Re-Defining Europe:
Decision-Making, Implementation and Support of Economic Policies of the European Union

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Leon Kanthak, Dipl.-Pol.

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Referentin:	Prof. Dr. Christine Trampusch
Korreferent:	Prof. Dr. André Kaiser
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To my parents

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Chapter 1: Introduction

1.1 Introduction

In the 1970s, Donald Puchala (1971) famously likened theorizing international integration in general and European integration in particular, located in between national and international politics, with blind men touching various parts of a (growing) elephant and consequently disagreeing strongly about the nature of the beast. Since then, the European Union (EU) has only become more complex – and so has the set of theories applied to describe, conceptualize and explain it. The goal of establishing consensus on a single unified theoretical framework to understand the EU thus appears 'as elusive as ever' (Pollack 2015: 26), the field resembling 'a mosaic providing a multifaceted and never complete picture' (Wiener and Diez 2009: 243). At the same time, various mid-range theories, often drawn from different sub-fields of political science such as international relations, comparative politics or political behavior, have been fruitfully applied to it (Pollack 2015). The political system of the EU, the elephant, may be *sui generis*, but its constituent parts are all familiar to political scientists. If (national and international) politics is all about who gets what when and how, the same is certainly the case for European politics and there is no *a priori* reason to expect that distributional and ideological conflicts characterize the process of decision-making to a lesser extent than at the national or international level.

This is nowhere more obvious than in EU economic policy-making. The effects of economic policy choices on the actual distribution of resources both within and across societies is particularly obvious (see e.g. Frieden 1991). At the same time, there are wide ideological differences in views about the proper economic policies to determine an appropriate balance between the state and the market – and the proper role of the EU in their making (Hooghe *et al.* 2002; Scharpf 1996). It thus constitutes a policy field that has been, is and likely will remain highly contested. It also constitutes a field of dynamic change. Especially the euro crisis has contributed to a flurry of activities and major policy innovations by creating 'an opportunity structure for European integration' (Tosun *et al.* 2014: 208). Taken together, the resulting process of reforms of EU economic policies, including, for instance, the six-pack and two-pack reforms, the Fiscal Compact, the Treaty establishing the European Stability Mechanism and the banking union, has been quite groundbreaking. It is frequently described with terms such as 'redefinition', 'far-reaching reconstruction', 'fundamental overhaul' or 'step-change' or simply as 'one of the most rapid periods of deepening of integration in EU history' (Menz and Smith 2013: 196; Schimmelfennig 2014: 323; Yiangou *et al.* 2013: 223; Laffan 2014: 279; Jones *et al.* 2016: 1012). It is therefore unsurprising that over the course of the last ten years, a large and multifaceted literature has emerged which analyzes the EU's new economic governance through a variety of theoretical lenses and with a variety of research questions in mind.

This dissertation as a whole is guided by an overall interest in the manifold links between politics and EU economic policy in action. The EU is sometimes described as a 'policy-making state' or 'system' (Richardson 2015; Hix and Høyland 2011) based on the insight that in terms of policy generation, the EU's capacities have come to resemble those of traditional states. Policy-making in the EU, as in other political systems, can be characterized as a multi-stage process, although the process is arguably more complex than in nation-states because it takes place in a more dynamic institutional setting and involves a variety of actors and multiple levels (Young 2015). The contributions assembled here move through the policy process and the various levels to provide a broad picture about the making, application and reception of EU economic policies. While each of the chapters engages with a different stage of this process, this is not based on the assumption that these stages are always clearly separated in political practice or that they follow a universal sequence. Rather, the underlying assumption is that each of these stages of the policy cycle follows a different logic and thus requires a different theoretical toolbox to be analyzed and understood (see Young 2015).

This dissertation engages with the literature and the broader debates about EU policy-making in three distinct ways. The three general questions that serve as starting points concern (1) how EU economic policy is made, (2) how it is applied in the member states and (3) how it is received by citizens. Although these are distinct questions that require different research designs and levels of analysis, the EU, the national and the individual, at a more general level they are closely interconnected. First, decisions on policy substance are crucial as governments adapt to and as citizens develop opinions about them. Second, actual implementation by national governments is critical for understanding EU policies beyond the letter of the law and it is in implementation that policies take effect. Third, it is by now widely agreed that the EU's ability to coordinate economic policies depends on the support of the European citizens, at least in the long run.

None of the three articles written as part of this dissertation provide final answers on the broad questions about the direction, potentials and drawbacks of European integration which have guided much of the research in the field, nor do they subscribe to the admittedly attractive assumption that the process follows a single universal underlying logic. In EU economic policy, various modes of decision-making coexist and various factors shape whether governments implement corresponding policies and whether citizens support them. One more general lesson can, however, be drawn: policy substance matters. It is contested in the making of EU decisions and largely determines the positions that individual actors involved take. Substance is also crucial for understanding whether governments implement it or not and whether citizens support it or not. As a result, the picture of unconditional approval of or opposition to the EU appears overdrawn. In the early days of European integration, observers saw the project as almost deterministically geared towards 'ever closer union' (Haas 1958). In more recent times, it has become more common to view the EU on an inevitable path to its own demise (Garton Ash 2012) or at least to a standstill (Hooghe and Marks 2009). The studies compiled here suggest that there is nothing deterministic or inevitable about the past, current and future trajectory of EU economic policy. In fact, there is no EU economic policy in singular, but a variety of different policy options, some of which are pursued – oftentimes at different speeds – whereas others are not. In this context, the very 'meaning' of European integration in this field remains contested and in flux.

The following section introduces current theoretical debates on the EU and how these are linked to the making, implementation and public support of EU economic policy as a field of dynamic change and increasing importance both in political practice and in research. After this, a section provides an overview over the three studies, including a discussion of methodological choices, substantive results and contributions and their current status.

1.2 State of the art: the new EU economic governance

Since the onset of the euro crisis, EU economic governance has been substantially broadened and deepened.[1] Observers quickly noted that flaws in the design of the EU and the eurozone in particular may have contributed to the crisis (De Grauwe 2013). Aside from immediate crisis relief action, the removal of such perceived imperfections became a key area of reform efforts in the (post-)crisis period (Buti and Carnot 2012). In general, this has resulted in expanding the scope of EU involvement in economic policy through the addition of new policy areas deemed as being subject to EU coordination (broadening) and in increasing the bindingness of existing EU coordination through more structured surveillance processes and clearer paths to enforcement (deepening).

EU economic governance and policies have been discussed in a large and varied literature starting from various different perspectives. For the context of this dissertation, three strands of the literature are particularly important. First, the recent reform efforts have been analyzed from the perspective of whether they reflect the growing power of EU institutions and actors or whether they are, by contrast, witnesses of an increasing intergovernmentalization of the EU policy process

[1] I borrow the terms 'bread' and 'depth' from Börzel (2005). Breadth refers to the 'number of issues which fall under EU competence' and depth to the 'involvement of supranational bodies and Council voting rule' (Börzel 2005: 221). Broadening and deepening, thus, denote increases in either of these dimensions of EU authority, respectively.

and EU politics more generally. Second, various questions have been raised concerning the implementation of the new governance procedures, including whether these actually work to increase the willingness and capacity of governments to actually meet EU requirements in their domestic reform efforts. Third, the analysis of public support for the EU more generally and its economic governance more specifically has become more prominent, based on the observation that the future feasibility of EU governance in policy fields of high domestic salience depends to an ever greater extent on the acceptance of this governance by the citizens. The following paragraphs engage with each of these three perspectives on EU economic policies in turn.

1.2.1 The making of EU economic policy at the EU level

Focusing at the EU level, a large number of studies has analyzed the EU decision-making processes and the role of the various actors involved in it. A recurring theme has been the respective role, autonomy and influence of supranational actors and governments in shaping the processes and the specific policies that were adopted. For much of the history of the EU, the conflicting frameworks of European integration provided by supranationalism and intergovernmentalism have epitomized this debate. Although this dichotomy has drawn substantial criticism (e.g. Branch and Øhrgaard 1999), the frameworks 'remain important reference points' (albeit not exclusively so) structuring debates on European integration (Ioannou *et al.* 2015: 164). This is perhaps most clearly exemplified by the fact that empirical puzzles have triggered attempts of revision rather than abandonment, contributing to a situation where it is perhaps more accurate to view the two strands as broad labels rather than as concise and coherent frameworks. They increasingly represent umbrella terms for diverse and sometimes contradictory theories and accounts of EU governance loosely linked only by their emphasis on the influence of supranational actors and that of governments, respectively.

Supranationalism as a general theory of integration can be traced back to neofunctionalism pioneered in the late 1950s and early 1960s (Haas 1958; Haas 1961; Lindberg 1963). In neofunctionalism, the notion of spillover is of primary importance, as it captures what may be called the framework's 'central thesis' (Tranholm-Mikkelsen 1991: 4). Spillover, in short, refers to a process in which previous steps of integration produce further steps. The classical approach thus views integration as a dynamic, path-dependent and self-reinforcing process. The neofunctionalist approach has had a remarkable career, being all but abandoned and declared 'obsolescent' (Haas 1976) and then rediscovered (Tranholm-Mikkelsen 1991), serving as a major reference point and point of departure for alternative theories (Moravcsik 1998) and undergoing major revisions in the process (Niemann 2006; Niemann and Schmitter 2009).

Neofunctionalism as a theoretical framework is much broader than the more focused arguments at stake in the supranationalist-intergovernmentalist debate. Tranholm-Mikkelsen (1991) outlines three separate types of spillover, namely functional, political and cultivated spillover. Functional spillover refers to perceived needs created by previous integration to push integration forward in adjacent policy fields. Political spillover describes the shifting of elite activities, expectations and loyalties towards the central level. Cultivated spillover, finally, captures the influence of pro-integrationist supranational actors. Its emphasis on path dependence, unintended consequences and structure (Niemann and Schmitter 2009: 55) makes neofunctionalism highly compatible with historical institutionalist approaches to EU institutional change (Pierson 1996). Such change may be more deeply influenced by existing institutions than functionalist accounts of the search for the most efficient solutions would suggest. In this sense, current historical institutionalist scholarship on the EU highlighting the role of path dependence and the influence of past decisions on current ones (Gocaj and Meunier 2013; Salines *et al.* 2012; Yiangou *et al.* 2013; Verdun 2015) builds on earlier neofunctionalist insights. However, this discussion is only very loosely linked to the debate about the role and influence of supranational actors, which is of central importance to current supranationalist scholarship.

Supranationalism as a theory of supranational autonomy thus draws on classical neofunctionalism primarily with respect to the aspect of cultivated spillover. By zooming in on this aspect, it provides an actor-centered argument, which one can easily compare and contrast with the competing argument provided by intergovernmentalism. Specifically, it argues that once supranational bodies such as the European Commission, the European Central Bank (ECB) or the European Parliament (EP) obtain a significant amount of formal or informal authority (resulting – mainly – from their formal powers and their expertise, respectively) in the policy process, they can exploit this authority to obtain outcomes which are more in line with their preferences than hypothetical outcomes that would have materialized had they not been involved (Stone Sweet and Sandholtz 1997; Sandholtz and Stone Sweet 1999). The influence of supranational actors should lead to greater integration because their preferences are assumed to be generally pro-integrationist, for instance due to processes of self-selection, socialization and competence-accumulating tendencies inherent in bureaucratic politics (Pollack 1998: 219).

Like neofunctionalism, supranationalism has exhibited a tendency of falling in and out of fashion throughout its existence as a major integration theory and has been revised in the process. However, the basic assertion that supranational actors are both willing and able to push for further integration has remained a resilient feature of supranationalist analyses. If there really is a 'new supranationalism', as asserted by some scholars (Dehousse 2015; Schmidt 2016), it is perhaps better described as a renewed interest in the role and power of supranational bodies in order to better understand recent institutional and political developments in the EU, combined with a willingness to further qualify the main arguments. However, current and previous supranationalist scholarship share the view that supranational bodies can and do use their role in policy-making to push governments beyond lowest-common-denominator integrative outcomes.

By contrast, intergovernmentalism emphasizes the role and influence of governments. This brief introduction focuses on its liberal variant, which is the most prominent. Building on earlier variants of intergovernmentalism and interdependence theory (Hoffmann 1966; 1982; Keohane and Nye 1975; 1977), liberal intergovernmentalism as a general theoretical framework of European integration was developed in the 1990s by Andrew Moravcsik (1993; 1995; 1998). It has since arguably 'acquired the status of a "baseline theory" in the study of regional integration' which is frequently used as 'an essential first cut explanation' even by proponents of alternative approaches (Moravcsik and Schimmelfennig 2009: 67). Its main assertion is that of the primacy of national governments in the integration process and thus can be directly juxtaposed with the supranationalist view that this primacy is challenged and frequently undermined by the activism of supranational bodies. To make this case, liberal intergovernmentalism provides a multi-step framework that seeks to explain the origins of national preferences, the patterns of interaction among governments and the institutional outcomes of this interaction.

In brief, liberal intergovernmentalism assumes that governments (typically) seek to stay in power and therefore try to maximize the gains for their national economies, or dominant segments thereof. In trade negotiations, government preferences are thus assumed to mirror the preferences of the dominant domestic producer groups (Moravcsik 1998: 473). In broader (macro-)economic policy coordination, where effects on producer groups are more indirect and opaque, government preferences are guided by the goal to avoid costly domestic policy adjustments at the expense of other member states (Moravcsik 1998: 37–38, 48–49). Although this renders negotiations inherently conflictual, due to economic interdependence *pareto*-optimal agreements are possible and costly adjustments may be preferable to the *status quo* for all governments involved (Moravcsik 1998: 35). In the intergovernmental negotiations, each government seeks to obtain the maximum concessions from the other parties involved while minimizing their own concessions. The bargaining outcomes then tend to be compromises that reflect patterns of 'asymmetrical interdependence' (Moravcsik 1998: 60–67). Asymmetrical interdependence implies that relative gains compared to a hypothetical state of no agreement will be distributed roughly evenly among governments, which means that governments most in need of agreement will be forced to provide the greatest concessions (Moravcsik 1998: 63). In order to 'lock in' the concessions made and ensure 'credible commitments', supranational institutions are devised and powers are delegated (Moravcsik 1998: 73–77).

In liberal intergovernmentalism (as in other variants of intergovernmentalism), supranational bodies are treated as strictly subservient to the interests of national governments. They are assumed effective only when they act in line with these interests. In stark contrast to supranationalism, actors such as the Commission and the ECB are not associated with independent powers in decision-making but rather viewed as agents of member states designed to ensure that agreed-upon principles are adhered to. Even the EP is associated with this function, although due its somewhat uneasy fit with this logic as a highly and self-consciously political 'agent', it is also viewed as a largely symbolic response to perceived legitimacy problems (Moravcsik 1993; 2002).

With the advent of the euro crisis and the resulting increase in the interest in EU politics and policies, the old debate between supranationalism and intergovernmentalism has been reignited (e.g. Niemann and Ioannou 2015; Schimmelfennig 2015a). Moreover, within both frameworks significant revisions were proposed – revisions sometimes featuring under the labels of 'new supranationalism' and 'new intergovernmentalism' (Bickerton *et al.* 2015b; Schmidt 2016; Dehousse 2015) – which, at least in the case of the latter, amount to major challenges of the original framework. Thus, in many ways, engagement with theoretical work on the EU implies – much alike engagement with the empirics of European integration – dealing with a fast-moving and ever-changing target. In the following, I briefly outline how the classical debate has resurfaced in the course of the discussion of policy reforms adopted in the wake of the euro crisis.

Perhaps the most basic pillar of the supranationalist perspective on recent EU economic policy-making rests on the finding that from an institutional perspective, the outcome has led to a strengthening of supranational bodies' formal authorities in absolute terms (Dehousse 2016). For instance, the ability of the Commission to supervise national economic policies and enforce EU recommendations has been strengthened considerably (Bauer and Becker 2014; Niemann and Ioannou 2015; Savage and Verdun 2016; Seikel 2016). Another prominent example is the expansion of the scope of involvement of the ECB in banking supervision (Chang 2016; Epstein and Rhodes 2016). The task expansion of the Commission and the ECB has come in tandem with a strengthening of EP powers. The EP has now become an important player in the EU's revised economic governance architecture (Héritier *et al.* 2015; Kohler 2014).

However, the strengthening of supranational bodies is only one pillar of the supranationalist case. At least as important is the argument that this strengthening typically coincided with the preferences of these bodies. Supranationalists argue that supranational actors were long-term advocates of broadening and deepening EU involvement in economic policy. They highlight that the Commission, the ECB and the EP all sought to maximize their own competences as well as those of the EU more generally, often at the expense of national governments (Andrews 2013; Epstein and Rhodes 2016; Rittberger 2014). Whereas the overall case tends to support the classical supranationalist notion of pro-integrationist preferences, several analyses also highlight the ability of supranational bodies to take positions strategically and to combine ambitious demands with conscious restraint to maximize their bargaining power (Becker *et al.* 2016; O'Keeffe *et al.* 2016).

Finally, supranationalists highlight a variety of ways in which supranational bodies were able to exert influence to bring about policy outcomes in line with their preferences. For the Commission, a key source of influence rests on its ability to make, withhold and withdraw proposals, allowing it to strategically take advantage of disunity among member states to advance its own agenda, especially in times of crisis and uncertainty (Camisão 2015; Epstein and Rhodes 2016; Nugent and Rhinard 2016; Schön-Quinlivan and Scipioni 2017). The ECB's influence is more indirect. However, its issue-specific expertise and its ability to use its independence and control over eurozone monetary policy as a lever may allow it to apply pressure forcing member states to agree to more ambitious reforms than would be possible in its absence (De Rynck 2016; Torres 2013;

Yiangou *et al.* 2013; Dyson 2013). Finally, the EP can use its expanded co-decision powers under Lisbon's ordinary legislative procedure (OLP) by leveraging its veto power to gain influence, potentially even beyond the OLP's application by packaging together various items on the agenda (Hix and Høyland 2013; O'Keeffe *et al.* 2016).

For intergovernmentalists, the general narrative of recent EU economic policy-making is one of an increasing intergovernmentalization and the (further) marginalization of supranational actors and institutions. Governments coordinated their positions on economic governance at the level of heads of state and government in the European Council and ensured that the outcomes of this exchange were implemented, whether through the classical Community Method or outside the existing Treaties (Bressanelli and Chelotti 2016). Whereas supranationalists argue that high problem load improves the conditions for supranational policy entrepreneurs (Schön-Quinlivan and Scipioni 2017), intergovernmentalists suggest that the opposite is the case. For particularly pressing problems, governments were unwilling to allow supranational actors to take the lead and instead sought to exert a maximum level of control throughout the policy process (Chang 2013).

The perception of a dominant role played by national governments in the design and implementation of EU economic policies after the onset of the euro crisis chimes with the liberal intergovernmentalist approach to European integration. Applying its framework to post-crisis decision-making, Schimmelfennig (2015a) suggests that in the course of the euro crisis, these circumstances differed decisively between creditor and debtor countries, leading their respective governments to promote very different policy responses. Namely, creditors preferred fiscal retrenchment and large-scale adjustment efforts being undertaken by the debtors, which in turn preferred a reflation- and investment-based response coupled with generous financial assistance (see also Dyson 2010; Frieden and Walter 2017). The liberal intergovernmentalist account of EU economic reforms then goes on to explain that creditor governments were in an advantageous bargaining position due to asymmetrical interdependence: they could more credibly signal resolve because their alternatives to agreement were less disastrous than those of the debtor governments (Schimmelfennig 2015a). This resulted in reforms of the EU's economic governance that primarily reflected the preferences of the former as opposed to those of the latter, a finding that is also shared by a larger political economy literature on the eurozone's crisis response (Hall 2012; Steinberg and Vermeiren 2015; Vermeiren 2013). Member states then organized that (primarily debtor states') commitments were kept via compromises that reflected an 'asymmetric sovereignty transfer' to the supranational level (Dawson 2015: 981; Seikel 2016).

However, not all intergovernmentalists share the assumptions of liberal intergovernmentalism about the primacy of domestic economic interests, hard bargaining and functional delegation. In this context, the most general and encompassing challenge has been mounted by the so-called 'new intergovernmentalism' (Bickerton *et al.* 2015b; Bickerton *et al.* 2015a). The term 'new intergovernmentalism' is used by its proponents both for a specific mode of EU decision-making deemed to have become dominant in and characteristic of the post-Maastricht EU and for a novel theoretical framework aiming to describe the workings and origins of this mode. The starting point of the new intergovernmentalists is the assertion that since the adoption of the Treaty of Maastricht, the EU has radically expanded its scope of activities to new policy areas, but task expansion has not come hand in hand with supranational delegation. Rather, governments have sought to tighten their control over the policy process through intensified intergovernmental coordination. They call this form of 'integration without traditional forms of delegation' – or broadening without deepening in the terms introduced above – an 'integration paradox' (Bickerton *et al.* 2015c: 4–5). To explain the paradox, new intergovernmentalists depart from traditional accounts of the preferences of both supranational actors and governments.

