a detailed case study of the negotiations over the EU financial framework for 2007-13. I use archival research and secondary sources to examine how various governments signaled responsiveness before elections: how they decided on the strategies to use and how their behavior shaped the policy outcomes. I consider the issues over which the Member States were in conflict, and examine the distribution of preferences among them. Since the principal outlier was the United Kingdom, the narrative focuses on how the coming enlargement to Central and Eastern Europe (CEE) motivated a showdown over the UK rebate. I trace the evolution of negotiations from hidden cooperation with the UK government, which was facing national elections, to a deepening

confrontation when opinion polls in France revealed that the proposed European Constitution was in trouble, to outright conflict when the German government lost critical regional elections, and finally to the UK bowing to the inevitable after a last-ditch attempt to shift the costs of its rebate onto the new Member States.

The analysis of this case also highlights the reasons governments might opt for different strategies. The negotiations held out little hope that the UK would obtain a favorable outcome on its budget rebate, whereas Germany and France expected a deal that the governments could promote as successful at home. Consequently, the Germans pushed for accelerating the negotiations to clinch that deal before their national elections, the French demanded tough terms to deal with the fallout of the failure of the Constitutional referendum, and the British dragged their feet to delay what they knew would be an unpopular outcome, first until after their general election, and then in the hopes of a friendlier German government replacing the pro-French incumbent. These findings provide further support for the theoretical mechanism.

The good thing about budget allocations is that they are easy to observe, and the outcomes relatively straightforward to interpret for public consumption. This makes them prime targets for election-minded behavior by member governments, but also raises the question whether electioneering incentives arise in policy areas that are not as transparent. To answer this, I look at whether governments signal responsiveness over a large set of legislative issues. In Chapter 7, I use an extension of the massive DEU II dataset, which includes not only the outcomes of various negotiations, but also the governments' positions on the legislative issues involved. I find that governments that face elections are much less likely to budge from their initial public commitments and more likely to achieve favorable policy outcomes. I further uncover an important difference in the conditions under which these signals occur. Since governments can unilaterally choose to defend their positions, the presence of elections should be sufficient to induce them to do so. On the other hand, since policy outcomes depend on collective decisions, the likelihood of obtaining favorable ones depends on whether other Council members consider the government especially vulnerable electorally. The analysis reveals that this is indeed so: while governments are just as likely to defend their positions irrespective of how competitive the elections are going to be, what their formal bargaining leverage in the Council is, and whether other members will cooperate with them, they are much more likely to obtain a favorable outcome

when elections are close, they have a bargaining advantage, and the others are likely to engage in hidden cooperation. These statistical results corroborate the conclusion from the qualitative analysis in Chapter 6, which highlighted how crucially dependent policy outcomes are on the collective bargaining process.

Unlike budgets that have to be decided on within some time-frame, negotiations over legislative acts can vary widely and their duration depends on a number of factors over which individual governments might have little control. Consequently, the adoption of these acts does not conveniently synchronize with the rhythm of the electoral calendar. This makes it challenging to utilize favorable outcomes for electoral gain but somewhat easier to avoid unfavorable outcomes prior to elections. In other words, it might be difficult to speed up legislative negotiations in order to capitalize on a good outcome, but not so difficult to engage in delaying tactics to push a bad outcome until after national elections. When are such tactics likely?

In Chapter 8, I use data on the timing of all legislative proposals that were negotiated in the EU between 1977 and 2009 to analyze when EU members prolong negotiations in order to delay unfavorable outcomes until after elections. Since outcomes require the collective agreement of most Council members, any proposals that could be detrimental to some government would be less likely to secure such agreement when that government faces elections. Cooperation in the Council is much more likely when nobody must immediately answer to domestic constituencies for agreeing to a bad deal. The statistical analysis is consistent with this argument: proposals negotiated close to national elections are significantly less likely to be adopted than ones negotiated during non-election periods. Delays are particularly likely when issues generate a lot of distributional conflict and EU members expect unfavorable outcomes. When enough proposals come up for decision close to national elections, the resulting tactical delays create legislative tides in negotiations.