For the new intergovernmentalism, the view of supranational bodies as engines of integration is no longer warranted. This is not only because of supranational actors' capacities to act strategically, a view also shared by some supranationalists (Becker *et al.* 2016), but also because individuals working in these bodies hold ideological preferences frequently at odds with ever closer union (Bickerton *et al.* 2015c: 31–32; Hodson 2013). This is assumed to render supranational actors complicit in the intergovernmental(ist) remaking of the EU. The new intergovernmentalism also departs from the bottom-up perspective of government preferences, the assumption that these are fixed, and the resulting expectation of hard interstate bargaining. It argues that due to the intensity of intergovernmental coordination, strong norms of deliberation and consensus have emerged in settings such as the European Council or the Council of the EU (Puetter 2012). This development has not only rendered government preferences more dynamic and unstable, but also in fact moved the dominant cleavage in EU politics: it is no longer located between different governments representing different constituencies but rather between the governments collectively and their respective constituencies, contributing to a 'crisis of political representation' (Bickerton *et al.* 2015c: 23; 28). The resulting public distrust in the EU has reinforced governments' reservations of delegating authority to supranational actors, which are increasingly perceived as illegitimate (Bickerton *et al.* 2015c: 32).

As outlined above, supranationalism, liberal intergovernmentalism and new intergovernmentalism differ decisively in how they explain EU decision processes and their outcomes. Are supranational actors consistent in their advocacy for further integration, do they factor in strategic considerations, or have they ceased to consistently pursue integrationist objectives? Do national governments negotiate on the basis of preferences that primarily reflect the (politico-)economic situation at home, their relative influence being determined by asymmetrical interdependence, and delegate authority with a view to generate credible commitments, or do they deliberate policy solutions at the EU level, adapt their underlying preferences in the process and seek consensual solutions, while remaining hostile to the loss of control associated with delegation to supranational actors? And finally, do governments ultimately call the shots on the substantive scope of policy outcomes and the amount of delegation, or do supranational actors successfully push decisions beyond the intergovernmental compromise?

The theories provide seemingly definite and general answers to these questions. However, given the apparent contradictions between the answers, it is obvious that not all of them can be accurate at the same time. Yet, there is surprisingly little dialogue between the various approaches based on concrete empirical material. While all the necessary ingredients are there for an open-ended 'three-cornered fight' of theory, rival theory and empirics (Lakatos 1970: 115), current theory-guided integration research has largely only occupied two corners, which significantly and unnecessarily diminishes the prospects for further theoretical insights. In a more general sense, ultimately confirming or disconfirming broad theories of European integration or combining them into a single framework may not be feasible – nor is it necessarily desirable, given what we know about the multifaceted nature of the 'beast' (Diez and Wiener 2009). However, a comparison of competing hypotheses to empirical material may help to better understand their limitations, or at the very least, contribute to clarifying their respective domains of application.

1.2.2 The implementation of EU economic policy at the national level

After the adoption of policies, the next step in the policy process is the implementation of these policies (Young 2015). Although a variety of governance mechanisms coexist in the field of EU economic policy, typically implementation relies crucially on the national level. This is because with some exceptions, most notably monetary policy for the euro area as well as commercial and competition policy (see TFEU, Art. 3), economic policies constitute an area of shared competences with the member states. Specifically, the Treaties provide for 'the adoption of an economic policy which is based on the close coordination of Member States' economic policies, on the internal market and on the definition of common objectives, and conducted in accordance with the principle of an open market economy with free competition' (TFEU, Art. 119). As a result, EU economic policy not only operates *alongside* national policies but very often it is *through* national measures that it takes effect.

At least since the Treaty of Maastricht, the coordination of economic policies has been a prominent issue in EU policy-making and research. The view shared by policy practitioners and theorists that national economies in the EU were characterized by patterns of deep interdependence which would be magnified by the establishment of Economic and Monetary Union (EMU) implied that the economic objectives of individual member states and the EU as a whole could better – or only – be secured if economic policies were coordinated (Hodson and Maher 2002). At the same time, full centralization was not perceived as desirable due to the sovereignty costs of delegating economic policy choices to the EU and the need to retain discretion in order to respond to and maintain specific national circumstances, institutional settings and preferences – or, borrowing the term used by Scharpf (2002: 653), to accommodate 'legitimate diversity'. This resulted in a policy design combining national policy-making with EU oversight and an uneasy, complex, and differentiated balance between government discretion and EU rules.

Due to the varying legal bases, studies on the national repercussions of EU economic policy coordination initially focused on specific coordination devices such as the Stability and Growth Pact (SGP) (Heipertz and Verdun 2010), the Broad Economic Policy Guidelines (BEPGs) (Deroose *et al.* 2008), the European Employment Strategy (EES) (Tholoniat 2010) or the open method of coordination (OMC) applied in various fields of social policy (Zeitlin 2009). Opting for a piecemeal approach initially seemed self-evident because action in the various fields was only loosely – if at all – coordinated. However, at least since around 2005 with the revised Lisbon Strategy, the integration of economic and employment guidelines and the streamlining of social OMCs, the EU has worked to increase the consistency of its economic policy coordination by tightening the linkages between them (Tholoniat 2010). This process has reached a new level with the adoption of Europe 2020 and the European Semester.

Insofar the implementation of EU policies takes place at the member state level, it is ultimately conditioned by the ability and willingness of national governments to adopt measures which are sufficient to meet – or to 'comply' with – EU requirements. In general terms, compliance can be defined as 'a state of conformity or identity between an actor's behavior and a specified rule' (Raustiala and Slaughter 2002). The concept of compliance has been applied by studies in international relations focusing on whether and to what extent state choices and interstate interactions are affected by international agreements (McLaughlin Mitchell and Hensel 2007). However, it is important to note that in contrast to concepts such as Europeanization (Radaelli 2003), compliance refers to a specific 'state of conformity' rather than to a causal process that may contribute (or not) to its emergence.

A rapidly expanding literature has explored the conditions under which member states comply with EU requirements (or not) (for overviews see Angelova *et al.* 2012; Toshkov 2010; Treib 2014). This literature overwhelmingly focuses on the case of directives, which constitute a specific type of EU legislation where the EU determines a 'result' which governments then are legally required to meet through appropriate domestic action (transposition) (TFEU, Art 288). Depending on the specificity of the 'result' set by the directive, governments may have varying degrees of leeway in the choice of measures to achieve it. Nevertheless, a directive constitutes a binding instrument in that failure to fulfil EU requirements, or noncompliance, can lead to legal action against the member state concerned, typically initiated by the European Commission, through an infringement procedure at the European Court of Justice (ECJ).

Research on compliance with EU directives has explored a large number of factors that may potentially play a role. In a review from 2010, Toshkov (2010: 24) counts '[n]o less than 263 relationships between potential explanatory factors and some aspect of compliance' analyzed by quantitative studies in this field. Most of these explanatory factors can be grouped into one of two approaches, based on the underlying assumption that noncompliance occurs either voluntarily or involuntarily (Treib 2014: 11). First, the so-called enforcement approach argues that governments consciously choose to comply or not to comply. Explanatory factors for which the underlying reasoning is that they affect the willingness of governments to comply with EU inputs belong to this category. Second, the so-called management approach assumes that noncompliance occurs not by choice but due to structural constraints and lack of capacities. In this category, we find explanatory factors related to the ability of governments to take and implement decisions.[2] In practical research, explanatory factors from both approaches are typically included, the consensus being that compliance is affected by both government willingness and capacity, rather than just one (Börzel *et al.* 2010). These general approaches have allowed scholars to engage with important broader debates in comparative political science and their significance for EU politics, including for instance partisan politics and (the variety of) political and politico-economic institutions.

While existing research on EU compliance has generated a significant amount of interesting – albeit sometimes contradictory – empirical findings, a major shortcoming is that it has almost exclusively focused on the specific case of EU directives. This limits the insights of this strand of the literature because we know relatively little about how well the explanations 'travel' to other instruments. Directives obviously are an important part of EU law-making. However, they hardly constitute the only type of EU instrument which combines goal- or result-setting at the EU and implementation at the national level. Indeed, specifically in the field of economic policy an alternative 'mode of governance' has been in existence for many years which takes up the same procedural principles – EU goal-setting and national implementation – while eschewing the legal principle of enforceability. This mode of governance has first gained prominence through the OMC (Borrás and Jacobsson 2004; Hodson and Maher 2001; Tholoniat 2010) and is now firmly established within the European Semester (de la Porte and Heins 2015; Verdun and Zeitlin 2018). The distinction between governance of this kind and governance through classical instruments of EU

[2] Börzel and co-authors (2010) also consider what arguably constitutes a third approach, legitimacy, which addresses factors such as the regard of compliance with legal norms as an end in itself ('law-abidingness') and public support for the EU as a rule-setting organization.

law – regulations, directives and decisions – is essentially reflected in the distinction between soft and hard law.

In general, the 'hardness' of (international and EU) law is a multidimensional concept and can be better understood as a continuum than as a clear-cut distinction (Abbott and Snidal 2000; Terpan 2015). Terpan (2015) uses two broad dimensions, obligation and enforcement. Obligation refers both to the source, which could be EU primary or secondary legislation (hard) or some non-legal act (soft), and to the content, which could vary in prescriptiveness from precise and direct requirements (hard) via vague best-effort demands (soft) to the absence of any prescriptions (no obligation). Enforcement varies from norms directly enforced by supranational organizations or courts (hard), via procedures aiming to ensure compliance without definite constraint (soft), to the absence of any procedures where compliance depends entirely on political will (no enforcement). Soft law refers to the full intermediate range of norms located between the extremes of hard obligation / hard enforcement (hard law) and no obligation / no enforcement (non-legal norms).

However, the distinctiveness of 'softer' and 'harder' modes of EU governance in general and of directives and recommendations in particular is easily overstated. In theory, directives constitute classical cases of hard law since they represent secondary law and take supremacy over national law (hard source/obligation) and can be enforced by the ECJ (hard enforcement). In practice, it is not quite as clear (Trubek and Trubek 2005: 356): directives vary in prescriptiveness and often leave governments substantial leeway in implementation (varying obligation). In addition, the compliance literature itself lends credence to the claim that actual enforcement varies considerably across cases and countries and the Commission may refrain from launching an infringement procedure for political and administrative reasons (varying enforcement) (Hartlapp and Falkner 2009).

The same is true for EU soft law. The SGP, especially in its reformed shape, is a case for a particular 'hard' type of soft law (or even hard law) in the sense that it is based on the Treaties and secondary legislation and its content is rather prescriptive although some leeway is afforded to member states (Terpan 2015: 78–81; Seikel 2016). Its revamped enforcement mechanism is partially insulated from political haggling, although, as for directives, the Commission's willingness to enforce compliance remains crucial. By contrast, broader economic policy coordination lacks an enforcement mechanism and although it is formally based on primary law (TFEU, Art 119; see above), this source is insufficiently precise for any specific obligations to follow from it. In classical OMC processes, the obligations are rendered more precise through the adoption of guidelines, but the guidelines lack the bindingness of EU law (Terpan 2015: 81–82). With the establishment of the European Semester, the regularized issuance of policy recommendations across the full scope of economic policy has become a more standard practice, thus further raising the 'hardness' of content, but, with the exceptions of the SGP and (partially) the new Macroeconomic Imbalance Procedure (Hodson 2017), the hardness of the source remains low and enforcement absent. However, the integration of these various mechanisms in a single framework arguably blurs the boundaries between harder and softer instruments, rendering the latter harder in practice than in theory (Bekker 2014). For the entire field of economic governance, it might nevertheless be accurate to speak of a 'hardening' of EU soft law (Terpan 2015: 92), albeit starting from a relatively low basis in some instances.

Given the inherent similarities between directives and 'hardened' EU soft law, it is surprising that an interest in compliance with EU soft law is only just emerging (Eihmanis 2018; Van Wolleghem 2017; Saurugger and Terpan 2016). To be sure, soft law and the OMC in particular is the subject of a large literature. In this literature, actual implementation of the non-binding EU inputs generated through this process was recognized from the start as a critical source for assessing its overall effectiveness (Hodson and Maher 2001). The related scientific discourse often takes on a rather normative form, with proponents describing it as an iterative and interactive process of learning, experimentation and mutual adaptation through which best practices proliferate and resistance eventually disappears (Sabel and Zeitlin 2008; Zeitlin 2016). Critics view it as little more than ‘cheap talk’, because of the assumed ability of governments either to determine the contents of the EU input (Copeland and ter Haar 2013) or to ignore it without any consequences (Schäfer 2006; Scharpf 2002).

From a more empirical perspective, several studies have engaged with the question whether, why, to what extent and how these instruments may lead to domestic change (Gwiazda 2011; López-Santana 2006; Mailand 2008; Paetzold and Van Vliet 2014; Stiller and van Gerven 2012; van Gerven *et al.* 2014; Zartaloudis 2013). These studies are based in the tradition of Europeanization research, which focuses on the causal processes that operate between the national level and the EU (Radaelli 2003; Ladrech 2010), and overwhelmingly rely on comparisons across a small number of countries and policy fields. While they have reached disparate conclusions, a widely shared finding is that national politics and the distribution of preferences among domestic political actors largely condition the degree to which EU inputs take effect at the domestic level (Gwiazda 2011; Heidenreich and Bischoff 2008; Stiller and van Gerven 2012; van Gerven *et al.* 2014). However, the related but different question why member states conform with or resist EU inputs in this area has received far less attention. Specifically concerning the European Semester, descriptive accounts highlight that variation in compliance with policy recommendations constitutes a persistent phenomenon (Deroose and Griesse 2014; Darvas and Leandro 2015), but the question about potential factors that may produce it remains unanswered.

1.2.3 The reception of EU economic policy at the individual level

EU policy-making is often perceived as a predominantly elite-driven affair with few access points for citizens or civil society organizations. For instance, the OMC discussed in the previous section has been portrayed as breaking down to ‘deliberation between elites for elites’ (Kröger 2009: 6). Pre-Maastricht, the absence of active citizen involvement with the EU and its policy outputs seemed to indicate the existence of a ‘permissive consensus’ whereby citizens quietly acquiesced with further integration without necessarily requesting to be involved in decision-making (Lindberg and Scheingold 1970). As a result, there was little interest in or engagement with public opinion about the European polity, its politics and its policies. This situation has changed dramatically since the early 1990s. Referendums on new Treaties or Treaty revisions turned out to be more contested than expected and the EU became increasingly the subject of party competition in its member states. As the Treaties expanded and deepened EU competences, citizens grew increasingly aware – and critical – of the implications of European politics (Eichenberg and Dalton 2007). In the words of Hooghe and Marks (2009: 18), European integration with its seemingly ever-expanding underlying logic 'has proved ripe for politicization' because of the increasing gulf between a political elite seemingly willing to cede ever more competences to 'Brussels' and a citizenship still predominantly or even exclusively identifying with their respective nation-states. As de Vries (2013: 435) succinctly puts it:

> Although the European Union (EU) has experienced crises in the past, the current situation breaks with past experiences in at least one vital respect: decisions can no longer be taken without popular consent. The days that European integration could be pushed forward without public scrutiny are over.

This development contributed to a growing scholarly interest in the relationship between the EU and its citizens.

The observation of a gulf between elites pushing ahead with integration and general publics growing wary of these pursuits raises important questions for the democratic legitimacy of national and European politics. It has fed into the debate about the EU's (perceived) democratic deficit (e.g. Follesdal and Hix 2006; Moravcsik 2002). The recent advances in the integration of economic governance (see previous sections) have compelled scholars to question, from a normative perspective, whether the current scope and intensity of EU influence over domestic policy, especially in crisis-afflicted countries, is at all compatible with a notion of democracy as self-rule (Crum 2013; Zimmermann 2016). From a more empirical perspective, a number of studies have investigated the effects on domestic and European politics. At the national level, wide disagreement with the EU's trajectory has created strategic opportunities for parties to take critical stances towards the EU, especially so for opposition parties and those located at the fringes of the political spectrum (de Vries 2010). At the EU level, these parties have also continuously expanded their vote and seat share in EP elections and arguably contributed to a situation where these are no longer 'second-order' national elections (Reif and Schmitt 1980), but rather (at least partially) contests on genuinely European issues, such as the principle of integration and its current form (Hobolt and de Vries 2016a). In addition, successful campaigns against the Constitutional and Lisbon Treaties (Netherlands, France, Ireland), EU requirements of reforms in a financial assistance programme (Greece) or even EU membership (United Kingdom) gave anti-EU public sentiment a direct channel to influence EU politics. According to Hooghe and Marks (2009), a 'constraining dissensus' has emerged which makes further integration considerably more difficult – if not impossible – to achieve.

In tandem with the recognition that citizens' EU-related sentiments – or their support of the EU – may matter for integration, a large literature has explored factors that may explain variation in EU support. Any meaningful debate about public support must start by clarifying the meaning of support (or opposition). Here, the seminal work of David Easton (1965; 1975) is of particular importance. According to Easton (1975: 436) support refers to 'an attitude by which a person orients himself to an object either favorably or unfavorably, positively or negatively.' This broad definition of support thus encompasses both positive and negative evaluations, support (in a more restricted sense) and opposition.

Easton's definition underlines the importance of clarifying the 'object' towards which support is directed. With respect to this aspect, he further differentiates two broad kinds of support in politics: diffuse and specific. Specific support 'is directed to the perceived decisions, policies, actions, utterances or the general style of [political] authorities' whereas diffuse support, as a 'form of generalized attachment', 'refers to evaluations of what an object is or represents – to the general meaning it has for a person – not of what it does' (Easton 1975: 437; 444). Based on this distinction, research on EU-related attitudes has identified 'regime support' and 'policy support' as separate concepts. 'Regime support denotes support for the constitutional settlement of the European Union as laid down in the various treaties, including support for membership in the EU' whereas '[p]olicy support refers to support for the content of collective decisions and actions taken by EU actors' (Hobolt and de Vries 2016b: 415–416).

Scholars of the EU – against the backdrop of the apparent dissolution of the 'permissive consensus' – have been particularly interested in negative evaluations, for which a new term has become popular: Euroscepticism. According to Taggart (1998: 366), 'Euroscepticism expresses the idea of contingent or qualified opposition, as well as incorporating outright and unqualified opposition to the process of European integration.' Based on this logic, Taggart and Szczerbiak (2008) distinguish 'hard Euroscepticism' and 'soft Euroscepticism'. The former refers to 'principled opposition to the EU and European integration' and the latter to 'concerns on one (or a number) of policy areas' and 'qualified opposition' (Taggart and Szczerbiak 2008: 7–8). However, de Wilde and Trenz (2012: 540) reserve the term Euroscepticism for 'polity contestation' and view 'policy contestation' as a separate issue. Since Euroscepticism thus remains a somewhat ambiguous concept and Taggart and Sczerbiak's definition is not universally shared (Kopecký and Mudde 2002) and since it has overwhelmingly been studied in the narrower context of political parties and party systems (see Usherwood and Startin 2013: 4), in the following the overlapping concept of support will be used to refer to public attitudes in general. Euroscepticism will be reserved to classify principled opposition to the EU as a polity – negative regime support – as a position held by citizens and political parties.

Research on citizens' EU-related attitudes has overwhelmingly focused on factors that may explain regime support, frequently operationalized as support for EU membership or support for further integration (for a recent overview see Hobolt and de Vries 2016b). The main drivers of EU regime support are well-understood, although studies may disagree about the relative importance of specific explanations or add nuance through the addition of new variables. These can be grouped in three broad classes, utilitarian, identitarian, and cue-based approaches, with the latter further differentiated in cues provided by partisanship and by government satisfaction.[3]

The utilitarian approach holds that individuals who profit, or perceive to profit, from EU membership, either individually or collectively at the member state level, are also more supportive of it (Anderson and Kaltenthaler 1996; Eichenberg and Dalton 1993; Gabel 1998; Tucker *et al.* 2002). The identitarian argument suggests that individuals identifying more strongly and more exclusively with their nation-state and individuals holding more negative views of foreigners and foreign cultures are less supportive (Hooghe and Marks 2005; McLaren 2002). The partisanship view is based on a complex argument about the nature of European integration. European integration as a challenge to both the nation as a traditional community of fate and the state as the key capacity of reigning in the market, combined with the emergence of fringe Eurosceptic parties, renders individuals situated further to the right and the left less supportive of the EU than centrists (Hooghe *et al.* 2002; Marks and Wilson 2000; van Elsas and van der Brug 2015). Finally, the cue-taking approach, which chimes with arguments about the second-order nature of EU politics (Reif and Schmitt 1980), makes the case that many individuals are unable to evaluate the EU directly and thus tend to evaluate it based on views about national politics, such as their view of the current national government (Anderson 1998; Armingeon and Ceka 2014). Empirical studies usually apply a combination of several or all of these approaches, the (often implicit) underlying assumption being that utility, identity, partisanship and cues combine in explaining regime support for the EU.

[3] Benchmarking, which is based on the comparison of national and EU performance evaluations (Sánchez-Cuenca 2000), arguably constitutes another cue-taking variant, though its focus on (assumed effects on) performance might also justify a classification under utilitarian approaches.

While the main findings supporting these approaches seem relatively robust, a growing literature highlights that public attitudes towards the EU may be more multifaceted and multidimensional than the debate about regime support would have us believe. Boomgaarden and co-authors (2011) show that regime support for the EU is multidimensional and slight changes in conceptualization and measurement may thus make a significant difference. Stoeckel (2013) and de Vries (2013) both highlight the importance of ambivalent attitudes towards the EU. Stoeckel (2013) shows that a large number of Europeans hold ambivalent views of the EU in the sense that they have both positively and negatively connotated associations with the EU. Moreover, he finds support for the argument that ambivalence is neither merely an intermediate category between positive and negative support nor driven by a lack of rationality, but brought about by exposure to both negative and positive cues and experiences and thus may be a sign of sophistication. De Vries (2013) comes to similar conclusions and furthermore emphasizes the complexity of the EU and the scope of its policies, which may leave citizens conflicted, supporting some aspects but not others. The seemingly paradoxical result of Simpson and Loveless (2017) that concerns about inequality may explain both why citizens oppose the EU 'as it is' yet support further integration provides another illustration that the assumption of a single-dimensional scale of EU attitudes ranging from pro-EU to anti-EU may be ill-founded.

Increasing ambivalence of EU regime support may indeed be 'demonstrative of a maturation of public opinion concerning European integration' (de Vries 2013: 434) and thus of an increasing ability of citizens to distinguish different EU governance outputs and provide differentiated support. On this basis, there is a strong case for complementing studies focusing on 'diffuse' regime support with studies focusing on differentiated patterns of 'specific' policy support. However, existing research on policy support has suffered from the use of very broad measures that do not allow assessing the potential influence of policy-specific dynamics. Attempts to grasp 'general policy support', as done by de Vries and Hobolt (2016b: 417–419) through a measure of the desired speed of integration, may be rather problematic since 'integration' could mean a number of different things (or 'policies') to different individuals, thus leaving 'ambivalent' citizens unsure how to respond.

While several studies have engaged with support for EU policies in general and EU economic policies in particular, these have not systematically investigated whether policy content makes a difference. Two important examples concerning recent EU economic policies and policy proposals – the subject of this dissertation – are those of Kuhn and Stoeckel (2014) and Daniele and Geys (2015). Kuhn and Stoeckel (2014) create a single factor out of five different policy positions concerning both financial supervision and regulation as well as economic policy coordination to measure 'support for EU economic governance'. While this approach might be warranted and the scale might indeed 'reflect people's preferences for more or less economic governance' (Kuhn and Stoeckel 2014: 631), it still precludes an analysis why people might support one policy but not another. In another study on support for EU economic policy, Daniele and Geys (2015) use a variety of policies related to fiscal integration. However, they view these policies all as examples of a single issue, fiscal integration, and thus formulate and test hypotheses about homogenous effects, though they explain differences in effects across policies *ex post* with variation in invasiveness (Daniele and Geys 2015: 664). Summing up, while several studies engage with policy support, the issue of cross-policy differences in factors driving support, which may provide a missing link in the understanding of the ambiguous attitudes many citizens hold towards the EU, has not yet been systematically investigated.

1.3 Overview of studies

As has been shown, recent EU economic policies have been discussed from a variety of perspectives, at a variety of stages in the policy cycle, and at a variety of levels. The three studies included in this dissertation not only differ in terms of the stage of the policy process and the level of analysis, but also in terms of the methodology used to answer the research question. The following section outlines how the separate studies engage with the topic and the literature. In this context, first, the methodological issues and case selection in particular are explained. Then, the main results are highlighted, including a discussion of how these contribute to our understanding of EU economic policy and current theoretical debates. Finally, the status of studies and the contribution of the co-author to the third paper are described.

1.3.1 Case selection and methodology

The first study (Chapter 2) focuses on explaining the EU decision-making process through a supranationalist and (liberal or new) intergovernmentalist lens. It does so for the case of the Macroeconomic Imbalance Procedure (MIP). The MIP, adopted in 2011, provides a mechanism for the surveillance of macroeconomic developments in the member states and aims at the detection and correction of imbalances deemed harmful for the EU economy. It is an interesting case to study in its own right. The MIP was designed to respond to a key weakness of the previous design of EU and in particular eurozone economic governance. Macroeconomic imbalances are often viewed as a key contributing factor to the financial and euro crises (Franco and Zollino 2014). Furthermore, it constitutes an important example of 'hardened' EU soft law (Hodson 2017).

However, the MIP is also interesting from a more theory-guided perspective. Its decision-making process took place within the OLP, thus providing supranational actors with ample chances to formulate preferences and influence negotiations along the lines predicted by supranationalism. Furthermore, it involved a key issue in which the economic interests of member states are at stake, namely the appropriate balance between current account surplus and deficit surveillance (Frieden and Walter 2017). The predictions of liberal intergovernmentalism about government preferences and bargaining can thus be applied. Finally, the MIP implies an extension of EU economic policy to a new field, macroeconomic surveillance beyond the fiscal realm, and thus constitutes a meaningful case for testing the new intergovernmentalist predictions. While there is no straightforward answer to the question whether it provides a most- or least-likely case for any of the three theories, the MIP constitutes a suitable case for a meaningful dialogue between them.

Its comparative strengths, elaborated by George and Bennet (2005: 19–22), render a single-case study design appropriate. First, a process is analyzed with complex, context-sensitive concepts such as 'influence.' Second, a deductive-inductive mix allows adding some specifications concerning actor preferences and outcomes after close case examination. Third, causal complexity and the interdependence of preferences, strategies, timing, and outcomes are taken seriously. The study is based on systematic process analysis (SPA) as elaborated by Hall (2006). SPA generates insights into relative strengths and fields of application of theories by following a simple four-step procedure: (1) setting out theories, (2) developing case-specific expectations, (3) comparing expectations with evidence provided by case material and (4) drawing conclusions about the implications for the theories under investigation. SPA thus evaluates contradicting causal claims on a single case (within-case analysis). SPA is a 'more deductive type' of case study techniques (Trampusch and Palier 2016) and implies that comprehensive, eclectic explanations are eschewed in favor of the juxtaposition of clear-cut theoretical arguments with the aim of generating theoretical insights. While the study follows the logic of SPA, it repeats steps 2 and 3 for three separate issues: preferences of supranational actors, preferences of governments and actor abilities to influence the substantive outcome. Each of these 'rounds' set up a 'three-cornered fight' (Lakatos 1970: 115) between theory, rival theory and empirical evidence, but the precise pairing of theories depends on the issue at stake.

The second study (Chapter 3) analyzes the implementation of EU economic policy in the member states and explores factors that may explain the varied compliance of governments with soft policy guidance under the European Semester. The European Semester was adopted to further streamline economic policy coordination between the EU and the national level. It incorporates the various mechanisms that existed beforehand and new ones (e.g., the MIP) in a single framework. In an annual cycle, at the EU level national economic policies are assessed, advice is issued and surveillance takes place. At the national level, governments are expected to implement economic policies that take into account EU advice. Irrespective of the legal basis, the EU advice comes mainly in the form of so-called Country-Specific Recommendations (CSRs) which are proposed by the Commission, adopted by the Council and endorsed by the European Council. In the following year, the Commission publishes an assessment of the progress member states made in meeting the previous year's CSRs, which then feeds into the formulation of new CSRs for the next cycle.

Since the European Semester provides a particularly structured and institutionalized framework of policy coordination, generalizing the findings to other forms of soft law coordination would seem problematic. However, the European Semester provides an ideal setting for generating a dialogue between compliance studies, which have so far neglected the important case of EU soft law, and soft law studies, which have not engaged with the question of compliance. The study casts the net widely and analyzes the implementation record of all CSRs issued and assessed under the Semester between 2013 and 2017 for which systematic Commission assessments are available. The analysis is based on an original dataset that encompasses a total of 479 CSRs. Given the multi-level qualities of the data, with CSRs clustered at the member state level, multilevel regression techniques are applied.

The third and final study (Chapter 4) analyzes public support for EU economic policies. Three specific economic policy proposals are selected: the Transatlantic Trade and Investment Partnership (TTIP), Eurobonds, and the EU financial transaction tax (FTT). The cases were selected based on three main criteria. First, the proposals need to be located inside the realm of EU economic policies, the overall topic of this dissertation. In fact, the three proposals not only fulfil this condition but also happen to lend themselves as examples for responses to three main dimensions of the recent European crises (Shambaugh 2012). Supporters of TTIP highlight its potential to reinvigorate growth and thus help the EU to exit the economic crisis (CEPR 2013).

Eurobonds are a response to high government bond yield spreads and thus constitute a possible response to the sovereign debt crisis (Matthijs and McNamara 2015). Finally, the FTT seeks to rule in reckless and erratic behavior in financial markets and is viewed by supporters as an appropriate measure in light of the lessons from the financial crisis (ETUC 2013). Second, the proposals need to be prominent enough so that it is reasonable to assume that a significant number of citizens holds meaningful attitudes about them. TTIP, Eurobonds and the FTT have all generated an amount of media attention relatively unusual for EU economic policies. Third and most importantly, the policy proposals must be sufficiently different from one another in overall orientation and scope to allow the formulation of hypotheses about policy-specific drivers of support. As is argued in detail in the study, the proposals differ sufficiently in terms of orientation (negative versus positive integration; market-making versus market-correcting) and scope (challenge of core state powers; complexity) to fulfil this condition.

The study combines the (small-N) comparison of three policy proposals with a (large-N) statistical analysis of policy support. As outlined above, the three proposals selected constitute cases where it is plausible that policy differences play a role. Thus, the result that they do does not necessarily indicate that the same is true for other policies where the differences are less pronounced. The statistical analysis is based on Eurobarometer survey data, which provides representative data for all EU member states. Hypotheses are tested by applying multilevel logistic regression techniques in order to take account of varying national contexts.

1.3.2 Results and contributions

The first study (Chapter 2) focuses on the decision-making process of the MIP to gain insights about the explanatory potential of supranationalism and liberal as well as new intergovernmentalism. It highlights that – contrary to new intergovernmentalist and in line with (new) supranationalist reasoning – supranational actors still tend to promote further integration in terms of broadening and deepening. The Commission, the EP and the ECB all called for – or welcomed – a more intrusive coordination with respect to macroeconomic imbalances. The ECB stands out because it did not support broadening surveillance to include surpluses, but this was predominantly driven by strategic considerations about a perceived tradeoff with enforceability (deepening). While there is evidence that supranational actors are capable of strategic choices between various integrative objectives, the results provide no indication of an abdication of supranationalist actors' pursuits of further integration. With respect to government preferences – again contrary to new intergovernmentalist and in line with liberal intergovernmentalist reasoning – the economic interests of creditor and debtor countries strongly shaped government positions and intergovernmental bargaining. The German government, which attempted, with some success, to obtain assurances that its surplus would not fall under MIP surveillance and be exempted from the more intrusive parts of the procedure, is a case in point.

The substantive result with respect to the scope of surveillance is best explained, along the lines of liberal intergovernmentalism, with the powerful position of creditor countries, which led to a decidedly asymmetrical understanding of imbalances. However, with respect to deepening, the extension of the application of reverse qualified majority voting (RQMV) in the Council resulted out of the pressure of supranational actors, although governments succeeded in maintaining some safeguards in its application. The fact that governments did not object to enhance Commission discretion through RQMV but rather saw it as a potential avenue to enhance the credibility of commitments is easier to square with liberal than with new intergovernmentalist reasoning.

The main contribution of the study consists in its endeavor to establish a systematic dialogue between important competing theoretical frameworks based on empirical material. In previous research on the EU's new economic governance, single-theory analyses have been most common, which, though interesting in their own right, can only provide limited insights about comparative strengths and weaknesses. The results indicate that both supranationalism and intergovernmentalism explain part of the puzzle of EU decision-making. This finding is largely in line with the current state of the debate between the two (Pollack 2015) and, thus, further corroborates a growing consensus in the field. Supranational actors can and do make a difference, but 'hard' government preferences constitute an ultimate constraint. By-and-large, governments favored by asymmetrical interdependence succeed in achieving the policy outcomes they desire through the EU policy process. Moreover, the study raises some doubts about the broader applicability of the new intergovernmentalism. Its bold predictions about supranational actors' and governments' preferences as well as the future (or rather lack of future) of supranational delegation contrast sharply with the empirical evidence provided by the MIP. Rather than providing a general description of 'what the EU is like' post-Maastricht, it might be better viewed as a framework describing a specific mode of integration. Its proponents might be well-advised to further specify the scope of application, which seems to be more limited than initially thought (see also the critique of the new intergovernmentalism by Schimmelfennig 2015b).

The second study (Chapter 3) focuses on analyzing the varied implementation record of CSRs issued under the European Semester from a compliance perspective. The results show, as might be expected based on the findings of Europeanization research on soft law, that factors affecting government willingness to comply are particularly crucial. A key finding is that governments located further to the 'economic-right', i.e. governments composed of parties with a more pro-market orientation, tend to be more compliant. This is plausible, given that EU economic policy advice under the European Semester gravitates towards efficient markets and a limited role of the state in the economy. However, interestingly the effect of government ideology increases for more socially oriented CSRs. This finding, though contrary to theoretical reasoning, might indicate that the social policies promoted by the EU are not the social policies desired by leftist governments. A plausible interpretation might consist in a combination of theories on salience and issue ownership (Budge 2001) and an insider-outsider approach to partisan preferences (Rueda 2005; 2006). Left governments might be less willing to compromise on social policy issues and prefer a focus on labor market insiders to the orientation towards the integration of outsiders propagated by the EU.

It is also noteworthy that a greater orientation towards social objectives is in itself associated with greater compliance, a finding which might indicate that insofar CSRs lack an appropriate balance between social and economic objectives (Copeland and Daly 2015), the imbalance is at least partially corrected by governments (especially those of the 'economic right') in implementation.

Another major finding is that EU transfers enhance the compliance prospects. This hypothesis has found only limited support in research on directive compliance, leading scholars to conclude that transfers might have a stymieing impact on domestic reforms (Perkins and Neumayer 2007). This interpretation does not seem to apply for EU economic coordination. It might be interpreted as evidence that EU input in this field, as in fiscal transfers, is perceived as being geared towards enhancing cross-national cohesion, increasing the willingness to comply among transfer recipients. Results for the management approach, including domestic constraints and capacities, are more ambiguous. Preference heterogeneity in the government does not appear to interfere with compliance. Capacities have ambiguous effects. Economic capacities in particular seem to impede compliance. This lends support to the view that actor-based explanations have a comparative advantage over structure-based ones in soft law compliance compared to directive compliance (Saurugger and Terpan 2016). However, one interesting finding is that greater degrees of corporatism, conceptualized and measured as suggested by Jahn (2016), lead to higher compliance. Indeed, the European Semester with its focus on socioeconomic governance is situated in an area where this variable plausibly makes more of a difference than in directive compliance.

The main contribution of the study on the implementation of the European Semester is thus twofold. On the one hand, it broadens the compliance perspective (Toshkov 2010; Treib 2014) beyond the specific case of EU directives. In this context, it allows for the cautious conclusion that some of the factors that have been shown to affect compliance, such as domestic constraints and administrative and economic capacities, might not apply to the same extent to softer governance mechanisms. By contrast, government willingness appears to be key to understand CSR compliance. On the other hand, the study also contributes to the ongoing debate about 'soft' economic policy coordination (Tholoniat 2010; Zeitlin 2016). Given that we know that domestic change exacted by the EU varies across different coordination devices and countries, a better knowledge of the conditions affecting member states' governments' compliance with EU objectives can contribute to our overall understanding of this important governance mechanism. The varied implementation record highlights that scholars are well-advised not to take EU CSRs as standalone coordination results, but consider carefully the domestic conditions in which they might lead to reforms or not.

The third study (Chapter 4) analyzes public support for TTIP, Eurobonds and the FTT from a comparative perspective. It highlights the importance of policy-specific factors. In contrast to the curvilinear relationship found for regime support, the effect of left-right partisanship on policy support is linear. However, it is different for different policies. Being located further to the right positively affects support for TTIP – as an example of negative integration – whereas it negatively affects support for Eurobonds and FTT – policy proposals geared towards positive integration. Individuals with greater skills, in turn, are more likely to support TTIP and Eurobonds – which can be characterized as predominantly market-making – but not the FTT with its orientation towards market correction (for the distinction between positive and negative integration and market-making and market-correcting see Scharpf 1999). Exclusive national identity appears to be associated with a generally negative effect on support for EU economic policies, but the effect is significantly larger in the case of Eurobonds with their far-reaching implications for core state powers (Genschel and Jachtenfuchs 2013). Finally, government trust also enhances policy support, but to a much lesser extent in the case of the FTT, which constitutes a significantly less complex proposal than TTIP and Eurobonds.

The results of this study have important implications for the study of EU support more generally. Existing studies overwhelmingly focus on regime support or aim at general explanations of policy support (Hobolt and de Vries 2016b). This contrasts with the finding that many citizens hold ambivalent, conflicted attitudes towards the EU (Boomgaarden *et al.* 2011; de Vries 2013; Stoeckel 2013). The study advances arguments why citizens might be of two minds about the EU. Indeed, there are good reasons to expect that citizens might support some EU policies but not others. Asking them about support for further integration, but not specifying what measures this might entail, thus leads to misleading findings about citizen support. With the further politicization of the EU, this trend is likely to intensify. The EU is left with the difficult task of navigating waters in which any choice for a specific economic policy invariably divides European citizens in supporters and opponents. That citizens respond to policy content is, of course, 'normal politics'. In this sense, the unravelling of the permissive consensus (Hooghe and Marks 2009) might indeed be a sign that a European public sphere of policy contestation is emerging.

1.3.3 Status of studies and contribution of co-author

The first study, entitled 'Supranational or Intergovernmental? The Making of the Macroeconomic Imbalance Procedure' is currently under review at the *Journal of European Integration* following a revise & resubmit decision. Earlier drafts previously received revise & resubmit decisions from the *Journal of European Public Policy* and the *Journal of Common Market Studies*. It is a single-authored paper.

The second study, entitled 'Compliance with Country-Specific Recommendations under the European Semester' has been submitted to the *Journal of European Public Policy* and has received a revise & resubmit decision. It is also single-authored.

The third study, entitled 'Public Support for European Union Economic Policies' has been published in *European Union Politics*, 2018, Volume 19, Issue 1, pp. 97-118 (DOI: 10.1177/ 1465116517740638). In contrast to the previous to studies, this contribution has been co-authored by my colleague Dennis C. Spies. While this paper represents a truly joint work that came together through many discussions, the individual contributions might be differentiated as follows. I was mainly responsible for the review of the literature on EU support and the development of hypotheses, the handling of the data, the empirical analysis and the discussion of results. Dennis contributed through the review of the broader literatures on trade support and partisanship and feedback and revisions encompassing all parts of the study.

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Chapter 2: Supranational or Intergovernmental? The Making of the Macroeconomic Imbalance Procedure

Abstract: Recent developments in the EU have included a thorough overhaul of economic governance and have reignited theoretical debates about the driving forces of integration. This contribution applies supranationalist and intergovernmentalist expectations concerning the role and influence of supranational actors and governments to empirical material provided by the political process that led to the adoption of the Macroeconomic Imbalance Procedure in 2011. This procedure, being located at a vantage point among economic governance reforms, was directed at remedying perceived key shortcomings of earlier arrangements. The study finds that the decision process and the legislative outcome are best accounted for by intergovernmental conflict, asymmetrical interdependence and bargaining. However, supranational actors successfully extended the scope of delegated authority. Taken together, these results indicate that whereas liberal intergovernmentalism provides the most applicable general theoretical framework and supranationalism can convincingly explain instances of delegation, the propositions of the new intergovernmentalism may need to be revised.

Key words: economic governance; European Union; intergovernmentalism; macroeconomic imbalances; supranationalism

2.1 Introduction

As the institutional settlement of the European Union (EU) has been confronted with new challenges in the course of the recent crisis, the debate on the influence of supranational and intergovernmental actors in EU policy-making has been reignited. The classic integration theories, supranationalism and liberal intergovernmentalism, have been applied to the overall policy-making dynamics in this context and substantial evidence has been cited in their support, respectively (Niemann and Ioannou 2015; Schimmelfennig 2015a). At the same time, proponents of a 'new intergovernmentalism' reject some elements of the rationalist framework of liberal intergovernmentalism, while also arguing that a full-scale intergovernmentalization can be observed with (consensus-seeking) national governments (re-)asserting their control over the policy cycle (Bickerton *et al.* 2015; Puetter 2012). This argument rejected by others, sometimes referred to as 'new supranationalists' (Schmidt 2016b), who point to the substantive importance and considerable strengthening of supranational actors such as the European Commission during the crisis (Bauer and Becker 2014; Schön-Quinlivan and Scipioni 2017). The Macroeconomic Imbalance Procedure (MIP), adopted in late 2011, is a prime example of such reforms as it broadened and deepened the Commission's supervision capacities of national economic policies.

By focusing on the decision process, this paper shows, first, that while supranational actors tended to act in accordance with integrationist motives, their strategies with respect to broadening and deepening differed substantially. Second, national governments confronted one another on the basis of economic interests, relative power and competitive bargaining, seeking to establish credible commitments on future adjustments to imbalances. Third, efforts of supranational actors to affect the breadth of the MIP were restrained and unsuccessful but they achieved a significant deepening of the procedure. The outcome of selective enforcement can be accounted for by liberal, but not by the new intergovernmentalism. Remarkably, the deal struck between the Commission and the European Parliament (EP) on the one side, the Council of the EU on the other, and the European

Central Bank (ECB) in between reinforced rather than corrected the intergovernmental power imbalance. Nevertheless, the MIP represents primarily a mechanism of soft coordination without a clear path to enforcement.

The next section briefly introduces the MIP. After this, the article turns to the debate within and between supranationalism and intergovernmentalism. The following sections derive contrasting case-specific expectations from these frameworks and compare them with substantively important and theoretically relevant empirical case material in order to assess each theory's leverage. The sections focus on the approaches of supranational actors and governments, respectively, as well as on how they interacted to produce the outcome. A final section discusses results and theoretical implications.