As I did with budget negotiations, I supplement the quantitative analysis of legislative delay with an in-depth case study of a particular instance of a government using that strategy. In Chapter 9, I draw on personal interviews with political and administrative elites, archival work, and secondary sources to examine the causes and consequences of the German delaying tactics during the negotiations that led to the first bailout of Greece in 2010. This case is particularly interesting because it involves an outcome that would normally appear as an unobserved counterfactual: the situation in which the government abandons its attempt to postpone a decision until after the elections. Since gov-

ernments only engage in delays when they believe doing so would give them an electoral advantage and because they are usually good at dragging their feet, we can only infer indirectly what their disadvantage might have been had the unfavorable outcome materialized before the elections. It is not often that a government is forced to change its strategy before the elections. Only some exigent circumstances that suddenly increase the costs of delay so much that they outweigh the electoral benefit of avoiding the outcome could compel them to reverse course and accept the punishment at the polls. The German government was subjected precisely to that sort of unexpected severe shock that derailed the original strategy and exposed the unfavorable deal before the elections. I provide evidence for the initial decision to delay, the surprise developments that forced a re-evaluation of the strategy, and the electoral consequences of a late reversal expected by the theory. This, then, is the rare case that validates the government's fears of being punished by the electorate when they fail to signal responsiveness in their EU-level policy negotiations.

In Chapter 10, I pull together the evidence to assess the strengths and weaknesses of my theoretical argument, and note how it can be applied beyond the European Union. Circling back to the original motivation for the book, I then ask what these results tell us about the EU's current crisis of legitimacy, and possible ways of dealing with it. Since the crisis is essentially about the EU's perceived lack of responsiveness, the finding that member governments are, in fact, responsive when it comes to both budget and legislative policy suggests that part of the problem could be that the electorate is paying insufficient attention to European affairs or that there is insufficient transparency for them to assess the behavior of their governments when deciding how to vote. Politicizing of European cooperation and greater transparency of decision-making at the European level would increase the incentives for governments to behave responsively—making the Union more democratic and therefore legitimate—but these measures come at a price. The way governments become more responsive—by standing firm on domestically popular positions and attempting to redistribute policy benefits and costs so that they favor their publics—is likely to cause much more conflict among member governments. At the same time, relaxing the secrecy of the process will make it much harder to reach deals through hidden cooperation. Coupling this with more demanding and inflexible bargaining stances would lead to frequent breakdowns in policy cooperation. This would decrease the EU's effectiveness in contributing to its citizens' welfare, which in turn would undermine its legitimacy.

Proponents of a more democratic and politicized European Union tend to assert that the Union's institutional structure is strong and adaptable enough to cope with this conflict while retaining much of the Union's usefulness. This optimism is unwarranted because it presupposes that Europeans will become more positively disposed toward the EU if it becomes more democratic, and this is not necessarily so. Without a true European *demos*, the largely co-operative nature of EU decision-making that works well behind closed doors would disintegrate in the harsh light of public opinion that would force governments to operate under the threat of voters' wrath at the polls. The resulting fear would inevitably impel governments to pander to their constituencies, and they would pull in different directions at the common bargaining table. With less being achieved at the EU level, citizens would rightly come to question the need for an "ever closer" Union, or any Union at all.

This is not to say that the EU should not strive for greater democratic legitimacy. Indeed, it is imperative that it does, especially now that it has succeeded beyond the expectations of its founders. But how does one preserve effective cooperation while making governance more responsive? I argue that there is no magic institutional arrangement that would solve what is after all a fundamental problem of governance inherent in any representative system: the tension between responsiveness to the short-term will of the voters and responsibility to craft effective long-term policies. Based on my findings, which indicate that governments are trying to signal responsiveness to their constituents but that the effectiveness of these signals is not very high, I suggest that the EU should actively seek to promote general awareness of its activities and its benefits. It cannot rely on the tender mercies of office-motivated national politicians whose incentives are to appropriate all the credit for successful collective policies and deflect any complicity in unpopular ones (usually by blaming the EU). It should strive for transparency but not for politicization, and perhaps it should remind the European citizens why it came about, and what its role has been in promoting both lasting peace and prosperity on the continent. The Union can be saved and enhanced, even if not in the pristine form its founders envisioned. Otherwise, many more would be in the unenviable position of the Britons, who are only belatedly beginning to discover what they had in their fractious membership in the European Union.

10 The European Republic

St Simonianism is finished. It can't work when you
have to face democratic opinion.

Pascal Lamy, European Commission

Jean Monnet's grand vision was one of lasting peace and prosperity for Europe. As desperately needed this vision was for the war-ravaged continent, it was by no means obvious how it could be attained. Europe had known spells of peace before—the long nineteenth century had seen one that had lasted for fifty years, and another that lasted for forty—but war had always come back, each time more vicious and destructive. The last one had left most of Europe a smouldering ruin, and it had come on the heels of another that itself had been so unprecedented in its intensity that people had simply called it the Great War. Now it had merely become the first.