2.2 The MIP

Since the onset of the financial crisis, it has become a commonplace to identify macroeconomic imbalances, which became particularly visible in wide divergences of current accounts, as representing major economic policy challenges both globally and within the eurozone. As a political response, in late 2011 the EU adopted the MIP in the legal form of two regulations decided upon through the ordinary legislative procedure (OLP) within the six-pack economic governance reform package.[1] It provides for surveillance and assessment of macroeconomic imbalances and their determinants, based on scoreboard indicators with precise 'alert thresholds' combined with 'economic judgement.' It also establishes a corrective mechanism, including financial sanctions-based enforcement for the eurozone. In principle, the MIP extends to virtually all areas of (national) economic policy because any policy contributing to imbalances may come under scrutiny (Scharpf

[1] Regulation (EU) No 1176/2011 on the prevention and correction of macroeconomic imbalances and Regulation (EU) No 1174/2011 on enforcement measures to correct excessive macroeconomic imbalances in the euro area.

2013: 11). The MIP has become an important element of the revised EU economic governance framework and features prominently in the Five Presidents' Report published in summer 2015 (Juncker 2015).

The functional logic behind the prevention and correction of macroeconomic imbalances, both generally and particularly in the context of economic and monetary union (EMU), is borne out by experts (Blanchard and Milesi-Ferretti 2011; Drudi *et al.* 2012; Essl and Stiglbauer 2011) and official statements of policy-makers (European Commission 2010d; European Central Bank 2010). Also within the regulations, functionalist rhetoric is pervasive, for instance through repeated references to the 'smooth' or 'proper functioning' of EMU as a policy objective. However, a purely functionalist narrative of the MIP in which a 'solution' is fitted to a 'problem' is theoretically and empirically unconvincing. Theoretically, research on the political economy of macroeconomic imbalances suggests that policies designed to regulate them will almost always generate winners and losers and should therefore be viewed as a highly political matter (Frieden 2015). Empirically, the fairly broad consensus to regulate macroeconomic imbalances in principle dissipates when one looks at the crucial questions involved in doing so. Particularly the uneven treatment of deficits and surpluses (especially within the scoreboard) and the political hurdles to centralized enforcement measures of corrective policies represent political choices that remain controversial among experts (Franco and Zollino 2014; Moschella 2014). To account for this, it is useful to turn to theories of EU politics.

2.3 Supranational or intergovernmental?

A recurring debate in EU studies has taken issue with the autonomy and influence of supranational actors and institutions as compared to that of national governments. Throughout the history of the EU, this debate has been epitomized by the conflicting frameworks of European integration provided by supranationalism (rooted in neofunctionalism) and intergovernmentalism. Although the original dichotomy has given way to a larger variety of approaches to EU politics, it continues to play a role in structuring debates on European integration (Niemann and Ioannou 2015; Schimmelfennig 2015a). This is further exemplified by the fact that empirical puzzles have often triggered attempts of revision rather than abandonment,[2] resulting in a situation where it is perhaps more accurate to view the two strands as broad labels rather than as concise and coherent frameworks. They increasingly represent umbrella terms for diverse and sometimes contradictory theories and accounts of EU governance loosely linked only by their emphasis on the influence of supranational actors and that of governments, respectively.

Most supranationalists share the view that supranational actors can exploit formal and informal institutions and intergovernmental divisions to advance integration (Epstein and Rhodes 2016). Initially applied primarily to the Commission and the European Court of Justice, this argument was extended to other supranational actors such as the EP or the ECB as their formal institutional resources have grown (Niemann and Ioannou 2015). Supranationalists point out that many of the recent EU decisions, including the one analyzed in this paper, were originally advanced by supranational actors, interpreting the evidence as a success of strategic supranational entrepreneurship (Schön-Quinlivan and Scipioni 2017). Moreover, they highlight that the substance of the policies thus adopted has tended to further strengthen the role of supranational actors in implementation (Bauer and Becker 2014). Though the distinction between 'old' and 'new' supranationalism is easily overdrawn, recent scholarship is overall more focused on describing specific processes than providing a general theory and emphasizes the variability of supranational motives and strategies (Becker *et al.* 2016).

[2] Schmidt (2016b) provides an overview of the most recent wave of attempts.

The main rival of supranationalism, intergovernmentalism, has long been strongly associated with the liberal approach developed by Moravcsik (1998). This approach portrays national governments as rational actors with (usually) unambiguous preferences. Patterns of international interdependence, conflicts of interest, and competitive intergovernmental bargaining largely determine EU decisions whereas supranational actors only play 'redundant' roles in decision-making, though they may then be crucial for ensuring 'credible' implementation. The new intergovernmentalism (Bickerton *et al.* 2015) concurs that the leaders of national governments are the most important actors in EU politics, but rejects the remaining main components of the liberal variant. Most importantly, the emphasis on domestic preference formation, intergovernmental conflict, and relative power is replaced by arguments about the predominance of preference formation through EU-level deliberation and consensus. Moreover, it is argued that the (new) recipients of delegated powers are kept under tighter control.

In the following, the theoretical frameworks introduced above are each applied to the basic motivations and approaches of supranational actors and governments and the determination of the policy outcome. Although these are obviously closely linked to the outcome, the separate analysis of actor motives and strategies helps doing justice to the significant differences between 'old' and 'new' approaches. Aiming to provide for sufficient analytical depth and comprehensiveness, a variety of sources is used, including official and academic publications, newspaper articles, and anonymous semi-structured expert interviews with officials from the European Commission, the EP, the ECB and the Council.[3] The key selection criteria was their direct involvement in the various stages (agenda setting, negotiation) and levels (supranational, intergovernmental) of the decision-making process. In order to analyze the role of the Commission, ECB, EP, Council, and national

[3] The interviewees requested not to be quoted by name or institution. Therefore, each interview is attributed a number and quoted accordingly. Interviews were conducted by the author on 20/2/2015 (Interview 1), 6/3/2015 (Interview 2), 12/3/2015 (Interviews 3,4,5), and 13/3/2015 (Interview 6).

governments, these are viewed as aggregate actors with capacities to take coherent positions. Nevertheless, whenever internal divisions were potentially important to the external stance, these are also reflected on. In order to reduce the ambiguity that is almost inevitably linked to measuring influence in EU decision-making (Nugent and Rhinard 2016: 1207), close attention is paid to original preferences and sequences of events.

In substantive terms, this analysis focuses on the two key dimensions of EU authority, 'breadth' and 'depth'. Breadth refers to the 'number of issues which fall under EU competence' (Börzel 2005: 221). With respect to the MIP, the primary issue was whether and to what extent to adopt a symmetric approach to imbalances. Symmetry captures the degree to which current account deficits and surpluses (and their determinants) are subjected to surveillance, ranging from equal coverage of both (full symmetry) to the complete exemption of one (full asymmetry). Various intermediate forms are conceivable. A more symmetric procedure is broader, creating more instances of enhanced EU surveillance by including both deficits and surpluses rather than just one of them. Depth can be defined as the 'involvement of supranational bodies and Council voting rule' (Börzel 2005: 221). Here, the prevailing question was whether and to what extent to use reverse qualified majority voting (RQMV). RQMV is a Council voting rule through which Commission proposals are adopted unless a standard qualified majority vote (QMV) against them passes. More use of RQMV implies deeper integration, as it limits, in formal terms, intergovernmental discretion in implementation (Dehousse 2016: 620).

2.4 The approaches of supranational actors

There is a growing debate about the starting proposition of 'traditional' supranationalism that supranational actors 'share[…] a clear preference for substantial action towards further integration' (Niemann and Ioannou 2015: 209). Frequently cited reasons for this proposition include (on average) more integrationist worldviews of supranational officials resulting from self-selection and socialization and competence-accumulating tendencies inherent in bureaucratic politics (Pollack 1998: 219). Since furthering integration implies both broadening and deepening, one can, for the case of the MIP, deduce the supranationalist expectation that supranational actors favor a more symmetric procedure over a less symmetric one and a more extensive use of RQMV over a more restricted use.

Recent studies frequently take a more cautious position, suggesting that supranational actors and specifically the Commission may 'not be […] willing to advance integration in all fields at all times or at the same pace' (Becker *et al.* 2016: 1026). There are two variants of this argument. One suggests that integrative motives remain important, but supranational actors are now better able to act strategically and therefore more selective but arguably also more effective in advancing an integrative agenda (Becker *et al.* 2016). The other variant goes further and argues that frequently factors such as personal ideological predispositions and inter-institutional competition may render supranational actors hostile to integrative pursuits even when these are strategically feasible (Bickerton *et al.* 2015: 712–713; Hodson 2013). Either of these implies the contrasting expectation that supranational actors are not necessarily proactively pursuing a symmetric MIP and extensive use of RQMV.

Although viewing the correction of excessive current account deficits as more urgent in the context of the crisis, in a more long-term perspective the Commission was equally concerned about 'structural weaknesses in domestic demand' in countries recording current account surpluses and highlighted that the costs of '[c]oordinated efforts' of adjusting both deficits and surpluses are lower than those of 'asymmetric adjustment' focusing only on one side (European Commission 2010e: 2; 34). It favored 'a symmetric application' (Interview 6), and initially suggested a symmetric definition of thresholds of scoreboard indicators (European Commission 2010a: 5). Insofar it can be accredited with a 'centre-right orientation' with an associated set of economic beliefs (Hodson

2013: 303), it is remarkable that the Commission subscribed to a demand-centered economic logic usually associated with the left. Purposefully or not, the Commission thus took an integrationist position even when this seemed to contradict its (asserted) overall economic ideology.[4] However, the official communications of the Commission remained conspicuously vague on symmetry. On depth, the Commission (especially DG ECFIN) proposed and supported RQMV (Interview 6; European Parliament 2011a: 79; Schön-Quinlivan and Scipioni 2017). However, the Commission was not as ambitious in advancing RQMV as the EP and the ECB (see below).

The clearest contrast to the supranationalist expectation of pro-integrative behavior is provided by the ECB, which advocated a 'narrow' asymmetric focus on deficits (European Central Bank 2010; 2011), thereby defying expectations of unambiguous integrationist preferences. The perceived difficulty of upholding intrusive rules against possibly recalcitrant governments, coupled with the view of deficits as particularly threatening to the 'smooth functioning of EMU' (risk of disruptive balance-of-payments crises with 'contagion effects'), led to the assessment that focusing political capital on deficit surveillance was politically more efficient (Interview 1; European Central Bank 2010: 9). However, the ECB was strongly in favor of extending RQMV beyond what was proposed by the Commission (Interview 1). Viewing 'insufficient automaticity' in the application of existing rules was the key problem laid bare by the recent crisis, 'the ECB recommend[ed] increasing automaticity by means of adding [RQMV] whenever possible' (European Central Bank 2011: 3).

In contrast to the Commission and the ECB, the EP faced significant internal divisions on the six-pack. Nevertheless, this did not prevent it from adopting a common bargaining strategy (O'Keeffe *et al.* 2016). Within the responsible EP committee, debates were structured along partisan lines (Interviews 1,2; Bressanelli and Chelotti 2016: 518). Compared to the other files of the six-pack,

[4] A possible explanation is the strong role of the (integrationist) DG ECFIN (Schön-Quinlivan and Scipioni 2017).

those of the MIP enjoyed the largest base of support in the ECON Committee.[5] Center-left MEPs criticized the overall package for being too focused on expenditure cuts. The MIP was partially exempted from this criticism and perceived as 'a glimmer of hope' (European Parliament 2011a: 69). Specifically, the EP center-left (S&D and Greens/EFA) emphatically supported full symmetry, emphasizing that because surpluses and deficits represented two sides of the same coin any deviation from this principle would be considered favoritism (European Parliament 2011a: 84). For the liberals (ALDE) and the center-right (EPP), full symmetry was less crucial, but there was wide agreement that a more symmetric approach was desirable (Interviews 2;4; European Parliament 2011a: 73). The center-right also explained its support for a resolute stance with appeals for 'unity' and a 'principle of give and take' which required the respective groups to support one another's 'priorities' (European Parliament 2011a: 110; 111). The EP's overall position thus reflected a strong emphasis on the principle of symmetry (European Parliament 2011b). The EP position on deepening through extending the use of RQMV was also among its main priorities. The extension of RQMV was most vocally endorsed by the ALDE, but enjoyed relative wide support in the EP as many MEPs expressed doubts that governments would follow the rules if their application was left to intergovernmental discretion (Interviews 2,4; European Parliament 2011a). The EP thus strongly advocated extending the use of RQMV with demands arguably even going beyond what was 'legally feasible' (European Parliament 2011a: 108).

Overall, the evidence with respect to the views of symmetry and RQMV taken by the Commission, the ECB and the EP does not lend itself to unambiguous conclusions. While all of them were principally in favor of RQMV, the ECB stood out by not supporting symmetry. Its advocacy of a narrow design was driven by concerns that any broadening of the procedure beyond

[5] Votes cast in the ECON committee on 19/4/2011 have been documented by Jürgen Klute (GUE-NGL): https://werkplaatsandereuropa.files.wordpress.com/2011/05/stemming-in-ep-commissie-econ-sixpack-19-april-2011.doc.

'vulnerabilities' directly associated with the risk of balance-of-payments crises would dilute and reduce its impact on governments' economic policy choices. Moreover, although the Commission and the EP (majority) both considered symmetry and RQMV as desirable, the EP, in a context of internal divisions, publicly adopted a maximalist bargaining position, whereas the Commission's stance remained somewhat vague, cautious, and flexible. Taken together, the evidence supports the nuanced view expressed in the recent wave of supranationalist scholarship (Becker *et al.* 2016) that integrationist objectives remain crucial, but they do not suffice to explain the actions of supranational actors. Rather, these actors' interpretation of the situation and their institutional position play important roles and they may occasionally disagree about how to best achieve their integrationist goals.

2.5 The approach of the Council

Turning to the (inter-)governmental arena, liberal intergovernmentalism treats breadth ('substantive integration') and depth ('pooling' and 'delegation') as separate and hierarchically ordered, the latter subordinate to the former (Moravcsik 1998: 21). It views government preferences on policy coordination as shaped by the desire to minimize politically costly domestic adjustment (Moravcsik 1998: 48–49; Schimmelfennig 2015a: 181). Intergovernmental bargaining is shaped by asymmetrical interdependence. Asymmetrical interdependence means that '[t]he power of each government is inversely proportional to the relative value that it places on agreement compared to the outcome of its best alternative policy' (Moravcsik 1998: 62). More specifically, liberal intergovernmentalists argue that the crisis has strengthened the bargaining situation of the creditor countries (Schimmelfennig 2015a). Applied to the MIP, liberal intergovernmentalism thus implies contradicting governmental preferences of creditor and debtor states on breadth, creditors preferring to focus on deficit, debtors on surplus reduction (Frieden 2015). As bargaining outcome, one can deduce a stance focusing asymmetrically on reducing deficits. On depth, liberal intergovernmentalism advances a functional theory of delegation that emphasizes objectives to secure gains from agreement through credible commitments balanced with flexibility requirements due to future contingencies (Moravcsik 1998: 75–76). The creation of capacities of supranational actors to subsequently overrule governments unwilling to comply is regarded not as loss of control but rather as a mechanism whereby governments ensure that commitments are kept (Moravcsik and Schimmelfennig 2009: 72) Applied to the MIP, this implies that governments should formulate individual and collective positions based on their respective desires of credibility and control.

The new intergovernmentalism rejects this view of intergovernmental preference formation and suggests that government preferences and intergovernmental interaction have become more indeterminate and more insulated from domestic economic interests (Bickerton *et al.* 2015: 714–715). The decline of the relevance of economic interests-based bargaining in preference formation on breadth is explained with the parallel developments of the rise of anti-EU and anti-establishment politics and the proliferation of norms of consensus and deliberation in intergovernmental interaction (Bickerton *et al.* 2015: 711–712; Puetter 2012). This suggests that preferences on symmetry should evolve dynamically and only gradually become more defined and the debtor-creditor cleavage should not be of primary importance. On depth, the new intergovernmentalism suggests that there is now an 'almost categorical rejection of a further expansion of formal decision-making competences' of traditional supranational actors (Puetter 2012: 167; Bickerton *et al.* 2015: 713–714). Thus according to the new intergovernmentalism the intergovernmental stance should be very skeptical, if not openly hostile, towards applying or extending RQMV.

Strengthened coordination of EU economic governance was put on the intergovernmental agenda during the first half of 2010 in the context of developing debt crises in the eurozone. In late-March, a statement of eurozone heads of state and government explicitly committed to 'a strong coordination of economic policies in Europe' and called for establishing the predominantly intergovernmental Task Force on Economic Governance chaired by European Council President

Herman Van Rompuy (VRTF). The VRTF brought together finance ministers, the Commission, and the ECB. Its task was defined as 'exploring all options to reinforce the legal framework' (Euro Summit 2010).

With respect to symmetry, open Franco-German bilateral dissent about the necessity of surplus reduction provided an early manifestation of the debtor-creditor cleavage (Financial Times 2010e; 2010c). Symmetry continued to be a prominent divisive issue with repeated confrontations between creditor and debtor countries as the Council's work on determining its general approach on the MIP continued well into the first months of 2011 (Interviews 1,3,5; Council 2011e). Governments 'immediately looked at how they would be treated' by the procedure (Interview 3). Germany in particular demanded excluding surpluses from surveillance and repeatedly intervened in the process (Giegold 2011: 21), but an asymmetric approach leaning towards substantially less stringent surplus surveillance was more generally, though less vocally, preferred by other creditor governments, too (Interviews 4,5). Conflict, not deliberation, characterized the discussion of macroeconomic imbalances in general and the symmetry of adjustment in particular.

As suggested by liberal intergovernmentalism, patterns of asymmetrical interdependence decisively shaped the bargaining situation and a decidedly, but not fully asymmetric stance prevailed in intergovernmental negotiations. The intergovernmental compromise included an explicit distinction between (more problematic) deficits and (less problematic) surpluses (Interviews 1,2; Task Force 2010: 8; Council 2011b: 5). Although some creditor governments' demands for fully exempting surpluses from surveillance were unsuccessful, a clear differentiation was thus established. Governments of debtor countries were partly disadvantaged because their alternatives to rebalancing were limited due to solvency concerns. Additionally, arguably an implicit issue linkage existed between the more long-term oriented MIP and short-term financial stability support to several debtor countries, which substantially weakened their bargaining position (Interview 6). Although there is no direct evidence in official documents, this interpretation is rather plausible since March 2011, when the Council finalized its general approach, also saw escalating investor pressures on periphery countries and a major intergovernmental deal on a permanent bail-out fund plus additional financial assistance (Financial Times 2011a; 2011b).

Since RQMV constituted a cross-cutting issue, discussions largely applied to the six-pack as a whole. In the intergovernmental discussions in the VRTF, the issue of automaticity in enforcement was a recurring theme. Specifically, the need for more 'automatic' and 'credible' procedures of enforcing EU rules and applying sanctions was stressed by several, primarily Northern, member states in their contributions, which resulted in a strong emphasis of the VRTF report on these issues (Task Force 2010).[6] These stances indicate that, in a climate of 'mistrust' due to the perception of lacking rule adherence in the past, creditor governments were in favor of depoliticizing enforcement to enhance the credibility of commitments of debtor governments (Dehousse 2016: 625–626). RQMV itself entered the agenda with the Commission proposals. Viewing it as undue supranational interference in Council internal affairs, some governments initially reacted negatively to this proposal (Interview 5). There was, thus, a brief moment of the 'almost categorical rejection' posited by the new intergovernmentalism. However, this moment passed as intergovernmental conflict returned to the question of automaticity and to the cleavage between a group of supporters consisting of Northern states led by Germany and opponents grouped around France and Italy (Financial Times 2010d; Dehousse 2016: 626).

RQMV represented a prominent controversy throughout intergovernmental six-pack negotiations. A document that received wide attention is the Franco-German declaration at Deauville in late October 2010, which paid lip service to 'more automatic' procedures but suggested keeping QMV as a general voting rule. This was interpreted by Germany's Northern allies as a sacrifice of RQMV

[6] The (non-public) contributions of various governments to VRTF discussions were generously made available to the author by the Council Secretariat.

in exchange for French concessions on Treaty change (Financial Times 2010a). Moreover, the declaration contradicted the outcome of intergovernmental discussions in the VRTF whose report endorsed RQMV in the enforcement of rules (Task Force 2010). Interestingly, although observers initially speculated that Deauville made the VRTF report 'irrelevant' (Financial Times 2010b), the latter featured prominently as a point of reference in the intergovernmental discussions of the Commission proposals (Council 2011d). In fact, governments primarily debated whether to go 'beyond what was agreed in the [VRTF] report' in the application of RQMV in the MIP, although in the end there was insufficient support for this (Council 2011e: 7). Thus, the general approach reflected the previous commitment to establish RQMV in the enforcement stage of the MIP but to keep QMV as procedural safeguard for earlier decisions (Council 2011a; 2011b).

In sum, the evidence of how the Council determined its general approach is more in line with liberal than with the new intergovernmentalism. As indicated by the emergence of the creditor-debtor cleavage, governments defined their substantive preferences on symmetry primarily based on their strategic interest. Moreover, they openly brought their (issue-specific as well as cross-cutting) influence to bear when it served their respective interest, resulting in an agreement that mostly, though not completely, reflected the preferences of creditor governments for asymmetry. This is difficult to square with the new intergovernmentalist perspective, which emphasizes the pre-eminence of deliberation and consensus-seeking in intergovernmental interaction. Furthermore, as the haggling continued unabated throughout the negotiations, there is no evidence that government preferences were transformed by the process. Rather, as suggested by Dyson (2010), governments' receptiveness to alternative arguments remained constrained by their strategic interests. In fact, specifically the German surplus continues to attract criticism from abroad while German policy-makers across party lines staunchly defend it as a sign of competitiveness (Delcker 2017). With respect to RQMV, a similar line of conflict emerged. Especially Northern member states were strongly concerned about enhancing the credibility of commitments. These governments proved willing, and some even rather eager, to delegate discretionary authority in enforcement to a classical supranational actor, the Commission. The intergovernmental agreement consisted in applying RQMV in enforcement and QMV elsewhere, which indicates that governments approached the issue with caution, but not with general hostility.

2.7 Making it happen

This section looks at the process through which the legislative outcome of the MIP in terms of symmetry and RQMV was determined. With respect to the capabilities of supranational and intergovernmental actors to determine the outcome, supranationalism suggests that supranational actors, as 'engines of integration' (Becker *et al.* 2016), are not only willing to but also capable of furthering integration (Epstein and Rhodes 2016). Supranationalists emphasize the capacity of the Commission to propose solutions to problems encountered by governments (Schön-Quinlivan and Scipioni 2017) and influence policy-making through its formal and informal powers (Nugent and Rhinard 2016) and its increased role in implementation (Bauer and Becker 2014). Furthermore, the extended involvement of the EP in the decision-making process (Rittberger 2014) and the power of the ECB to influence policy outcomes (Epstein and Rhodes 2016) can make a crucial difference. For the MIP, one can therefore deduce the expectation that supranational actors are actively involved in the process and exert an important influence on the legislative outcome with respect to symmetry and use of RQMV, which results in their further strengthening.

In contrast, intergovernmentalists argue that governments are able and willing to collectively exert control over policy-making and thus the joint intergovernmental stance ultimately determines the policy outcome at the EU level. Intergovernmentalists insist that EU policy-making, including in the Community Method, is best conceived of as outcome of conscious and deliberate collective choices by governments (Moravcsik 1998; Schimmelfennig 2015a). Supranational actors are viewed as lacking capacities to divert EU decision-making away from the collective stance of governments.

Moravcsik (1998: 482) argues that inputs of supranational actors and specifically of the Commission and the EP are only valued if they are also supported by the governments and therefore 'redundant'; whenever they are 'unique and innovative' in terms of providing an independent impact, they are 'politely ignored'. The legitimacy derived from national politics and the existence of an implicit outside option of an intergovernmental treaty are cited as sources of the supreme influence of (leaders of) national governments even in procedures, such as the OLP, that seemingly put supranational actors on an equal footing (Bressanelli and Chelotti 2016: 515; Moravcsik and Schimmelfennig 2009: 74). The implication for the MIP, therefore, is the expectation that the outcome on the issues of symmetry and use of RQMV should closely resemble the intergovernmental stance on these issues.

Starting with the issue of symmetry, the Commission showed few signs of entrepreneurial activity. Its legislative proposals issued in late September 2010 (European Commission 2010b; 2010c) were conspicuously bereft of any definite statement on this matter. Irrespective of whether one considers this as a missed chance or due cautiousness (Interview 5), this left the initial discussion of this issue to the governments. While the issue of symmetry was and remained highly contentious among governments (see above), they could draw on the intergovernmental compromise reached in the VRTF, which adequately reflected their respective preferences and power. The Council's proposed amendments to the Commission proposal therefore included a formulation that followed almost word-for-word the intergovernmental compromise reached in the VRTF discussions, namely that while policy responses may be advantageous concerning both deficits and surpluses, the former are distinguished from the latter by their 'particularly pressing' need for corrective policies (Council 2011b: 5). The Council (2011d: 5) also signaled 'a common understanding' that questions of indicators and thresholds should not be determined in the legislative text but in the scoreboard.

The EP attempted to obtain commitments to symmetry through the legislative text and, even more importantly, through influencing its implementation. The draft text of the EP of May 2011 explicitly refers to symmetry in the scoreboard indicators, envisaging that '[t]he Commission shall set indicative lower and upper thresholds that shall be symmetric when appropriate, for these indicators to serve as alert levels' (European Parliament 2011d: 13). However, the Council did not accept explicit references to symmetry in the regulation and the EP ultimately had to settle for the less explicit stipulation that '[t]he scoreboard of indicators shall have upper and lower indicative thresholds unless inappropriate'.[7] While the mention of two-sided thresholds may be seen as a partial success of the EP, the lack of explicit commitment to symmetry and the qualification ('unless inappropriate') indicate that much depends on the adoption and implementation of the scoreboard.

Governments preferred adopting the scoreboard through a 'pragmatic' informal agreement between the Council and the Commission (Council 2011d: 5). The EP (European Parliament 2011d: 12) first demanded a delegated act, which would have given it a veto. When this was rejected, it asked for the scoreboard to be determined in the legislative text. This was also inacceptable to the Council which viewed the scoreboard as 'a technical, not a political document' (Interview 5). Thus the EP had to content itself with being involved alongside the Council in the informal procedure.[8] A second approach through which the EP tried to obtain reassurances was by successfully obtaining a Commission statement annexed to its resolution confirming that it 'is fully committed to respect this approach [of targeting both deficits and surpluses] and will ensure that macroeconomic surveillance covers countries with current account deficits and surpluses […]' (European Parliament 2011c, Annex).

Despite these efforts, the scoreboard of indicators for imbalances closely mirrored the Council agreement and therefore turned out rather asymmetric. Of the original ten indicators, eight are measures for capturing underlying dynamics of excessive macroeconomic deficits and thus only

[7] Reg. 1176/2011, Art. 4(4).

[8] Reg. 1176/2011, Recital 12.

have a single threshold (European Commission 2011). Of the remaining two, the crucial indicator capturing the current account balance is also asymmetric. Revealingly, at 6 per cent of GDP, 'the [upper] threshold was just higher than the projected German surplus' (Interview 4), whereas the lower threshold was more restrictive (4 per cent). Interviewees confirmed that the Council exerted substantial influence whereas the EP was relatively weak (Interviews 1,2,3,6; Giegold 2011). According to one interviewee, the EP was 'more or less ignored' when setting up the scoreboard (Interview 3). By contrast, the Council was very influential because applying the scoreboard ultimately depended on its cooperation. One interviewee explained: 'If the scoreboard indicators are not approved by the Council, the process is emptied. The Council can kill the procedure. The Commission knows. Parliament knows' (Interview 5). Moreover, the Council, seeking to accommodate creditor states' concerns without changing the regulation itself (Interview 5), also extracted a Commission declaration stating

> that unlike current account deficits, large and sustained current account surpluses do not raise concerns […] that affect the smooth functioning of the euro area, which are key criteria for triggering the corrective arm […], and that they will not lead to sanctions (Council 2011c: 3).

In contrast to the issue of broadening, the Commission succeeded in determining a starting position on RQMV that governments proved unable – but also unwilling – to move behind. This was due to the intergovernmental perception of an urgent need for a more credible and more automatic sanctioning procedure in order to reassure voters, markets and one another that they intended to comply with agreed upon rules. The Commission, in its legislative proposals, offered RQMV as a procedural solution to the problem of credibility that governments were so acutely worried about (Schön-Quinlivan and Scipioni 2017; Dehousse 2016). In the MIP, the Commission (2010b: 10) proposed applying RQMV to decision-making on sanctions for eurozone member states. Despite initial unease, a majority of governments soon accepted this proposal, with a smaller group pushing for an even further extension of RQMV.

In the inter-institutional negotiations, the main players were the Council, the EP and the ECB. After having proposed RQMV in some instances, the Commission was not as vocal as the EP and the ECB. The Commission even urged the EP to be content with the deal when the latter was still fighting for extending RQMV (European Parliament 2011a: 79). Presumably, this ambiguous behavior was partially shaped by strategic concerns and an 'overriding interest in having a deal' (Interview 1; Bressanelli and Chelotti 2016: 522). The Commission was acutely aware of intergovernmental reluctance and preferred acting as a mediator to openly pursuing its preferences for deepening. By contrast, an assertive EP, helped by the forceful advocacy for RQMV of the ECB (2011), negotiated one additional instance in which RQMV is applied: the assessment of member state action under the corrective arm (O'Keeffe *et al.* 2016).[9] However, the Council made sure that two essential safeguards were maintained: restricting the use of RQMV to the corrective arm, which needs to be activated by a QMV-Council decision, and ensuring the regulations ensure the flexibility not to escalate the procedure (Interview 5).[10]

As this section has shown, the dynamics are surprisingly different for breadth and depth. The determination of symmetry largely supports the intergovernmental perspective. First, the governments in the Council succeeded in making the intergovernmental compromise the starting point of the negotiations. Then, they resisted changes by the EP through a mix of rejecting the more ambitious demands and offering compromises that left enough room for discretion to informally readjust the degree of symmetry to that reflected in the intergovernmental compromise. By contrast, concerning the decision-making on RQMV there is strong evidence for an influence of supranational actors. The idea originated with the Commission and it was further enhanced by the avid support of the ECB and the EP, which resulted in the widespread application of RQMV in the MIP's corrective arm. In the final section of this article, it therefore appears useful to reflect

[9] Reg. 1176/2011: Art. 10(4).

[10] Reg. 1176/2011: Art. 7(2).

back on the approaches the various actors took in order to better understand why in one case a clear intergovernmental logic prevailed (symmetry) whereas in the other (RQMV) results were shaped by the efforts of supranational actors.

2.8 Conclusions

Focusing on the crucial issues of breadth and depth, this article has analyzed the approaches of supranational actors and governments in the decision-making process on the MIP and how these actors have shaped the policy outcome. What are the conclusions that can be drawn from this analysis? First, both with respect to breadth and depth, the results contrast with the propositions of the new intergovernmentalism (Bickerton *et al.* 2015). The asymmetric stance that prevailed in Council negotiations and the policy outcome can be traced to intergovernmental conflict and relative power. The findings thus support the view that this constitutes a 'missing link' in the framework (Schimmelfennig 2015b: 728). Moreover, supranational actors' commitment to and success in establishing and extending RQMV suggest that new intergovernmentalist propositions about their motives and supranational delegation more generally may need to be revised.

Second, the issue of RQMV was characterized by more effective supranational agency in policy-making than that of symmetry. However, the findings on breadth and depth are only seemingly contradictory. Evidence that the substantive scope of the MIP was largely determined through intergovernmental bargaining and compromise does not contradict a supranationalism that views the chances of supranational actors to influence policy-making as conditional on the coordination and agreement between them and the governments (Schön-Quinlivan and Scipioni 2017: 1184–1185). Since the preferences of the Commission and the EP for symmetry contradicted the asymmetric approach that prevailed in the Council (and also in the ECB), it is unsurprising that the

Commission never seriously attempted and the EP largely failed to actively influence this particular aspect of the MIP.

Likewise, the observation that supranational actors succeeded in advancing supranational delegation through initiatives of these actors does not conflict with liberal intergovernmentalism insofar 'it can be shown that competence growth was a response to important enforcement problems and followed the preferences of the most powerful governments' (Schimmelfennig 2015a: 191). As has been argued, the creditor governments strongly perceived an enforcement problem in the existing rules – hence their concern for 'credibility' and 'automaticity' – and their choice for supranational delegation may also be seen as a deliberate move to insulate policy-making from public debate and politicization (Dehousse 2016: 626). The decision to adopt the MIP scoreboard through an informal, if nontransparent, procedure could be interpreted as another example of this depoliticization strategy. Moreover, ironically, the hardening of rules via RQMV, being restricted to the MIP's corrective arm, may have further contributed to the asymmetry of the procedure because the Commission had to preclude applying this part of the procedure to surpluses, leading to an 'asymmetric sovereignty transfer' (Dawson 2015).

However, analyses focusing primarily on the formal aspects of RQMV (Dawson 2015) may overestimate the automaticity of enforcement (Dehousse 2016: 620). So far, despite multiple cases of 'excessive imbalances', there has not been a single instance in which the Commission has recommended to activate the corrective arm.[11] Schmidt (2016a: 1049) suggests that the Commission's reluctance indicates that it first reinterpreted and then deliberately 'applied the rules with increasing flexibility.' This interpretation is remarkable because it asserts that the Commission, which pushed for intrusive rules, now deliberately refrains from applying them. A different

[11] This reluctance has attracted the criticism especially of the ECB (2017: 65), which has repeatedly emphasized its view 'that the MIP tools – including the full corrective arm of the procedure – should be fully employed in relation to those countries with excessive imbalances.'

interpretation is that the discretionary powers gained through the MIP are difficult to wield. In the absence clear numerical signals in the regulations,[12] decisions establishing non-compliance remain inherently fragile and risky. Granting the Commission full discretion not to take action against 'excessive' imbalances may have been the most crucial safeguard against excessive intrusiveness, because the Commission cannot hide behind unambiguous rules when escalating surveillance.

Either way, without a straightforward path to enforcement, the effectiveness of the MIP ultimately hinges on the political will of governments to follow the policy prescriptions from Brussels. Heipertz and Verdun (2010: 6–7) observed in their study of the Stability and Growth Pact that '[d]ue to the politicised nature of the EDP, the essence of the Pact seems to be not so much a mechanism of "quasi-automatic sanctions" but rather the institutionalisation of a political pledge to aim for low deficits.' It does not seem far off the mark to view the MIP primarily as 'the institutionalisation of a political pledge' to pay more attention to domestic and area-wide risks for economic and financial stability deriving from macroeconomic imbalances in the economic policy choices of the member states. This pledge is unlikely to fundamentally disrupt the democratic accountability links between governments and their electorates. Whether it is sufficient to produce the convergence required for the 'smooth functioning of EMU' remains to be seen.

2.9 Appendix: interviews

Interview 1: Subject: MIP; conducted by author on 20/2/2015.

Interview 2: Subject: MIP; conducted by author on 6/3/2015.

Interview 3: Subject: MIP; conducted by author on 12/3/2015.

[12] Reg. 1176/2011: Recital 14.

Interview 4: Subject: MIP; conducted by author on 12/3/2015.

Interview 5: Subject: MIP; conducted by author on 12/3/2015.

Interview 6: Subject: MIP; conducted by author on 13/3/2015.

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Chapter 3: Compliance with Country-Specific Recommendations under the European Semester

Abstract: With the adoption of the European Semester, the EU has established a more structured dialogue through which country-specific economic policy recommendations (CSRs) are directed at Member States and their implementation is assessed within a yearly cycle. This is supposed to improve policy coordination and facilitate the attainment of the EU's economic and social objectives. However, implementation patterns vary across different member states and individual CSRs. Drawing on Commission assessments, this study explores factors contributing to the varied implementation record in its multilevel context. Hypotheses are generated based on existing research on national compliance with EU directives. Results show that whereas stricter surveillance does not systematically affect CSR implementation, government ideology, EU benefits, domestic constraints and state capacities and all matter, though in sometimes unexpected ways. Overall, it appears that while structural factors – particularly corporatism – have an influence, CSR compliance is nevertheless best characterized as a deliberate government choice.

Key words: compliance; economic governance; European Union; European Semester; soft law

3.1 Introduction

With the institutional reforms adopted in the course of the euro crisis, EU coordination of national economic policies has been broadened and deepened. It now takes place in a structured process, the so-called European Semester (ES), which includes a yearly cycle of the development, issuance, and implementation of country-specific recommendations (CSRs). This has led some observers to conclude that EU economic governance is increasingly moving towards an ever more extensive involvement of the EU in and consequently harmonization of national economic policy-making (Dawson 2015). However, the implementation of policy recommendations under the ES is neither straightforward nor merely a technical matter. In October 2016, the president of the Economic and Financial Committee (EFC), Thomas Wieser, noted in a letter (Council of the European Union 2016: 2) that

> there is a growing consensus that the real 'success' of the European Semester can only be gauged through the actual implementation of the key reforms outlined in the Council's CSRs – and that implementation is somewhat disappointing. The degree of implementation of CSRs varies across countries and policy areas and this despite a considerable streamlining and focus of the CSRs towards the key macroeconomic challenges of each Member State.

This conclusion supports the view that the implementation of ('soft-law') recommendations is as multifaceted and contested as that of ('hard-law') directives (Saurugger and Terpan 2016). This study is the first to systematically analyze factors affecting the variation in CSR implementation.

Research has only recently taken up the issue of compliance with EU soft law (Saurugger and Terpan 2016; Van Wolleghem 2017). On the one hand, research on EU soft law, 'new modes of governance' and recently the ES primarily takes a process-oriented approach and focused on why and how recommendations are generated but only rarely on whether these recommendations are actually implemented (Schäfer 2004; Verdun and Zeitlin 2018). On the other hand, research on EU compliance overwhelmingly analyzes 'formal' compliance and noncompliance in the specific case of EU directives (Treib 2014), though a greater interest in 'substantive' compliance is emerging (Zhelyazkova *et al.* 2017). Against these backdrops, a systematic analysis of compliance with CSRs issued under the ES not only provides an opportunity to better understand the implementation of the increasingly prominent and important EU soft law policy outputs – of which the ES constitutes a prime example. It also promises to generate further insights on compliance as a broader phenomenon in EU politics, which can also be studied in instances where legal obligations and enforcement mechanisms are weaker and more heterogeneous than in the case of directives.

3.2 Compliance with CSRs: conceptualization and measurement

The ES is an annual cycle of economic policy coordination based on EU-level assessment, advice and surveillance and national-level implementation and feedback. A major aspect of this coordination cycle consists in the CSRs issued to member states, which potentially cover the full range of national economic policies. CSRs are proposed by the Commission and adopted and endorsed by the governments (through the Council and the European Council, respectively). Governments are then expected to implement the recommended measures and the Commission assesses the extent to which they did. This assessment feeds into the formulation of new CSRs for the next cycle. The process is, however, not self-contained but open to the identification of new priorities through, for instance, the Commission's Annual Growth Surveys (AGSs) or the governments' national reform programmes (NRPs).

While extensive empirical fieldwork has been conducted to illuminate how CSRs are adopted at the EU level (see e.g. Zeitlin and Vanhercke 2014), little is known about the conditions under which governments choose to follow them (or not) in their domestic policy-making, that is, whether and why they 'comply'. In general terms, compliance can be defined as 'a state of conformity or identity between an actor's behavior and a specified rule' (Raustiala and Slaughter 2002: 539). Existing research on compliance with EU rules overwhelmingly focuses on directives (Treib 2014). However, conceptually speaking the notion of compliance as a state of conformity with a given rule is not predicated on a specific legal status of said rule. There is an increasing recognition that compliance constitutes a broader concept and can also be studied in fields in which the implementation of rules cannot be enforced through standard legal procedures (Saurugger and Terpan 2016; Terpan 2015; Van Wolleghem 2017).

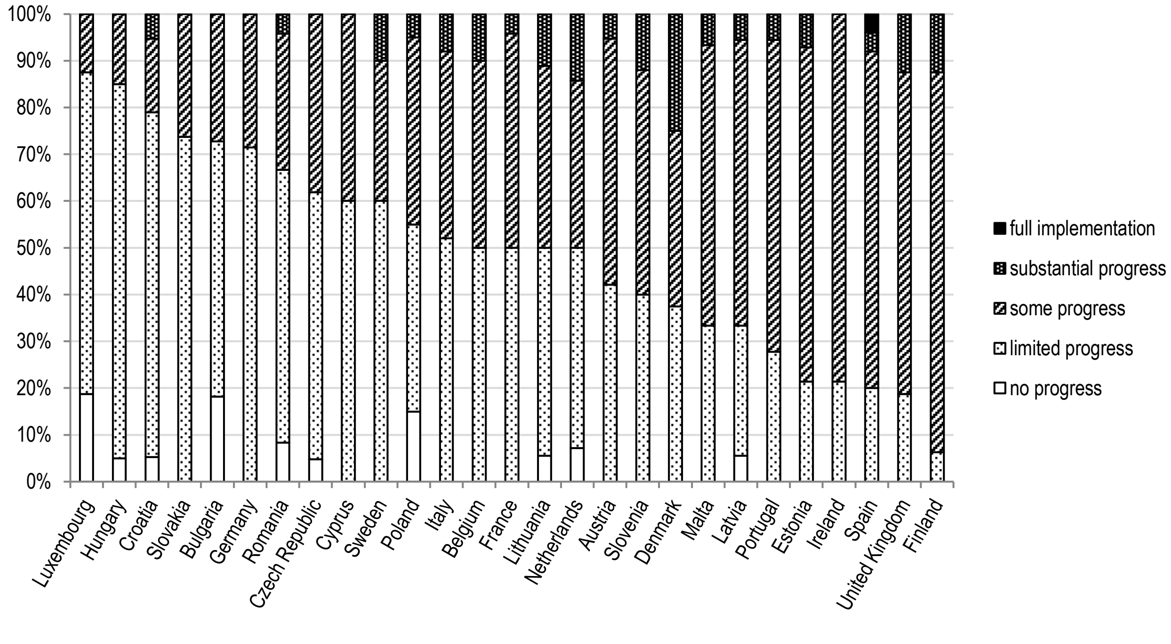
A problem of all quantitative research on compliance patterns concerns the quantification of the inherently qualitative and 'irreducibly subjective' concept of compliance (Toshkov 2010: 13; Treib 2014). For analyzing CSR compliance, this study draws on yearly assessments of CSR implementation published by the Commission. Since the 2014 assessment, there is a single set of categories to rank compliance, distinguishing between the categories 'no progress', 'limited progress', 'some progress', 'substantial progress', and 'full implementation' across all CSRs.[1] The use of these data for a compliance measure is less affected by the 'tip-of-the-iceberg' problem confronting member state notifications and EU infringement proceedings widely used in directive compliance research (Hartlapp and Falkner 2009). In contrast to notifications, the assessments are provided by an independent agent rather than the 'implementer' and in contrast to infringement proceedings, due to the encompassing nature of Commission analysis there is no strategic choice in choosing which CSRs are scored. From a more empirical perspective, qualitative evidence suggests that CSR-based surveillance is systematic, inclusive and evidence-based (Zeitlin and Vanhercke 2014) and thus the potential for biased assessments appears rather limited. Keeping in

[1] Because these categories were not consistently applied for the first two rounds, these are omitted from analysis. A detailed account of how the categories are defined is provided in the Appendix. Another ten CSRs had to be excluded because they were assessed exclusively in the Commission assessments of stability and convergence programmes, which follow a different methodology.

mind the irreducible degree of subjectivity, in the absence of countervailing evidence suggesting a systematic error, the Commission assessments thus seem to constitute not only the most systematic and comparable but also an accurate source of data on compliance with CSRs.