Among the myriad explanations for how Europeans were plunged into madness not once but twice in a single generation, one stood out. Governments had not considered the status quo sufficiently attractive—either because they found the existing distribution of benefits unsatisfactory or because they believed it was changing to their ultimate ruin—and they had been willing to disrupt it with violence. They were motivated by domestic concerns and ambitions that the international system had repeatedly proven to be incapable of restraining. The remedy for this diagnosis was simple: governments had to have reasons to want the status quo preserved, and reasons to prefer that any necessary revisions be made peacefully. But, to paraphrase Carl von Clausewitz, everything in peace is simple, but the simplest thing is difficult.

Monnet's fundamental insight was that it would be futile to place one's faith in an international institution when governments could still pursue their nationalist designs unfettered by anything but the potential that others might fight back. A peace secured only by the threat of war cannot last—governments must have a stake in preserving it.

This meant, first and foremost, that Germany would have to be fully re-integrated into the postwar system. This was how the victorious allies had treated the vanquished French in 1815, and this was the lesson neglected by the writers of the Treaty of Versailles in 1919. The winners of this war would have to set aside their thirst for revenge and their desire to have the losers pay for their recovery. Instead, the victors would have to focus on building toward common prosperity that would give the defeated ones reasons to live in peace. This had proven beyond the political will of the victors of the First World War, and there was no guarantee that governments would not set out to appease their domestic audiences again. If new arrangements were to be made—and the Second World War was the terrible reminder that it was imperative to try—then governments would have to be protected from the buffeting of national politics.

Attempting to do everything at once would certainly doom the project from the start: the more interests the new institutions affect, the stronger the pressure on the government to consider them. Monnet realized that the only way forward was incremental: starting small with something that could be implemented with minimal agreement, and then using the success of each individual step to build a momentum toward the next one, all the while improving the conditions of living in peace. This process would not only aid in the economic development of the states; it could make the governments and their publics believe that a future of shared prosperity was possible, while also teaching them how to attain it. Hopefully, these would be reasons enough to preserve the peace.

And thus it was that the architect of the European Union started small—with the integration of the coal and steel industries of France and Germany—and insisted on institutional arrangements that would insulate the governments against the vicissitudes of domestic politics. National sovereignty was diluted by design, as was the muting of the publics. The process of ever deepening integration would be self-sustaining, propelled by the tangible benefits that it created for the participants.

The principle of delegating authority so that policies for the common good are not determined by short-term parochial interests is quite entrenched domestically. Indeed, this is one reason why all modern democracies are representative rather than direct, and why federalism is so prevalent among the

larger ones.[1] When people elect representatives to make the laws that govern them and design the policies that affect their lives, they do so knowing that it is quite likely that there will be some divergence between what they want and what gets done. Indeed, if the representatives do their jobs properly, then it is almost inevitable that some divergence there would have to be. Hewing too closely to the wishes of one's constituents might make a representative responsive, but it would defeat a key reason for having that representative in the first place.[2]

Citizens do not need a mirror that just reflects their wishes—often inchoate and ill-informed as they might be—they need agents who would faithfully account for their interests but settle on a policy that appropriately balances them against other considerations. For the representatives to have the freedom to act in this way, they must be somewhat protected against immediate public backlash. The danger is that providing them such protection makes them unaccountable for their actions, which deprives them of a powerful incentive to be faithful to the interests of the people they represent.

This is the fundamental tension between the benefits of delegation and the costs of losing control of the agent (Scharpf, 2003, 5). It is never fully satisfactorily resolved, as the countless variations in electoral systems, term limits, and extents of direct popular involvement can attest.

This is also the tension inherent in the delegation of authority to international organizations, part of whose design is to prevent national interests from undermining the possibility for cooperation. Conflicts between general welfare and short-term particularistic interests can arise in areas as diverse as trade, human rights, economic development, and peacekeeping operations. Issues of intergovernmental cooperation could be at least partially de-politicized if they are transferred to the domain of an organization that is staffed with experienced bureaucrats mostly concerned with the technical aspects of achiev-

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[1]See Caramani (2017) for a recent discussion of representative democracy and its two most prominent challenges.

[2]This is the conflict between demands for responsiveness that emphasize the need for the government to act in accordance to the preferences of the citizens, and demands for responsibility that emphasize the need for the government to take into account long-term needs of the citizens and domestic (constitutional) as well as international commitments, if any. See Dahl (1956); Birch (1964); Scharpf (1999). What it means for a government to be "responsible" is also not entirely straightforward. Some identify it with accountability, but others talk of predictability and consistency, while others focus on efficiency and effectiveness (Mair, 2009).

ing the common goals. When their apolitical approach does not founder of the hard realities of politics, there is a good chance that such an organization could produce policies that are close to optimal from the perspective of the collective. This, at least, is the promise that makes international organizations so attractive.

The desire to wall off the organizations from the hurly-burly of national politics is easily seen in their institutional design. Shifting trade policies and related dispute resolution to the World Trade Organization (WTO) or the North American Free Trade Agreement (NAFTA) insulates decision-makers from the pressure of various domestic economic groups whose clamoring for exceptions, tariffs, or subsidies would otherwise raise protectionist barriers to trade that would be economically inefficient. Delegating developmental policies to the World Bank or the African Development Fund makes it possible to implement projects that maximize goals other than strategic geopolitical interests; goals like sustainable social and economic development, or environmental protection and conservation. Delegating peacekeeping to the United Nations (UN) enhances the legitimacy of the operations by signaling broad consensus among the great and minor powers, increases the costs of resisting them with force, and in the end improves the chances of their success.

The downside of all this insulation is that national interest groups, elites, and citizens might have precious little control over what these organizations do and even over what their own governments are up to behind the closed doors where much of the interaction at the highest levels takes place. When the outcomes diverge from their preferences, these audiences could come to regard them as unrepresentative, undemocratic, and therefore illegitimate. This can undermine the organization because it would erode the good-will that is supposed to keep it functioning, and because it might generate a push for the national government to operate outside the confines of an organization that repeatedly fails to deliver outcomes these audiences like.

Organizations to whom authority is delegated must therefore tread carefully between two extremes. On the one hand, they cannot be too responsive to national demands or they risk losing all the advantages that motivated their establishment. On the other hand, they cannot be too non-responsive to these demands or they risk losing the support that sustains them. This means that the responsiveness of international organizations, much like representation in

democracies, is not a question of either/or, but rather a matter of balance.[3] In this context, legitimation is neither purely procedural nor entirely instrumental, and it has elements of both.

When European integration started, it was guided by Monnet's perception that democratic responsiveness to domestic publics would be a serious obstacle to progress, especially when the benefits might take several years to begin to materialize. Starting small with particular industries and only six members ensured that only few domestic interest groups would be affected, and so resistance to the approach would be minimal. Starting with the key industries related to war-making ensured that the practical aim of reducing the chance of war could be furthered by making it, as Robert Schuman said, "materially impossible" to wage war (since coal and steel production would be governed by a supranational centralized authority).

The European Coal and Steel Community could be regarded as a proof-of-concept, and it worked. Governments found it beneficial to transfer a growing number of policies—over which they had traditionally exercised sovereign rights—to the set of institutions that morphed into what eventually became the European Union. But as the range of delegated policies widened, as their scope deepened, and as the number of members expanded, more and more domestic interests became directly affected, more and more people started to pay attention to what the Union was doing, and more and more of them discovered that they did not approve of what their own governments were doing. That this should occur had been part-and-parcel of the vision for an ever-strengthening Union.

In this sense, the idea that European integration could proceed indefinitely in an insulated technocratic cocoon was always utopian. It was inevitable that this elitist and top-heavy version of the European Union would become a victim of its own success. The hue and cry raised by those who allege that the EU suffers from a democratic deficit—the charge becoming especially potent since the ratification of the Maastricht Treaty—must be understood in its proper context. The EU does not face a crisis of legitimacy but a problem of balance: it must be more responsive (in publicly visible ways) but it must continue to function. It is just that its traditional tradeoff that privileged superior policy outcomes over procedural legitimation at the domestic level—its "policies without politics"

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[3]Sartori (2005); Mair (2009). Scharpf (1999) says that the challenge is to be both democratic and effective.

model—had become unsustainable precisely because it had worked so well.[4]

One of the main goals of this book is to convince the reader that a proper understanding of how the fundamental tension resolves itself in the European Union shows that both defenders and detractors of the EU have overstated their concerns. Simply put, it does not matter how much one tries to ward off the spirit of domestic politicking through institutional designs. Politics always finds a way. The institutions can only hope to channel it, and often shutting off one route merely causes politics to burrow another.