Since 2013, a total of 489 CSRs have been issued under the ES of which a total of 479 were evaluated by the Commission based on the ranking introduced above (see Figure 3.1 below). Since countries under financial assistance programmes do not receive separate CSRs and since the EU membership can change through accession or exit, the number of countries for which CSRs are issued and evaluated can change. Between 2013 and 2017, this number has risen from 23 to 27 (EU-28 minus Greece). Almost 90 percent of the assessments conducted since 2013/14 have resulted in the finding that the respective member state has either made limited (45 percent) or some progress (43.4 percent) in terms of implementing CSR suggestions. Less than 10 percent resulted in the more 'extreme' finding that either no or substantial progress had been made or the CSR had been fully implemented (the latter only happened once).

Figure 3.1. Cross-country comparison of CSR compliance.



A significant development is that the number of CSRs has declined strongly under the Juncker Commission (Zeitlin 2016: 1088). In 2013 and 2014, under the Barroso Commission, a total of 141 and 157 CSRs were issued, respectively (on average 6.2 per member state covered). In 2015 and 2016, these numbers have declined, with 102 and 89 CSRs adopted, respectively (on average 4.2 and 3.6 CSRs per member state, respectively). Implementation performance has deteriorated slightly (Darvas and Leandro 2015), but it is unclear whether this constitutes a systematic pattern. Across member states, there is considerable variation both in number of CSRs received and, as shown by Figure 3.1, in average relative implementation performance. Despite these differences, a systematic pattern in the distribution of low and high performers is not immediately evident.

3.3 Explaining compliance with EU recommendations

In the following, hypotheses on potential factors influencing CSR compliance are developed relating to political ideology, internal constraints, government capacities, external constraints and benefits of EU membership. These hypotheses build, for the most part, on existing findings of the literature on directive compliance (Toshkov 2010; Treib 2014). In this literature, two broad approaches can be distinguished. First, the so-called 'enforcement' approach focuses on governments' motivation to comply. Compliance is viewed as conditioned primarily by factors affecting this motivation such as government ideology, perceived benefits of EU membership and external constraints. This approach is particularly important in CSR compliance due to the prevalence of the principle of voluntarism in soft law (Saurugger and Terpan 2016). Second, the 'management' approach focuses on governments' abilities to comply. According to this approach, compliance is affected by domestic constraints and state capacities.

3.3.1 Enforcement approach

In the enforcement approach, the 'fit' between government ideology and EU inputs constitutes one major potential driver of domestic implementation (Toshkov 2008; Zhelyazkova *et al.* 2017). Since CSRs do not confront governments with legally binding duties, their decision to implement hinges to a presumably even greater extent on whether the EU input is actually aligned with their own policy objectives, leading to selective implementation and 'cherry-picking' (Eihmanis 2018). This implies that the closer the policy action prescribed corresponds to policy action desired by the government, that is their policy positions, the more the implementation prospect improves. The focus here is on those dimensions of government positions that are most prominently discussed in the literature: government EU and economic policy positions (Toshkov 2008).

Concerning the first, one may expect that more EU-friendly governments are in greater agreement with the principle and legitimacy of EU involvement in domestic policy-making and the need for policy coordination and thus more willing to sacrifice other policy objectives because they attach a greater value to compliance with EU inputs as a goal in itself (Toshkov 2008; Börzel and Sedelmeier 2017). With respect to the second, coordination through the European Semester may be affected by governments' economic ideologies due to the contested nature of the balance struck between 'economic' and 'social' objectives. The former refer for instance to sound public finances, economic growth, international competiveness and (negative incentives to take up) employment, the latter to goals such as public sector investment, high wages, social protection and social inclusion (Copeland and Daly 2015). While Zeitlin and Vanhercke (2018) argue that the ES has become progressively more 'social', the prevailing view is that CSRs still tend to privilege economic objectives (Copeland and Daly 2015; Crespy and Schmidt 2017). These are more aligned with the (pro-market) ideology of the 'economic right' than that of the 'economic left'. Consequently, one may plausibly expect that governments of the economic right are overall more compliant. However, since the balance between social and economic objectives varies across CSRs, for instance in social investment versus social retrenchment (Crespy and Vanheuverzwijn 2016), this could furthermore condition the effect, differences between economic left and right being largest for (social) retrenchment-focused CSRs (and possibly reversed for CSRs emphasizing social objectives).

H1.1: More pro-EU government positions lead to higher CSR compliance.

H1.2: Government positions located further to the 'economic right' (pro-market) lead to higher CSR compliance, conditional on the balance struck by CSRs between economic and social objectives.

Another factor that may shape member states' motivation to comply is the extent to which they profit, or perceive to profit, from EU membership in economic terms. While arguably all member states realize economic gains through membership, these gains may nevertheless be distributed unevenly. Perkins and Neumayer (2007) hypothesize that those states that (perceive to) profit more, in terms of being net recipients of EU fiscal transfers and of engaging more actively in intra-EU trade, may be more compliant with EU directives (see also König and Luetgert 2009). Importantly, the argument is not based on the assumption that the accrual of EU benefits is conditional on compliance. Rather, a mechanism based in rationality and calculation, higher stakes in the continued success of the EU as an institution and lower costs of adjusting to its rules, and one based in social norms, higher acceptance of the legitimacy of EU inputs, are expected to combine to increase the willingness to implement (Perkins and Neumayer 2007: 184–185). The same might be true for the willingness to implement ES CSRs, which are overall geared at raising the cohesiveness and efficiency of the EU economy.

H2.1: Compliance is higher for countries that have a more positive net fiscal balance with the EU.

H2.2: Compliance is higher for countries in which intra-EU trade plays a more significant part in the overall economy.

The nature of EU rules can affect government motivations by changing the expected relative costs and benefits of compliance compared to noncompliance. According to this perspective, compliance is highest when noncompliance is easily detected and punished, for instance through sanctions (Tallberg 2002: 611). There are substantial differences in surveillance, enforcement and enforceability of rules within the ES. While the process as a whole seeks to incentivize compliance through peer review and naming-and-shaming, in fiscal policy and macroeconomic surveillance stronger instruments are available to encourage rule adherence. For fiscal surveillance, the Stability and Growth Pact (SGP) provides clearly delineated obligations and streamlined and rule-based surveillance procedures including the adoption of financial sanctions for noncompliant eurozone members, rendering it a particularly 'hard' form of soft law (Terpan 2015). Although the SGP retains some inbuilt flexibility, observers frequently describe its enforcement as 'almost automatic' (Seikel 2016: 1405). For macroeconomic surveillance, the Macroeconomic Imbalance Procedure (MIP) also includes a sanctioning mechanism, though it allows for a somewhat greater extent of flexibility than the SGP (Hodson 2017; Terpan 2015).

Based on this reasoning, more definite member states' obligations as well as greater availability and accessibility of enforcement measures should improve compliance. There are two possible implications of this view. First, compliance may be higher for countries under more intrusive surveillance and enforcement procedures (actual surveillance and enforcement). Countries which are under the SGP's Excessive Deficit Procedure (EDP) or countries which received an In-Depth Review (IDR) under the MIP[2] should see their compliance performance improved. Second, rather than enforcement itself, it may be also the prospect of enforcement which induces compliance (potential enforcement). If governments anticipate that noncompliance could be followed up by enforcement, they might be more motivated to comply in the first place. Thus, eurozone countries for which sanctioning procedures under the SGP and MIP are possible should be more compliant. It could also mean that policy fields such as public finance for the SGP where the activation of more intrusive surveillance and enforcement is possible[3] should be associated with greater

[2] The MIP's counterpart to the EDP, the Excessive Imbalance Procedure, has not yet been activated.

[3] Defining policy fields of potential enforcement through the MIP is impossible because the procedure is not clearly restricted in policy field coverage (Hodson 2017).

compliance. The positive effect on compliance should be strongest when the country effect (eurozone membership) and the policy field effect (public finance) occur in conjunction.

H3.1: Compliance is higher for countries under more intrusive EU surveillance (EDP, IDR).

H3.2: Compliance is higher for eurozone countries and the policy field of public finance where more intrusive surveillance is available in principle (and the policy field effect is larger for eurozone members).

3.3.2 Management approach

The management approach holds that compliance may not only or primarily be a matter of government willingness and focuses on factors that may produce involuntary noncompliance (Börzel *et al.* 2010; Treib 2014). It distinguishes between internal constraints (or 'government autonomy') and government capacities. The arguments about internal constraints typically take veto player theory as a point of departure. The presence of powerful domestic actors potentially pursuing goals and strategies conflicting with those of the government could impede the latter's ability to adopt policies that meet EU requirements.

Such domestic constraints may derive from various sources and numerous possible constraints are discussed in the literature. Here, consideration is given to the two main sources most widely discussed in the literature: preference heterogeneity among government parties and vertical division of powers. Preference heterogeneity among government parties may hinder CSR compliance because parties pursuing divergent goals may be unable to agree on substantive measures to meet EU requirements (König and Luetgert 2009; Jensen 2007). Concerning the vertical division of powers, federalism as a political system in which powers are shared between the central government and subnational entities has been analyzed as a potential factor reducing compliance with EU directives (Borghetto and Franchino 2010; König and Luetgert 2009). This is because subnational actors may pursue goals and strategies at odds with those of the government. Thus, one may also expect that greater independence and power of subnational entities (regions) within the member state leads to lower compliance with CSRs.

H4.1: Governments with more heterogeneous preferences are less compliant with CSRs.

H4.2: Countries with more powerful regional actors are less compliant with CSRs.

Concerning government capacities, the management approach suggests that governments may be unable to deliver policies due to lacking economic and administrative resources and governance quality. It is assumed that the implementation of EU inputs requires the mobilization of these resources which may not be equally readily available for all governments (Haverland and Romeijn 2007; Börzel *et al.* 2010). That states with greater capacities are more compliant constitutes one of the rather 'robust' findings in the directive compliance literature with many studies uncovering positive effects (Toshkov 2010). Since it can be safely assumed that the measures required for compliance with CSRs are no less demanding, it can be also expected that more resourceful governments are more compliant with CSRs.

In addition to administrative and economic resources, corporatism has been discussed as a factor contributing to state capacities to comply (Lampinen and Uusikylä 1998; Mbaye 2001; König and Luetgert 2009). This is because a more deeply institutionalized system of interest representation and policy networks should facilitate the implementation process through enhancing the coordination and cooperation within and among domestic interests and the government (Lampinen and Uusikylä 1998: 239). However, findings for directives are inconclusive, which might be attributable to organized domestic interests' enhanced position to 'block' implementation (Lampinen and Uusikylä 1998: 249). Corporatism constitutes a variable of particular interest for CSR implementation for two reasons. First, EU socioeconomic coordination touches upon issues which are of major importance to both employers and trade unions. The active engagement of European trade unions with the ES and the frequent mentioning of social partners in CSRs can be taken as cases in point. Second, policy coordination through the ES is frequently portrayed as being particularly dependent on effective policy networks and cooperative governance in order to function properly (Zeitlin 2016), leading to the expectation that corporatism may be more consequential here than in the more top-down process of directive implementation.

> H5.1: Higher (administrative and economic) capacities lead to higher compliance with CSRs.

> H5.2 Higher degrees of corporatism lead to higher compliance with CSRs.

3.4 Data and measurement

The hypotheses are tested based on an original dataset comprising 479 CSRs issued and assessed between 2013 and 2017 (more details on data and measurement are provided in the Appendix). The dependent variable, CSR compliance, is assessed based on the five-point scale of Commission assessments of progress as introduced above. All continuous predictor variables were standardized. Based on the documentation provided by the European Commission, dummy variables are included for nine policy fields (*Public finance; Pensions; Taxation; Healthcare and social security; Labor market; Education and training; Financial sector and housing; Structural reforms; Public administration*).

3.4.1 Independent variables

Drawing on the ParlGov dataset (Döring and Manow 2018), which provides aggregated data from major party expert surveys, government parties' EU stance (H1.1) is measured as government parties' EU position (*EU position*) and government economic ideology (H1.2) as their state-market position (*Economic position*), respectively. For coalition governments, party positions are weighted based on the respective parties' seat share in the main legislative assembly. For changes in government, each government is weighted based on days in office between CSR and assessment publication. To measure the balance between economic and social objectives (*CSR orientation*), a word scoring technique based on supervised scaling is applied (Laver *et al.* 2003) Higher values were coded to indicate a greater orientation towards protecting and enhancing state capacities in the provision of social investment and protection as well as market regulation to increase social cohesion. Lower values indicate an orientation towards containing public expenditures in these areas, reducing wage costs, providing negative incentives to take up employment and deregulating markets to enhance economic efficiency and competitiveness. To test the validity of the measure thus derived, it is compared to a hand-coded measure applied to all CSRs. The measures are highly correlated (0.82, details in Appendix).

The hypothesis on the role of net fiscal transfers (H2.1), member states' operating balance with the EU per capita as reported by the European Commission is included as a variable (*EU balance*). For a measure capturing the profit from EU trade (H2.2), this study uses intra-EU trade relative to GDP (*EU trade*) as reported by Eurostat. To test whether more intrusive surveillance (H3.1) leads to greater compliance, variables indicate whether an EDP was open during the implementation period (*EDP*) and whether countries received in-depth reviews under the MIP (*IDR*). Concerning the question whether the general availability of more intrusive surveillance or enforcement leads to higher compliance (H3.2), at the country level, a measure captures eurozone membership (*Eurozone*). At the level of CSRs, the policy field of public finance is expected to be associated with greater compliance due to the possibility of SGP-based enforcement (*Public finance*, see above).

For the hypothesis on preference heterogeneity (H4.1), following the approach of Jensen (2007), maximum differences with respect to EU and economic left-right positions among government (coalition) parties are calculated and aggregated for multiple governments based on the same sources and weighting used for the hypotheses on government positions (*EU preference heterogeneity*;

Economic preference heterogeneity). Since minority governments constitute a specific case of (typically one-party) governments with low internal preference heterogeneity but nevertheless considerable problems stemming from external preference heterogeneity because they depend on support of parties outside the government, a separate dummy indicates whether or not any of the governments in the implementation period lacked a parliamentary majority (*Minority government*). To measure the power of subnational/regional actors (H4.2), the regional authority index (Hooghe *et al.* 2016) is used which provides a fine-grained measure of the powers of regional governments (see also Borghetto and Franchino 2010) (*Regional authority*). Since data are only available until 2010, 2010 scores are used and the variable is treated as time-invariant.

Government capacities (H5.1) are measured with the indicator of 'government effectiveness' from the Worldwide Governance Indicators (WGI) database (Kaufmann *et al.* 2009) (*Government effectiveness*). The indicator captures civil and public services' quality and political independence as well as the quality of policy formulation and implementation and governments' policy commitments' credibility. To capture a second aspect of government capacities, economic capacities, GDP per capita (*GDP*) is included (see also Börzel *et al.* 2010). Finally, to measure corporatism (H5.2), based on ICTWSS data (Visser 2016), a common factor is calculated based on the conceptualization and operationalization with three dimensions (structure, function and scope) and eight items proposed by Jahn (2016) (*Corporatism*; further details in the Appendix). Since the latest available data for most sub-items is for 2013 or 2014, using a dynamic measure is not feasible and the variable is treated as time-invariant.

3.4.2 Control variables

Among the control variables, a measure signals whether a given CSR contains Council amendments that were contested by the Commission (*Contested amendments*), which the Council must report due to the comply-or-explain principle. While this should not affect CSR implementation directly, it constitutes a conceivable source of bias in assessments. A second variable captures the number of words of CSRs (*Words*). This is meant to indicate the average complexity of the tasks assigned by a CSR which constitutes a potential compliance obstacle (Steunenberg and Rhinard 2010), although it potentially is also affected by the package nature of many CSRs and thus should be interpreted with caution. Drawing on Eurobarometer data (details and sources in the Appendix), measures capturing public opinion about the EU (*EU support*) and trust in the government (*Government trust*) are included since higher support may facilitate compliance (Mbaye 2001) and qualitative evidence suggests it may also matter for CSR implementation (Zeitlin and Vanhercke 2014: 58). Finally, a dummy variable indicates countries from Central and Eastern Europe (*CEE*) since the peculiarity of these countries in compliance patterns is subject to an ongoing debate (Zhelyazkova *et al.* 2017).

3.5 Results

In order to test the hypotheses developed above, two two-level mixed effects linear regression models are calculated and reported below.[4] Model 2 differs from model 1 in that it adds the interaction effects between Economic position and CSR orientation and Eurozone and Public finance, respectively. Estimation results are presented in Table 3.1. Figure 3.2 plots the interaction effect for Economic position at different values of CSR orientation. The models presented are based on the complete sample of 479 CSRs issued to 27 member states and assessed by the Commission between 2013 and 2017. Descriptive statistics and alternative model specifications, namely ordinal logistic and year-fixed effects models, are reported in the Appendix.[5]

[4] The intraclass correlation coefficient (ICC) for the null model (not shown) is at 0.13 and thus above the conventional threshold of 0.1, requiring a multilevel approach.

[5] These alternative specifications are useful because the response variable may be viewed as being on an ordinal scale and because there have been potentially relevant changes to the surveillance process between 2013 and 2017 (particularly the reduction of the number of CSRs issued per member state, see above).

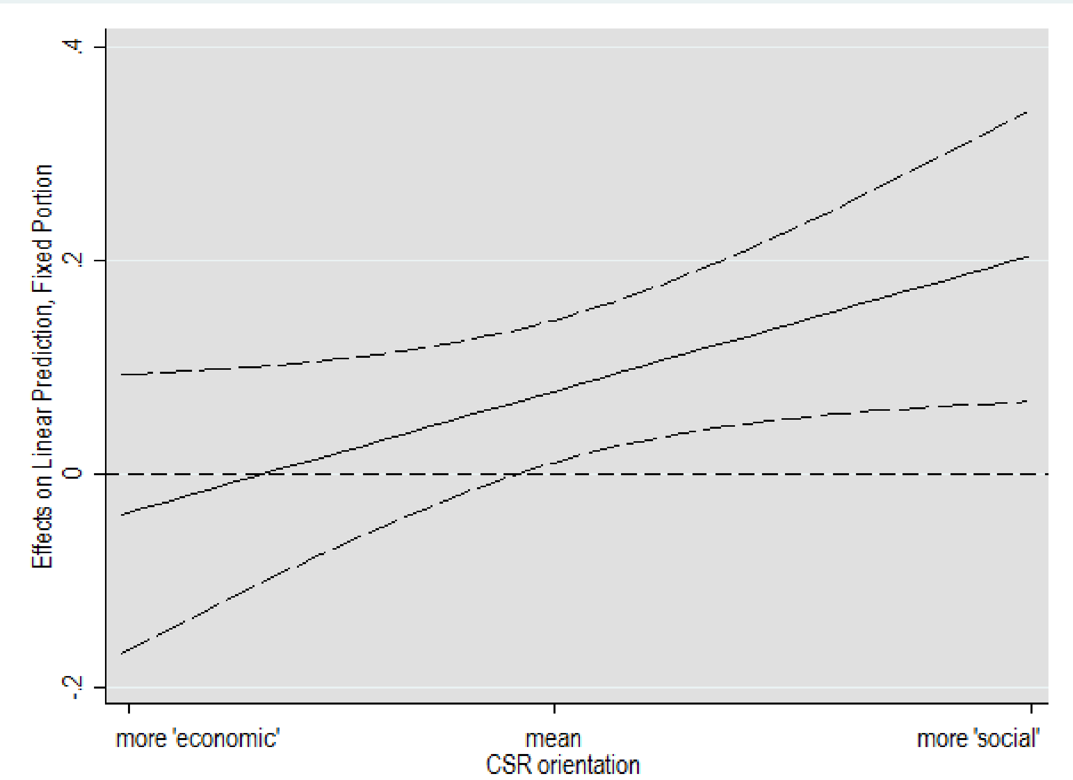
Table 3.1. Determinants of CSR implementation: two-level linear regression results.

	MODEL 1		MODEL 2	
	Coef.	(S.E.)	Coef.	(S.E.)
GOVERNMENT POSITIONS				
EU position	0.016	(0.044)	0.019	(0.044)
Economic position	0.079*	(0.034)	0.077*	(0.034)
CSR orientation	0.089*	(0.043)	0.087*	(0.042)
Economic position * CSR orientation			0.058*	(0.028)
EU BENEFITS				
EU balance	0.158*	(0.065)	0.156*	(0.064)
EU trade	-0.052	(0.051)	-0.040	(0.051)
EU CONSTRAINTS				
EDP	0.071	(0.079)	0.060	(0.078)
IDR	-0.012	(0.079)	-0.028	(0.079)
Eurozone	-0.023	(0.098)	0.052	(0.102)
Public finance	0.378***	(0.106)	0.630***	(0.138)
Eurozone * Public finance			-0.413**	(0.149)
DOMESTIC CONSTRAINTS				
EU preference heterogeneity	0.012	(0.042)	0.022	(0.042)
Economic preference heterogeneity	0.042	(0.044)	0.029	(0.044)
Minority government	-0.234*	(0.097)	-0.210*	(0.096)
Regional authority	-0.079	(0.054)	-0.069	(0.054)
CAPACITIES				
Government effectiveness	0.139	(0.073)	0.127	(0.073)
GDP	-0.171**	(0.062)	-0.164**	(0.062)
Corporatism	0.131*	(0.058)	0.129*	(0.058)
OTHER POLICY FIELDS				
Pensions	-0.179	(0.099)	-0.161	(0.098)
Taxation	-0.267***	(0.080)	-0.298***	(0.080)
Healthcare and social security	0.022	(0.078)	0.045	(0.077)
Labor market	0.010	(0.085)	-0.001	(0.084)
Education and training	-0.002	(0.094)	0.009	(0.093)
Financial sector and housing	0.363***	(0.103)	0.374***	(0.102)
Structural reforms	-0.165*	(0.080)	-0.166*	(0.079)
Public administration	-0.033	(0.081)	-0.017	(0.080)
CONTROL VARIABLES				
Contested amendments	-0.020	(0.110)	-0.040	(0.109)
Words	-0.061	(0.034)	-0.044	(0.035)
EU support	0.009	(0.036)	0.011	(0.037)
Government trust	-0.105	(0.056)	-0.094	(0.055)
CEE	-0.430*	(0.182)	-0.435*	(0.181)
Constant	-0.536***	(0.034)	-0.549***	(0.034)
Var(Country)	0.003		0.004	
Var(Residual)	0.342		0.334	
Log likelihood	-425.018		-419.169	
AIC	914.035		906.338	
BIC	1047.529		1048.176	
N(Obs.) / N(Country)	479 / 27		479 / 27	

Notes: multilevel random intercept model; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$, two-tailed test; all continuous independent variables standardized.

Starting with the EU positions of national governments, the effect is, as expected, positive in both models. However, it is relatively small and remains below conventional thresholds of significance throughout. Thus, although pro-EU partisanship might have an impact on CSR compliance, it is only of relatively minor importance when it comes to understanding overall compliance patterns. In any case, the evidence, while consistent across various model specifications, is too weak to confirm H1.1. By contrast, the results partially support H1.2 on economic left-right ideology. As expected, the effect of more market-friendly ideology is positive and significant. This finding contrasts with prevailing results in studies on directive compliance finding no effect (Treib 2014; König and Luetgert 2009). As often assumed, government willingness might indeed be more crucial in the field of non-binding recommendations. However, model 2 indicates that the positive effect of pro-market 'economic right' government ideology is marginally stronger for CSRs relatively more oriented towards 'social' objectives and disappears for primarily 'economic'-centered CSRs (see Figure 3.2). This result directly challenges the argument about 'ideological fit'.

Figure 3.2. Effect of government economic position (model 2).



A tentative explanation of this finding can be derived from salience theory, which suggests that (economically left and right) parties do not only differ in policy positions but also in the relative emphasis put on issues they 'own' (Budge 2001). 'Issue ownership' could encourage resistance to 'social' CSR of the left since governments might be less inclined to heed EU advice when this advice touches upon policy fields in which they consider themselves – and are considered by voters – more competent. Moreover, conceivably the CSRs' emphasis on integrating labor market outsiders contradicts strategic incentives of left governments to supply insider-oriented policies (Rueda 2005). Insofar this interpretation is accurate, a further 'socialization' of the ES (Zeitlin and Vanhercke 2018), meaning a greater emphasis on social policies and objectives, might paradoxically only increase the gap between governments of the economic left and right in implementation. Moreover, the models associate more socially oriented CSRs with marginally better compliance prospects. This puts into perspective claims that the ES creates a setting in which governments are forced into an 'ideological straightjacket' and coerced to subordinate social objectives to economic ones (Copeland and Daly 2015: 141). Even though it might well be true that CSRs are biased towards the latter, such claims ignore that there is a considerable element of deliberate choice by governments whether to implement EU requirements or not (see also Eihmanis 2018).

Concerning the role of incentives of EU membership, there is evidence that net fiscal transfers encourage CSR compliance, supporting H2.1. The models predict that an increase of one standard deviation in the net fiscal balance with the EU consistently leads to an increase of close to 0.16 in the compliance score. By contrast, trade benefits do not seem to lead to greater CSR compliance and thus H2.2 is not confirmed. The effect is negative and insignificant. Interestingly, the results are in stark contrast to those of the directive compliance literature suggesting a positive effect of trade benefits, but not for transfers (Perkins and Neumayer 2007; König and Luetgert 2009). This apparent contrast might indicate that EU socioeconomic coordination is perceived by governments as a mechanism to enhance the cross-national cohesiveness of welfare systems and living standards, which presumably elicits greater support of transfer recipients, rather than as an instrument to ensure the functioning of the single market and the efficiency of cross-border economic exchange. In any case, the results cast doubt on the interpretation that supranational fiscal transfers can *generally* be associated with a stymieing impact on domestic reform efforts (Perkins and Neumayer

2007: 199–200). In other words, the support for this argument in the literature on directive compliance might merely be the result of selection bias.

The results do not confirm a definitive effect of EU enforcement on CSR compliance. Being under formally more intrusive forms of compliance, that is under an EDP or receiving an IDR, does not significantly affect CSR compliance and, thus, H3.1 cannot be confirmed. One may interject that once EU enforcement is activated, there is evidently a high misfit between national and EU policy and the effects of misfit and enforcement may thus cancel one another out. However, the alternative argument of H3.2 that the prospect of enforcement, rather than enforcement itself, encourages more compliance is also not supported. Euro membership, which allows for the adoption of more extensive enforcement measures under the SGP and MIP, does not seem to be associated with an impact. By contrast, at the CSR level, the effect of association with the field of public finance is positive and significant, suggesting that the SGP may indeed encourage greater compliance. However, this finding should be treated with caution because model 2 suggests that the policy field effect is much stronger for non-eurozone states for which no sanctioning mechanism is in place. For these, the predicted effect is of a magnitude of 0.63, whereas it is only 0.22 (and not statistically significant) for eurozone members. In sum, thus, neither of the two hypotheses on the compliance-enhancing role of external constraints is supported by the results.

This overall result, while casting into doubt hypotheses H3.1 and H3.2, is not entirely surprising. Existing research on the implementation of 'hardened' fiscal and macroeconomic surveillance highlights that it is applied in a 'flexible' manner (Schmidt 2016). Moreover, despite all the talk about (semi-)automaticity, the zero-sanctions decisions in the EDPs of Portugal and Spain in summer 2016 indicate that the instrument of financial sanctions remains unwieldy. At the same time, there is evidence that the joint analyses of CSRs from various legal sources have increased pressures to comply with 'softer' ones (Bekker 2014). Therefore, while the relatively 'harder' modes of governance under the SGP and MIP may be 'softer' in practice than in theory, the opposite may be true for the ‘softer’ ones, rendering ‘real’ external constraints less heterogeneous than one might expect. A final point that deserves mentioning is that the standards for assessing compliance used by the Commission may be higher in the case of ‘harder’ recommendations. By design, this study cannot adequately control for this possibility.

There is also only limited supported for the hypotheses on the role of domestic constraints. More ideologically heterogeneous governments are not less compliant, all else being equal. Thus, the evidence does not support H4.1 positing an effect of preference heterogeneity. Interestingly, however, countries with minority governments are predicted to be significantly less compliant, suggesting that government control of the main legislature appears to matter. More powerful regional actors are associated with lower compliance, as predicted by H4.2, but the effect is not significant. While the evidence is not sufficient to confirm H4.2, exploring the conditions under which the vertical division of powers is relevant for CSR implementation might nevertheless constitute a worthwhile enterprise, especially as more recent data become available.

As predicted by H5.1, government effectiveness increases CSR compliance. However, the effect is not significant due to large margins of error and, more crucially, that of GDP, used as a proxy for economic capacity, is negative. Taken together, despite the considerable strength of effects, this suggests that state capacities play an overall ambiguous role in shaping CSR compliance, potentially enhancing the capacity both to comply and to resist (Saurugger and Terpan 2016), which contrasts with the more definite results of a positive effect in directive compliance (Toshkov 2010). This could be interpreted as an indication that the actor-based enforcement approach fares marginally better compared to the structural management approach for soft law as opposed to hard law (Saurugger and Terpan 2016). It should also be noted that government effectiveness and GDP are highly correlated (0.7, see Appendix), which contributes to relatively large margins of error. Results are less ambiguous with respect to corporatism, which indeed seems to facilitate CSR compliance, as predicted by H5.2. When corporatism is increased by one standard deviation, the models predict an improvement in the national mean compliance score of the magnitude around 0.13. In contrast to the inconsistent findings for directives, the existence of closer links and more institutionalized coordination and cooperation within and between domestic interests and the national government thus seems to contribute to improved compliance records with EU socioeconomic policy coordination.

While, with the notable exception of the dummy for Central and Eastern Europe, most of the control variables do not pass conventional thresholds of significance, the variation across policy fields is also interesting. Financial sector reforms are also associated with a relatively higher predicted compliance score, which is plausible given the considerable economic, social and political pressures to repair domestic financial systems in the post-crisis period. By contrast, in the fields of taxation, (economic) structural reforms and (to a more limited extent) pension systems, governments are predicted to be more hesitant to heed EU policy recommendations. This again might not be too surprising, given that governments' attempts to enact reforms in these areas are particularly likely to meet the fierce resistance of potential losers of policy change.

3.6 Conclusion

Existing research on EU soft law in general and the ES in particular has focused mainly on how and why it was adopted and is implemented at the EU level (Bekker 2014; Crespy and Menz 2015; Schäfer 2004; Terpan 2015; Zeitlin and Vanhercke 2014; 2018). However, only few studies have engaged with the conditions under which corresponding policies are adopted and implemented at the national level (Eihmanis 2018; Van Wolleghem 2017). This constitutes a major shortcoming, given that EU soft law in general and ES CSRs in particular are similar to directives in relying crucially on national-level implementation (Saurugger and Terpan 2016). Because policy coordination through CSRs follows the same basic structure as EU policy-making through directives – policy formulation at the EU level and policy adoption and implementation at and through the national level – variation in implementation performance, suggesting patterns of both compliance and noncompliance, seems likely to – and indeed does – also emerge in this area (Darvas and Leandro 2015; Saurugger and Terpan 2016). However, very little is known about how well the explanations applied to directive compliance 'travel' to other types of instruments such as soft-law coordination. In drawing on the substantive and qualitative assessment of CSR implementation by the European Commission, this study aims to advance the understanding of drivers of substantive compliance beyond the specific case of directives.

The results for variables associated with the enforcement approach, while frequently challenging conventional wisdom, offer some interesting insights about compliance and the European Semester. First and foremost, while governments' economic ideologies have an impact on CSR compliance, the effect does not seem to be driven by simple ideological affinity to CSR objectives. The positive effect of government ideology further to the 'economic right' is largest for CSRs focusing on social objectives, although conventional wisdom has it that these objectives are more important for the 'economic left'. Possible explanations for this paradoxical result might be found in salience theory (Budge 2001), in that governments are less likely to heed EU advice in their main areas of (perceived) competence, and insider-outsider politics (Rueda 2005). Furthermore, insofar critics are correct in asserting that the CSRs lack a fair balance between economic and social objectives, it might be reassuring to note that more socially oriented CSRs face marginally better compliance prospects. Second, contrary to theoretical reasoning, (the possibility of) enforcement through the EU does not appear to improve compliance prospects. Reading this as an indication that EU socioeconomic coordination is not working would, of course, be a misinterpretation. Rather, it could be interpreted as a sign that the asymmetry in instruments (Seikel 2016) does not lead to an asymmetry in implementation. Third, transfer benefits of EU membership increase CSR compliance (whereas trade benefits almost certainly do not). This is a striking result, which –

though in line with theory – contrasts with existing empirical findings of the literature on directive compliance (König and Luetgert 2009; Perkins and Neumayer 2007).

While standard variables used by the management approach to capture domestic constraints and capabilities are associated with overall more uncertain and ambiguous effects, another interesting finding is that corporatism appears to improve compliance prospects. Although this is in line with the arguments provided by the compliance literature, it might be counterintuitive from a domestic constraints perspective, given that strong trade unions in corporatist systems could also be viewed as potential veto players (Lampinen and Uusikylä 1998: 249). This result might indicate that despite sharp criticism raised against the ES for a lack of social balance, greater organizational capacities may give strong trade unions a more constructive role in the implementation of CSRs, which may also facilitate their transmission into domestic policy discourse.

Summing up, as is the case for directives, both the willingness and ability of governments to adopt recommended measures shapes CSR compliance, but they do so in sometimes unexpected ways. Overall, the varying 'progress' made across countries and policy fields suggests that the implementation of CSRs, as of EU inputs more generally, remains a contested and open-ended process. The pervasiveness of patterns of compliance and noncompliance invites further research on its causes, but it does not necessarily imply a failure of the ever-evolving and -changing system of EU socioeconomic coordination. Resistance to EU soft law is not only 'normal' but also legally admissible, given its non-binding nature (Saurugger and Terpan 2016). CSRs cover a wide variety of policy fields and (potentially conflicting) policy objectives, they are formulated and adopted by fallible political actors with limited time horizons and information and the broader political, institutional and economic contexts in which these are implemented (or not) remain highly diverse. Therefore, the coexistence of compliance and noncompliance should be considered as a defining feature of EU (economic) governance and one that is – justifiably – there to stay even as it is further institutionalized. With this further institutionalization of EU soft law as one key governing mechanism of EU policy-making, there is substantial potential for future research to understand not only why and how it applied at the EU level, but also why and how member states implement it domestically. A better understanding of the latter can thus contribute to the processes of 'experimentation' and 'reflexive learning', which are often considered as major sources of policy innovation in this field (Zeitlin 2016). Thus, it might ultimately also help improving both the effectiveness and legitimacy of overall coordination.

3.7 Appendix

3.7.1 Variable coding and sources

Reported here is the coding before standardization. Continuous independent and control variables were standardized. Dummy independent and control variables were not standardized.

CSR Compliance

Compliance with CSRs was measured on the basis of Commission assessments. The documents from which these were retrieved are listed after the references. Assessments distinguish between five different categories: no progress, limited progress, some progress, substantial progress and full implementation. The Commission definitions and the corresponding coding are listed in Table 3.A1 below. Sources for CSRs and assessments are provided in Table 3.A11.

Table 3.A1. Progress assessment categories applied by the European Commission.

Assessment term	Definition (e.g. European Commission 2017a: 37)	Coded
No progress	'The Member State has not credibly announced nor adopted any measures to address the CSR.'	1
Limited progress	'The Member State has announced certain measures but these only address the CSR to a limited extent; and/or presented legislative acts in the governing or legislator body but these have not been adopted yet and substantial non-legislative further work is needed before the CSR will be implemented; [or] presented non-legislative acts, yet with no further follow-up in terms of implementation which is needed to address the CSR'	2
Some progress	'The Member State has adopted measures that partly address the CSR and/or […] measures that address the CSR, but a fair amount of work is still needed to fully address the CSR as only a few of the adopted measures have been implemented'	3
Substantial progress	'The Member State has adopted measures that go a long way in addressing the CSR and most of which have been implemented'	4
Full implementation	'The Member State has implemented all measures needed to address the CSR appropriately'	5

Government economic position and EU position

Data on party positions concerning the EU and the economic left-right dimension was retrieved from the ParlGov database (Döring and Manow 2018), which combines data from major expert surveys (Bakker *et al.* 2015; Benoit and Laver 2006; Ray 1999) in a single 0-10 scale.

EU position

0 = most anti-EU	…	10 = most pro-EU

Economic position

0 = most pro-state / economic left	…	10 = most pro-market / economic right

Government positions were assumed to be equal to the position of the government party or parties. In case of coalition governments, following Gamson's Law (Browne and Franklin 1973) government parties' positions were weighted based on their respective seat share in the main legislative assembly. In case of a change in (the partisan composition of) government during the implementation period, government positions were weighted based on their days in office between the publication of the CSRs and the publication of CSR assessments.

CSR orientation

At the CSR level, CSR orientation with respect to economic and social objectives is measured based on a word scoring technique developed by Laver and co-authors (2003). For this purpose, 50 CSRs were extracted and manually assigned to one of the two objectives. CSRs were selected based on a relatively clear prioritization of one over the other objective. The selection process was furthermore guided by the aim to cover the full breadth of policy fields addressed by ES CSRs. The selected CSRs are listed in Table 3.A13. Higher values in the resulting measure were coded to indicate a greater emphasis on social objectives; lower values indicate a greater emphasis on economic ones.

In order to test the validity of the measure, it is compared to a hand-coded measure of CSR orientation applied to all CSRs in the analysis. Following the approach of Crespy and Vanheuverzwijn (2016: 85-86) sub-recommendation within a CSR were coded as to whether they focus on economic objectives such as social or budgetary retrenchment or on social objectives such as social protection and investment. To give an example, in the field of pensions, recommendations to raise the statutory retirement age and align it with life expectancy were coded as economic whereas recommendations to ensure and/or improve pension adequacy were coded as social. Sub-recommendations which promote neither economic nor social objectives were also coded. The numbers for each were counted for each individual CSR. The investment-retrenchment balance was then calculated based on the following formula:

$$\frac{\text{No. of social recommendations} + 0.5 \times \text{No. of neutral recommendations}}{\text{No. of economic recommendations} + \text{No. ofneutral recommendations} + \text{No. of social recommendations}}$$

An example of a CSR coded as being exclusively focused on economic objectives is CSR 2 of Portugal from 2014:

> Maintain minimum wage developments consistent with the objectives of promoting employment and competitiveness. Ensure a wage setting system that promotes the alignment of wages and productivity at sectoral and/or firm level. Explore, in consultation with the social partners and in accordance with national practice, the possibility of mutually agreed firm-level temporary suspension of collective agreements. By September 2014, present proposals on mutually agreed firm-level temporary suspension of collective agreements and on a revision of the survival of collective agreements.

An example of a CSR coded as being exclusively focused on social objectives is CSR 2 of Lithuania from 2016:

> Strengthen investment in human capital and address skills shortages, by improving the labour market relevance of education, raising the quality of teaching and adult learning. Reinforce the coverage and effectiveness of active labour market policies. Strengthen the role of social dialogue mechanisms. Improve the performance of the healthcare system by strengthening outpatient care, disease prevention and health promotion. Improve the coverage and adequacy of unemployment benefits and social assistance.

An example of a 'mixed-bag' CSR coded as being overall neutral with respect to social investment and retrenchment is CSR 1 of Germany from 2013:

> Preserve a sound fiscal position, as envisaged, which ensures compliance with the MTO over the Programme horizon. Pursue a growth-friendly fiscal policy through additional efforts to enhance the cost-effectiveness of public spending on healthcare and long-term care through better integration of care delivery and a stronger focus on prevention and rehabilitation and independent living. Improve the efficiency of the tax system, in particular by broadening the VAT base and by reassessing the municipal real estate tax base. Use the available scope for increased and more efficient growth-enhancing spending on education and research at all levels of government. Complete the implementation of the debt brake in a consistent manner across all Länder, ensuring that monitoring procedures and correction mechanisms are timely and relevant.

The hand-coded measure was then compared to the one derived via the word score. The measures are highly correlated (0.82). This result increases our confidence in the validity of the word score.

<u>EU balance</u>

Data on member states' yearly operating budgetary balance with the EU were collected from the website of the European Commission.[6] Yearly population data were retrieved from Eurostat. The operating budgetary balance was divided by the population to obtain per capita data.

<u>EU trade</u>

The indicator used is the intra-EU trade relative to the GDP for each country-year of CSR issuance. Data for both were retrieved from Eurostat.

<u>EDP, IDR, and Euro</u>

Whenever a country was under an EDP at any time during the implementation period, the corresponding variable for the country-year was coded as 1.

1 = country was under an EDP during implementation period	0 = country was not under an EDP during implementation period

Whenever a country received an IDR in the same European Semester year when the CSR was issued, the corresponding variable for the country-year was coded as 1.

1 = country received an IDR in year when CSR was issued	0 = country did not receive an IDR in year when CSR was issued

Whenever a country was a member of the eurozone when the CSR was issued, the corresponding variable for the country-year was coded as 1 (Latvia and Lithuania joined in 2014 and 2015, respectively).

1 = country was eurozone member when CSR was issued	0 = country was not eurozone member when CSR was issued

Details on the coding of public finance are provided under Policy fields (see Table 3.A3).

[6] http://ec.europa.eu/budget/figures/interactive/index_en.cfm

EU and economic preferences heterogeneity

The data sources for these variables are the same as those used for government positions (Döring and Manow 2018; see above). Maximum differences on the EU and economic left-right scale among coalition parties for each government in the implementation period are calculated. These are then aggregated for multiple governments by weighting each government with the days in office during the implementation period. Using the standard deviation instead of maximum differences does not affect substantive results.

Minority government

Based on ParlGov data (Döring and Manow 2018), governments were classified as minority governments when the government parties were not in the majority in the legislative assembly. Whenever a minority government was in power during the implementation period, the country-year was classified as minority government.