The EU has not been insulated against domestic politics nearly as much as the technocratic defenders would have liked it to be. The findings strongly support the idea that Member State governments are quite sensitive to electoral concerns, and this causes them to signal that they are responsive to the relevant constituencies. The signals range from something as mild as adopting policy stances that are congruent with the wishes of the constituents, to stubbornly defending these positions throughout negotiations at the EU level, and to the most persuasive signal of all: delivering policy outcomes to their liking. Governments do these things because voters tend to reward them for such performance, as I found in both experimental (Chapter 4) and quasi-experimental (Chapter 5) settings. The pervasive worry about looking bad at the polls motivates legislative behavior so strongly that governments are exceptionally unlikely to publicize any concessions they make irrespective of how non-salient they might be to the constituents. There is also evidence that governments understand these incentives quite well and are willing to cooperate with a fellow member experiencing electoral distress even behind the closed doors of the Council (provided, of course, that they would not rather see the opposition replace the incumbent government). With the citizens in EU Member States having become more aware of the Union's role in their lives—for good or bad—domestic opposition parties have found it expedient to politicize the incumbent government's actions at the EU level, further strengthening the linkage between what the publics want and what the governments do at the supposedly insulated intergovernmental level.

All of this should make the detractors of the EU less despondent. But the problem is, the way domestic pressure manifests itself and gets reflected in policy-making might often be quite unsatisfying. When it comes to ne-

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[4]Schmidt (2006) notes how this model of governance in the EU has contributed to what people perceive to be its democratic deficit.

gotiations over the annual budgets (Chapter 5) or the Multiannual Financial Frameworks (Chapter 6), governments seem quite responsive in uncontroversial ways: they seek to secure larger shares of the total receipts and redirect expenditures toward headings where the access rules favor their own constituents. However, as the MFF case study shows, when governments expect that they will have to compromise in ways that their publics will disapprove of, they would try to evade being held accountable for their actions by delaying the unfavorable outcome until the elections are safely in the past. This seems to be the prevalent *modus operandi* in legislative bargaining, where cheap public posturing on behalf of the constituents (Chapter 7) often resolves itself in private concessions after the fact (Chapter 8). And all of this is enabled by the opaque decision-making in the Council, the organ that still retains primacy in much of the EU's policy-making. When these sorts of considerations are combined with policy proposals from the Commission that are sometimes extraordinarily apolitical, it is no wonder that detractors of the EU often see a supranational entity run amok, with national governments either permitting that through disability or inaction, or actively conniving with it out of public glare.

For one who considers the fundamental tension, however, it is not difficult to argue that a government that resorts to a strategic delay is doing exactly what a responsible representative of its constituents' interests should do: it makes the hard decision that goes against their wishes, and protects itself against an unjustified backlash that might arise for no other reason than it being advantageous to the political opposition to make the decision an electoral issue. When the electoral threat is especially potent, the government might fail to discharge its policy-making responsibilities in a timely manner. In extreme cases, it might wind up hurting the constituents it was aiming to protect with the policy they dislike, and, ironically, it might get punished by these same constituents for even trying to protect them (Chapter 9).

The findings that EU governments are responsive to domestic interests, at least around election time, have several implications that bear on different strands in the literature on EU and democracy more generally. First, it is uncontroversial that the EU's widening and deepening reach has changed and constrained national and subnational governance in its Member States. If this entailed only a surrender of sovereignty in the name of economic efficiency, then the process would truly be problematic from a representative perspective. But if governments actively influence EU-level policies for the same of na-

tional (and, as we have seen in the German case during the MFF negotiations, also subnational) interests, then the supposed loss of autonomy is not nearly as great as critics fear. National governments have become more sensitive to domestic political concerns and have used the institutional structure of the EU to negotiate deals that reflect them. As one might have supposed, when constituents start to worry about EU policies that impinge on their lives being decided without their knowledge and without being subject to their control, their own governments seek to reassure them that they are working on their behalf. In doing so, they have exposed themselves to the traditional accountability mechanism, the election.

Second, it is not really a problem that these governments are responsive to national audiences. Critics of the EU argue that the Union should be responsive to the "European" citizenry, which has led many of them to pin their hopes on an increasing role of the European Parliament. Setting aside the very basic (and in reality almost insurmountable) difficulty posed by the nonexistence of a European demos—what, exactly, interests is the Union supposed to be representing?—the trouble with these criticisms is that they posit an artificial standard against which they propose to judge the EU. I do not mean that the standard is merely unrealistic, I mean that it is undesirable.

Why should "national" be a dirty word when it comes to interests represented at the European level? The justly vaunted consociational democracies in the Union have managed to protect their ethnic, cultural, linguistic, and religious minorities (McRay, 1974; Lijphart, 1999). There is no reason to suppose that the EU would fail to protect its "national minorities." The patterns of electoral accountability and responsive governance in the EU are strikingly similar to those found in many advanced democracies, including majoritarian ones like the United States, where governments are responsive even when accountability is weak.[5]

In fact, if we were to apply the same standards of representation demanded of the EU toward national governments, we would find fault with every federal state. In a federal system, the central government signals responsiveness to citizens of its various subnational units by promulgating policies that are often determined in the give-and-take of negotiations designed to satisfy specific constituencies in these units (Wlezien and Soroka, 2011). This is not only so

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[5]Przeworski, Stokes and Manin (1999); Ashworth and de Mesquita (2014); Achen and Bartels (2015).

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by design, it is considered as a fundamental aspect of the legitimation of these policies.

In the U.S., the House of Representatives is expressly set up to give the elected politicians reasons to be responsive to their home state districts that sent them there. And whereas the U.S. Senate was constructed in part to balance the inevitable centrifugal tendencies of the House, its construction—wherein each state gets two votes—was intended to protect the interests of the smaller states so they would not be trampled by the larger ones (since the allocation of seats in the House depends on population size). Along these lines, the German upper house, the Bundesrat, represents the sixteen states (Länder) at the federal level. Unlike the U.S. Senate, its members are not even elected—they are appointed by the state governments—and the number of votes depends on the population although not proportionally (again, to ensure that the smaller ones do not end up with too few votes to make a difference). One might quibble with the effectiveness of representation in the United States and Germany, but few would call these systems undemocratic.

The analogy with existing democratic federations should not be pushed too far: there is a lot more variation among the citizens of the EU than in any single federal state, even the most diverse one. This suggests that perhaps national interests *are* an appropriate aggregation of subnational preferences around which representation should be organized, much like it is in the Council, in conjunction with a more direct representation, as it is in the Parliament. And before a true "European" demos is formed, it is unrealistic to suppose that the Member States whose governments must champion these national interests would fail to consider both their contributions to and their benefits from the common policies.

This harkens back to the ancient principle of no representation without taxation: those that contribute the most toward the common good, get a disproportionate voice in deciding the contours of the policies to achieve it and, in some limited instances, what constitutes that good. In this, the EU resembles the celebrated Dutch Republic of the 17th and 18th centuries, where sovereignty lay with the provinces and their States, where the contributions to the "federal" budget depended on the relative wealth of each provinces, and where each province had one vote in the States-General, in which unanimity was the rule, but where most important decisions were made in the Council of State,

in which the wealthy provinces had more votes.[6] Even the EU's funding system is reminiscent of the Dutch one: the States-General had its "traditional" resource that mostly consisted of customs duties, but its largest source of revenue was the analogue to the GNI-based resource: the provincial contributions based on negotiated quotas. For someone accustomed to the EU's Big Four to be disproportionately influential in setting policies for the Union, it would not come as a surprise that with Holland contributing an average of 58% to the common budget of the Republic, and jointly with Zeeland and Utrecht, an average of 75%, the Republic's Big Three decided most of its policies.

One could continue with the astonishing parallels that could justify calling the EU the European Republic, but the point is that a system of representation that attempts to balance the reality of important contributors having to be motivated to pony up the cash for the common policies with the ideal of all constituents having equal voices should not be faulted for failing to implement the ideal to the hilt.

Most of the work on responsive governance in the EU has focused on its supranational aspect, which is why it privileges the Parliament as the directly elected representative of the European demos (of course, even there groupings linked to national parties play an important role). Just like one would get a distorted picture of German politics by studying only the Bundestag, one cannot fully understand responsiveness in the EU by focusing only on its Parliament. Domestic democratic legitimacy depends on the functioning of the institutional complex, which must be considered in its entirety because the separate institutions are often designed to address certain shortcomings of the others, and the function of the collective depends on the interactions of its constituent parts. And so it must be with the EU. My book is intended to complement the extant studies by drawing attention to the fact that responsiveness is also the reality in that governing body that was supposedly immune to it, the Council.

The finding that even the secretive negotiations in the Council end up being an arena were national interests get played out in the electoral shadow has implications beyond the European Union. Many international integration projects such as Mercosur, NAFTA, the WTO, and even to some extent the United Nations, are said to face legitimacy crises similar to the EU's. The breakneck

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[6]For a concise overview of the system of governance in the Dutch Republic, see Israel (1995, 276–306).

speed with which some of these processes have unfolded has generated fears that with governments delegating so much authority to these organizations, the domestic political rulers are becoming unaccountable to their publics, and so the ordinary citizens are being left behind. Scholars have noted, of course, that interest group pressure would motivate governments to pursue certain benefits from these organizations, but as a rule not much attention is paid to public opinion or elections except when they throw a monkey wrench into the smooth operation of the international machinery.[7]

If the EU could serve as an example, however, then there is no reason to believe that the publics could not influence delegated policies constructively. One might raise the objection that the EU is *sui generis*, and so no such parallels could be drawn. But in this case the atypical nature of the Union works to the argument's advantage: if it is the case that governments of Member States remain responsive to their publics even in the most integrated international political system in the world, then why should one fear what they do in institutions much less binding than the EU?[8]

For the mechanism I identified to work, however, the constituents must be at least minimally aware of the policies that affect their well-being and that are being decided in these organizations. I do mean minimally, as in: there must at least be a potential that the issue could become politicized domestically. The process through which that happens is not that important. It could be that powerful interest groups press strenuously for benefits on behalf of their members, like the agricultural lobbies in the U.S. and the EU that caused so much grief to proponents of trade liberalization during the Uruguay and Doha rounds of WTO negotiations (Hudec, 1993; Davis, 2004). It could be that opportunistic politicians deliberately inflame domestic passions in order to enhance their own electoral prospects (as we have repeatedly seen in the case studies in this book). It could be the government officials themselves when they seek to trumpet their international achievements (even when these

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[7]Caraway, Rickard and Anner (2012); Chaudoin (2014); Pervez (2015). A notable exception is the formal model developed by Dai (2005).

[8]We do, in fact, have evidence that perhaps one should not, at least in two such organizations. Dreher and Vaubel (2004) find that new net credits from the IMF are significantly larger in pre-election periods, and that borrowing from the International Bank for Reconstruction and Development significantly declines after elections. Likewise, Rickard and Caraway (2014) argue that elections give countries more leverage in their negotiations with the IMF, and they manage to obtain less stringent labor market conditions in IMF loan programs.

achievements are illusory, as in the case of Filipino mayors who put up billboards announcing World Bank grants for their municipalities to claim credit for policies over which they had absolutely no influence whatsoever (Cruz and Schneider, 2017)). A government that cannot guarantee that something it does internationally would not blow up in its face domestically will very much care about the electoral optics of its actions.

On this dimension, developments have mirrored the European experience. Many of these international organizations have come under increased public scrutiny, and the globalization of communications has spread information faster and wider than ever before. Governments have become acutely aware of the need to defend national interests defined more broadly and of the possibility that they might be called to account for the agreements they have struck. The danger now is not that the technocratic train would run over the national publics but that the politicians terrified by the polls would derail it.

And this danger brings us back to the EU. Whither the Union?

Critics allege that the EU is in a crisis of legitimacy but as I have argued above, if this is indeed a crisis, then it is one that engulfs all democracies. Research on the responsiveness of European institutions—supranational bureaucrats in the Commission, political elites in Parliament, national politicians in the Council—shows that many of the specific allegations are overstated. The Commission has not become unmoored from Member State concerns (indeed, if it ever was), and the institutions with some sort of national representation exhibit clear patterns of responsive behavior. But much somber assessment is lost in the cacophony of assaults from both the left—charging that the Union does not do enough to promote the rights of various under-represented groups— and the right—charging that the Union tramples over national interests. The dilemma created by the fundamental tension is real enough, but its ruthless politicization has been exploited by populists of all stripes. Euroscepticism is on the rise, and politicians who often seek to evade blame by pinning bad outcomes on the Union are getting trapped by their own rhetoric (Schmidt, 2006). The EU has singularly failed to raise awareness of the valuable role it has played in keeping the peace and in promoting European prosperity after the war.

The book has both good news and bad news on this front. The findings that governments try to signal that they are responsive in EU negotiations and that this conduct tends to be associated with outcomes closer to their preferences are encouraging. Even more so is the evidence that this is not limited to the

Council,[9] but also clear in Parliament and even the Commission.[10] The institutions are adjusting as policy without politics has become untenable. The politicization of the EU can also instruct citizens about responsible governance and the limits of purely democratic processes (Rose, 2014). Knowing more about the situation in other Member States is also helpful. For instance, voters are now much more likely to judge the economic performance of their own government in reference to how other states are doing rather than in absolute terms. Presiding over a slumping economy is no longer a political death sentence if the economic troubles are widespread (Duch and Stevenson, 2010).

The bad news is that it is not clear that voters have updated their beliefs about the state of European democracy. The findings also show that governments try to evade taking responsibility for outcomes their publics would find objectionable. Legislative delays are pervasive, and the case studies reveal the lengths to which some governments would go to avoid being blamed even for policies they themselves either favor or at least acknowledge as necessary. These strategies work in the short term—as long as the government can maintain the facade of being a resolute defender of the positions the audiences prefer—but the weight of accumulated evidence must eventually catch up with them. The consequences of electorally-induced deception could be catastrophic if citizens lose faith in the institutions, and one can be certain that domestic political opposition would never be far away to remind them about past transgressions.

The generation that fought the last great war is gone, and the generation that remembers the desperate postwar years is receding from the stage as well. The instinctive support for policies that countered nationalist tendencies has weakened, and ideologies that would have been considered beyond the pale because of their associations with the dark past only two decades ago have resurfaced. It is another one of the sad ironies of European success that the prosperity and peace that had been the *raison d'être* of the Union have caused many of its citizens to underestimate the costs and risks of abandoning the common project to pursue narrow national goals. Although the EU is not blameless in allowing the rot to take place by sitting idly by when politicians

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[9]Aside from my own work, see also Hagemann, Bailer and Herzog (2016); Alexandrova, Rasmussen and Toshkov (2016); Wratil (2017).

[10]Van der Eijk, Franklin and Marsh (1996); Thomassen and Schmitt (1997); Rittberger (2007); Williams and Spoon (2015); Spoon and Williams (2017); Rauh (2016); de Bruycker (2017).

pecked at it for domestic gains, it is inherently challenging to claim credit for avoiding the dreadful paths not taken (where one must argue a counterfactual) while confronting dissatisfaction with the path that was (where one must deal with facts).

The EU is attempting to reform itself to cope with the perceived crisis of legitimacy, and among its leading efforts is the push to increase the transparency of policy-making. It is not at all clear that this would solve the problem in light of the above considerations. People often have this notion that more information and more deliberation are more likely to produce consensus, but there is no evidence for this in either fact or logic. Quite often, all they produce is a realization that the goals are further apart than they had seemed initially, and that the gulf might be unbridgeable. And yet, democratic decisions still have to be made, and preferably without resorting to means that endanger the peace.

Some transparency is, of course, necessary because delegation must remain a fact, not just a meaningless trope for a form of governance more often honored in the breach. It could help alleviate the problem of governments trying to camouflage their complicity in unpopular but necessary policies by pretending that they are *diktats* imposed by Brussels. It could prevent governments from usurping credit for success when they festoon their campaigns with accomplishments they contributed little or nothing to while conveniently omitting any mention of the crucial role played by the EU.

Radical transparency, however, would certainly increase the politicization of the EU. Some believe that this would be a good thing because it would enhance democratic accountability of political actors at the EU level.[11] But it is too much to expect that elected politicians would stop politicking for office. Few would have the courage of conviction to swim against the popular tide, and if they did, their parties would probably make short work of their careers. There is precious little in these schemes that guards against swinging too far toward responsiveness and abandoning responsibility altogether. They also fail to consider the reality of European compromises often being forged precisely because of hidden cooperation in the Council. In the context of divergent public preferences, transparency is likely to increase the levels of conflict in policy-making. This would drastically reduce the effectiveness of the Union, which in turn would undermine its legitimacy even further because it would

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[11]Transparency is not the only proposed means of increasing politicization in this belief of its salutary effects. See Hix (2008) for a concise summary.

aggravate the doubts about its necessity and desirability. It is not at all clear that the technocratic extreme is worse than its populist variant.

Responsiveness without responsibility would doom the European project, and, unfortunately, it is often well nigh impossible to impress upon people what they have until it is gone. This book was written before the British public voted to take the UK out of the Union, and although the argument anticipated the possibility, I would not have predicted it. The silver lining is that the shock of this withdrawal has forced Europeans to think harder about the value of their Union, and to realize that there is much more to it than faceless bureaucrats in Brussels twirling their thumbs or spending their time penning long memoranda about the size and shape of bananas. According to the Bertelsmann Foundation, which conducts surveys in the six most populous Member States, in the aftermath of the Brexit vote, public approval of the EU has risen in all except Spain (Bertelsmann Stiftung, 2016). And while before Brexit 41% of Danes and 49% of Austrians had favored holding referenda on continuing their membership, only 32% and 30% did afterwards.[12]

It is painful to contemplate that it might have taken the self-immolation of one of the most valuable members of the Union to awaken the nascent European demos from its complacent slumber. But perhaps there is no other way. No institutional wizardry or economic pyrotechnics can substitute for the bedrock of a steady popular support. At the end of the day, the key to the survival of the European Republic is the property of its citizens.

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[12]Rick Noack. "After Brexit and Trump's victory, Europeans are beginning to like the E.U. again." *The Washington Post*. November 24, 2016. https://www.washingtonpost.com/news/worldviews/wp/2016/11/24/europeans-start-liking-the-e-u-again/?utm_term=.ae84462cd828, accessed: February 5, 2018.