1 = (at least one) minority government in power during implementation period	0 = no minority government in power during implementation period

Regional authority

To measure the vertical dispersion of powers, the regional authority index (RAI) (Hooghe *et al.* 2016) is used. The latest available data are for 2010. Thus, the 2010 overall RAI score is used and the variable is treated as time-invariant. While this is not ideal, it should only have a small effect on overall results, given that changes in the RAI over short periods of time such as those covered in this study are typically very modest. Indeed, in the last four years for which data are available, only four EU member states recorded any changes at all. Nevertheless, it certainly seems worthwhile to revisit the argument concerning the vertical dispersion of powers once more recent data become available.

Government effectiveness and GDP

Data on government effectiveness are retrieved from the Worldwide Governance Indicators (WGI) database (Kaufmann *et al.* 2009). The WGIs aggregate a variety of representative and non-representative sources. The indicator on government effectiveness, widely used in EU compliance research, is meant to capture 'perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies.' Theoretical values range from around -2.5 to 2.5.

~-2.5 = least effective government	…	~2.5 = most effective government

GDP represents the GDP per capita of a member state in a given year. Data were retrieved from Eurostat.

Corporatism

Corporatism is conceptualized and measured based on the approach of Jahn (2016) who draws on the Database on Institutional Characteristics of Trade Unions, Wage Setting, State Intervention and Social Pacts (ICTWSS). Operationalization and measurement are applied to the latest available version of the ICTWSS (Visser 2016). Jahn conceptualizes corporatism as encompassing three dimensions, structure, function and scope. Structure refers to the (hierarchical) organisation of wage bargaining, function to the concertation between organized interests and the state and, finally, scope to the broader influence of agreements on society. Jahn's approach consists in running a factor analysis for the ICTWSS items corresponding to these eight aspects to obtain an overarching corporatism measure (details on items in Table 3.A2).

There are some complications of applying this measure even with the latest version of the ICTWSS due to missing data. First, the latest available data are for 2014. Second, even these data are incomplete which constitutes a problem, which is also encountered by Jahn (2016). Due to this, the only feasible option was to treat corporatism as time-invariant for the four years covered here. For each of the items, the mean score for 2013 and 2014 was used if both were available (in one instance 2015 was also available and thus included in the mean); if only one was available this was used. If neither were available, the latest available data were used. While this is not ideal, given that changes in values of the indicators are relatively infrequent and limited in size, substantive results are unlikely to be affected once more recent data become available. Details on empirical indicator values and sources are provided in Table 3.A10.

Another problem is that for some items there is no information altogether for specific countries. In the specific case of the EU-28 this problem concerns Croatia where information is lacking about the centralization of and government intervention in wage bargaining. To deal with this problem, following Jahn's approach, a separate factor analysis was conducted covering only the remaining six items. The results of both factor analyses are standardized and the six-items factor score is used for Croatia. This approach, while not ideal, does not seem overly problematic, given that both factors are highly correlated (0.98). Moreover, using the six-items factor for all countries or running the analysis omitting the Croatia does not affect the substantive results. Both factors have acceptable reliability, as indicated by Cronbach's alphas of 0.84 and 0.82 and Kaiser-Meyer-Olkin measures of 0.69 and 0.71, respectively. The cross-country variation in the resulting corporatism score (after standardization) for the 27 EU member states (i.e. the EU-28 minus Greece) covered in this study are shown in Figure 3.A1 below.

Figure 3.A1. Corporatism score (standardized).

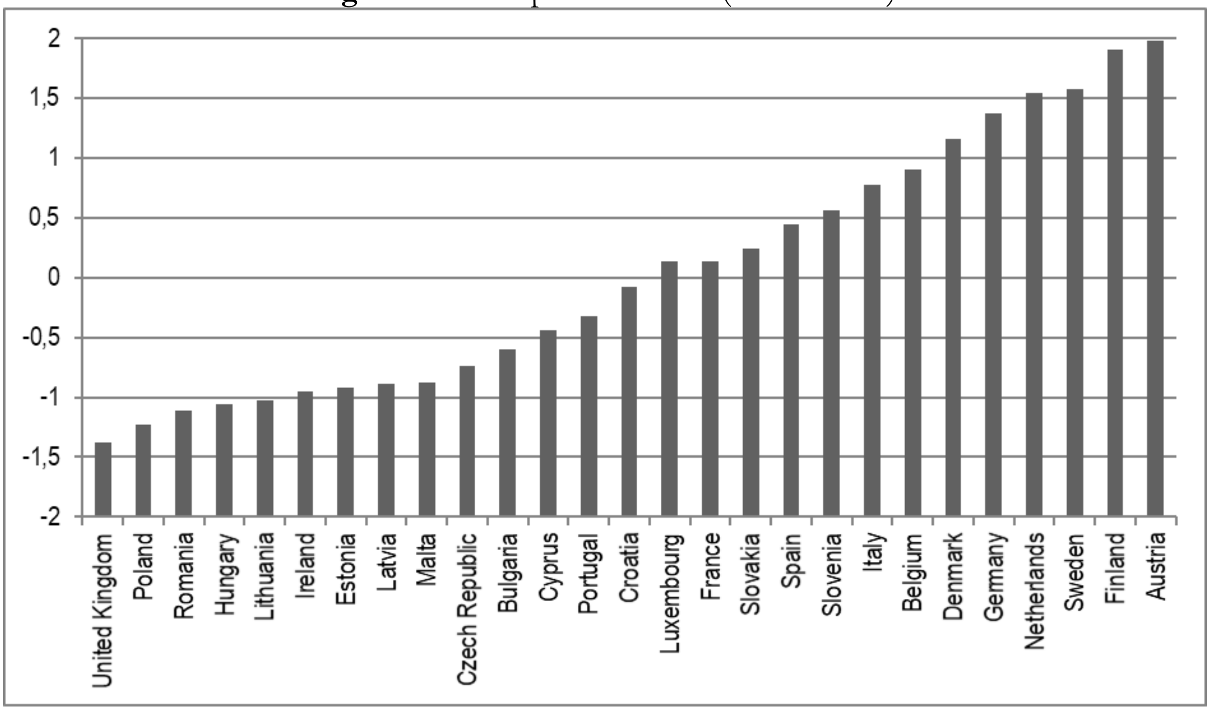


Table 3.A2. Corporatism: conceptualization and measurement.

Item	Item definition	Item categories (if applicable)
STRUCTURE = DEGREE OF HIERARCHICAL ORGANIZATION		
Item I: based on *cent*	Summary measure of centralization of wage bargaining with union authority and concentration at multiple levels; metric scale; (theoretical) values range from 0 to 1	
Item II: based on *wc_struct*	Structure of works council representation	0 Works council or similar institutions of employee representation confronting management do not exist or are exceptional 1 Singe-channel works councils, union-based representation, no legal provisions for representation 2 Split-channel works councils, employee elected works councils mandatory with no union representation, based on law 3 Dual-channel works councils, union dominated representation, elected, based on law or national agreement 4 Single-channel works councils, union-based representation, elected by union members, based on law or national agreement
Item III: based on *wc_rights*	Rights of works councils	0 Works council or similar institutions of employee representation confronting management do not exist or are exceptional 1 Information and consultation rights (without judicial redress) 2 Economic and social rights, consultation (advice, with possibility of judicial redress) 3 Economic and social rights, including codetermination on some issues (e.g., mergers, take-overs, restructuring, etc.)
FUNCTION = DEGREE OF CONCERTATION		
Item IV: based on *govint*	Government intervention in wage bargaining (recoded; original ICTWSS values in brackets)	1(1) No government influence over wage bargaining OR (3) Government influences wage bargaining indirectly through price-ceilings, indexation, tax measures, minimum wages OR (5) The government imposes private sector wage settlements, places a ceiling on bargaining outcomes or suspends bargaining 2(2) Government influences wage bargaining by providing an institutional framework of consultation and information exchange 3(4) The government participates directly in wage bargaining (tripartite bargaining, as in social pacts)
Item V: based on *level*	The predominant level at which wage bargaining takes place	1 Bargaining predominantly takes place at the local or company level 2 Intermediate or alternating between sector and company bargaining 3 Bargaining predominantly takes place at the sector or industry 4 Intermediate or alternating between central and industry bargaining 5 Bargaining predominantly takes place at central or cross-industry level with binding norms for lower level agreements
Item VI: based on *ri*	Routine involvement of unions and employers in government decisions on social and economic policy	0 No concertation, involvement is rare or absent 1 Partial concertation, irregular and infrequent involvement 2 Full concertation, regular and frequent involvement
SCOPE = DEGREE OF BROADER SOCIETAL RELEVANCE OF AGREEMENTS		
Item VII: based on *coord*	Coordination of wage-setting (recoded; original ICTWSS values in brackets)	1(1) Fragmented wage bargaining, confined largely to individual firms or plants OR (5) Maximum or minimum wage rates/increases based on centralized bargaining AND (*govint*=(3) OR *govint*=(5)) (see Item IV above) 2(2) Mixed industry and firm-level bargaining, weak government coordination through MW setting or wage indexation 3(3) Negotiation guidelines based on centralized bargaining 4(4) Wage norms based on centralized bargaining by peak associations with or without government involvement 5(5) Maximum or minimum wage rates/increases based on centralized bargaining AND (*govint*=(1) OR *govint*=(2) OR *govint*=(4)) (see Item IV above)
Item VIII: based on *ext*	Mandatory extension of collective agreements to non-organized employers	0 There are neither legal provisions for mandatory extension, nor is there a functional equivalent 1 Extension is exceptional, used in some industries only, because of absence of sector agreements, very high thresholds 2 Extension is used in many industries, but with thresholds and Ministers can decide not to extend agreements 3 Extension is virtually automatic and more or less general (including enlargement)

Notes: Conceptualization and measurement based on Jahn (2016) with indicators from ICTWSS 5.1 data (Visser 2016).

Contested amendments and words

The indicator for contested amendments records at the CSR level whether the Council adopted any changes that were opposed by the Commission.

1 = Council adopted changes that were opposed by the Commission	0 = Council did not adopt changes that were opposed by the Commission

The documents from which the CSRs and the amendments are collected are listed in Tables 3.A11 and 3.A12, respectively. The indicator on words is simply the number of words of each individual CSR.

EU support and government trust

Data for public EU support and government trust were retrieved from the Eurobarometer, namely the November waves for 2013 (80.1), 2014 (82.3), 2015 (84.3) and 2016 (86.2) (European Commission 2017b; 2017c; 2017d; 2017e). The items are the following:

EU support

'Please tell me to what extent you agree or disagree with each of the following statements.
(OUR COUNTRY) could better face the future outside the EU'

0 = totally agree	1 = tend to agree	2 = tend to disagree	3 = totally disagree	. = DK, missing

Government trust

'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.
The (NATIONALITY) Government'

0 = tend not to trust	1 = tend to trust	. = DK, missing

On this basis, national averages were calculated for each country-year to obtain the variables EU support and government trust.

CEE

A dummy indicates whether the member state receiving the CSR belongs to the states of Central and Eastern Europe (Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia)

1 = Country belongs to Central and Eastern Europe	0 = Country does not belong to Central and Eastern Europe

Policy fields

Policy areas are coded as dummy variables, indicating whether a specific CSR is relevant for a policy field. Information on policy fields covered by CSRs is collected from the documentation of the Commission (documents are listed in Table 3.A12). CSRs may (and often do) touch upon more than one policy field.

1 = (POLICY FIELD) touched upon	0 = (POLICY FIELD) not touched upon

It should be noted that the Commission changed its methodology of assigning policy fields. Table 3.A3 explains how the various policy fields were aggregated to obtain nine policy field indicators (*Public finance*; *Pensions*; *Taxation*; *Healthcare and social security*; *Labor market*; *Education and training*; *Financial sector and housing*; *Structural reforms*; *Public administration*).

Table 3.A3. Coding of policy fields covered by CSRs.

Coding	**European Semester 2013/14**	**European Semester 2014/15**	**European Semester 2015/16**	**European Semester 2016/17**
Public finances	**1.1** Sound public finances **1.3** Fiscal framework	**1.1** Sound public finances **1.3** Fiscal framework	**1.1** Public finances	**1.1** Fiscal policy & fiscal governance
Pensions	**1.2(P)** Pension and healthcare systems (pensions only)	**1.2(P)** Pension and healthcare systems (pensions only)	**1.3** Pension system	**1.2** Long-term sustainability of public finances, inc. pensions
Taxation	**1.4** Taxation	**1.4** Taxation	**1.2** Taxation **3.2** Labour taxation	**1.3** Reduce the tax burden on labour **1.4** Broaden tax bases **1.5** Reduce the debt bias **1.6** Fight tax evasion, improve tax administration & tackle tax avoidance
Healthcare and social security	**1.2(H)** Pension and healthcare systems (healthcare only) **4.6** Poverty and social inclusion	**1.2(H)** Pension and healthcare systems (healthcare only) **4.6** Poverty and social inclusion	**1.4** Healthcare system **6.1** Poverty and social inclusion	**3.7** Health & long-term care **3.8** Poverty reduction & social inclusion
Labour market	**4.1** Labour market participation **4.2** Active labour market policy **4.4** Labour market segmentation **4.3** Wage-setting mechanisms	**4.1** Labour market participation **4.2** Active labour market policy **4.4** Labour market segmentation **4.3** Wage-setting mechanisms	**3.1** Labour market **3.3** Wage-setting	**3.1** Employment protection legislation & framework for labour contracts **3.2** Unemployment benefits **3.3** Active labour market policies **3.4** Incentives to work, job creation, labour market participation **3.6** Childcare **3.5** Wages & wage setting
Education and training	**4.5** Education	**4.5** Education and training	**5.1** Education and skills	**3.9** Education **3.10** Skills & life-long learning
Financial sector and housing	**2.1** Banking and access to finance **2.2** Housing market	**2.1** Banking and access to finance **2.2** Housing market	**2.1** Banking and access to finance **2.2** Housing and private debt	**2.1** Financial services **2.3** Access to finance **2.2** Housing market
Structural reforms	**3.1** Network industries **3.2** Competition in service sector **3.4** R&D and innovation **3.5** Resource efficiency	**3.1** Network industries **3.2** Competition in service sector **3.4** R&D and innovation **3.5** Resource efficiency	**4.1** Services and network industries **4.2(I)** Innovation and business environment (innovation only)	**4.2** Competition & regulatory framework **4.3** Competition in services **4.1** Research & innovation **4.5** Energy, resources & climate change **4.4** Telecom, postal services & local public services
Public administration	**3.3** Public administration and smart regulation	**3.3** Public administration and smart regulation	**4.2(B)** Innovation and business environment (business environment only) **7.1** Administrative modernisation and rule of law	**5.1** Business environment **5.2** Insolvency framework **5.3** Public administration **5.4** State-owned enterprises **5.5** Civil justice **5.6** Shadow economy & corruption

3.7.2 Descriptive statistics

The following tables provide descriptive statistics on the dependent and independent variables in the models.

Table 3.A4. Summary of scored CSRs across countries.

Country	Number of CSRs	Mean compliance
Austria	19	2.63
Belgium	20	2.6
Bulgaria	22	2.09
Croatia	19	2.21
Cyprus	5	2.4
Czech Republic	21	2.33
Denmark	8	2.88
Estonia	14	2.86
Finland	16	3.06
France	24	2.54
Germany	14	2.29
Hungary	20	2.1
Ireland	14	2.79
Italy	25	2.56
Latvia	18	2.67
Lithuania	18	2.56
Luxembourg	16	1.94
Malta	15	2.73
Netherlands	14	2.57
Poland	20	2.35
Portugal	18	2.78
Romania	24	2.29
Slovakia	19	2.26
Slovenia	25	2.72
Spain	25	2.92
Sweden	10	2.5
United Kingdom	16	2.94

Table 3.A5. Summary of scored CSRs across years.

European Semester	Number of CSRs	Percent of total	Mean compliance
2013/14	141	29.44 %	2.61
2014/15	157	32.78 %	2.54
2015/16	95	19.83 %	2.46
2016/17	86	17.95 %	2.44

Table 3.A6. Summary of variables.

Variable	Mean	Std. dev.	Min	Max
CSR Compliance	2.528	0.674	1	5
EU position	7.585	1.472	2.324	9.474
Economic position	5.176	1.413	2.94	8.11
CSR orientation	0	1	-1.969	2.214
EU balance	118.019	229.659	-279.931	584.317
EU trade	65.92	34.002	18.718	141.156
EDP	0.399	0.49	0	1
IDR	0.662	0.474	0	1
Eurozone	0.622	0.485	0	1
Public finance	0.177	0.382	0	1
EU preference heterogeneity	1.615	1.883	0	7.99
Economic preference heterogeneity	2.365	1.722	0	5.79
Minority government	0.238	0.426	0	1
Regional authority	12.009	11.084	0	36.99
Government effectiveness	1.071	0.535	-0.171	2.174
GDP	25107.724	17146.013	5800	91500
Corporatism	0	1	-1,382	1.983
Pensions	0.113	0.317	0	1
Taxation	0.184	0.388	0	1
Healthcare and social security	0.192	0.394	0	1
Labor market	0.236	0.425	0	1
Education and training	0.165	0.372	0	1
Financial sector and housing	0.117	0.322	0	1
Structural reforms	0.117	0.322	0	1
Public administration	0.182	0.386	0	1
Contested amendments	0.077	0.267	0	1
Words	68.182	44.714	6	337
EU support	1.85	0.231	1.251	2.348
Government trust	0.321	0.152	0.091	0.712
CEE	0.459	0.499	0	1

Notes: summary statistics before standardization except for CSR orientation and corporatism.

Table 3.A7. Pair-wise correlations.

	CSR compliance	EU position	Economic position	CSR orientation	EU balance	EU trade	EDP	IDR	Eurozone	Public finance
CSR compliance	1	-0.083	0.209	0.041	-0.071	-0.136	0.172	0.102	0.157	0.058
EU position	-0.083	1	-0.09	-0.076	0.041	0.128	-0.142	-0.182	-0.005	0.015
Economic position	0.209	-0.09	1	0.018	-0.107	-0.222	0.183	-0.006	0.016	0.012
CSR orientation	0.041	-0.076	0.018	1	0.164	0.08	-0.086	-0.152	-0.105	-0.439
EU balance	-0.071	0.041	-0.107	0.164	1	0.542	-0.118	-0.379	-0.346	-0.016
EU trade	-0.136	0.128	-0.222	0.08	0.542	1	-0.226	-0.353	-0.078	-0.007
EDP	0.172	-0.142	0.183	-0.086	-0.118	-0.226	1	0.285	0.107	-0.021
IDR	0.102	-0.182	-0.006	-0.152	-0.379	-0.353	0.285	1	0.153	-0.003
Eurozone	0.157	-0.005	0.016	-0.105	-0.346	-0.078	0.107	0.153	1	0.001
Public finance	0.058	0.015	0.012	-0.439	-0.016	-0.007	-0.021	-0.003	0.001	1
EU pref. heterogeneity	0.176	-0.218	0.213	-0.028	-0.264	-0.284	0.045	0.185	-0.029	0.016
Econ. pref. heterogeneity	-0.055	0.248	-0.02	-0.009	-0.186	0.038	-0.242	-0.119	-0.069	0.003
Minority government	-0.14	0.235	0.033	0.008	0.048	-0.131	-0.065	0.037	-0.424	0.023
Regional authority	0.056	0.119	0.101	-0.099	-0.542	-0.227	0.076	0.257	0.284	0.007
Government effectiveness	0.198	-0.189	0.295	-0.121	-0.591	-0.17	0.172	0.145	0.437	0.023
GDP	0.03	-0.092	0.084	-0.124	-0.649	-0.298	-0.039	0.152	0.389	0.005
Corporatism	0,098	0,185	-0,027	-0,221	-0,676	-0,138	-0,054	0,274	0,517	0,02
Pensions	-0.084	0.022	-0.05	-0.164	-0.053	0.011	-0.007	-0.024	0.046	0.128
Taxation	-0.124	-0.003	-0.002	-0.038	-0.028	0.025	-0.056	-0.037	-0.031	0.358
Healthcare & social security	0.003	0.058	-0.001	0.052	0.079	0.033	0.014	-0.01	-0.024	0.093
Labor market	0.031	-0.009	0.025	0.461	-0.058	-0.028	0.009	0.033	0.058	-0.258
Education & training	0.027	-0.05	0	0.571	0.034	0.047	-0.086	-0.063	-0.025	-0.206
Financial sector & housing	0.187	-0.119	0.096	-0.05	-0.111	-0.122	0.049	0.15	0.016	-0.169
Structural reforms	-0.11	0.044	0.073	-0.147	-0.006	-0.01	-0.052	-0.059	0.049	-0.237
Public administration	-0.08	0.056	-0.055	-0.175	0.085	0.034	0.014	0.062	0.01	-0.12
Contested amendments	0.017	-0.037	0.043	0.013	-0.065	-0.009	0.004	-0.008	0.129	-0.053
Words	0.035	0.058	-0.012	-0.164	-0.046	-0.101	0.248	0.216	0.109	0.361
EU support	-0.053	0.045	0.083	0.019	-0.016	-0.032	-0.199	0.007	0.192	0.002
Government trust	-0.042	-0.287	0.092	-0.006	-0.216	0.091	-0.362	-0.142	0.155	0.021
CEE	-0.188	0.246	-0.222	0.16	0.784	0.597	-0.186	-0.439	-0.535	-0.011

Table 3.A7. Pair-wise correlations (continued).

	EU pref. heterogeneity	Econ. pref. heterogeneity	Minority government	Regional authority	Government effectiveness	GDP	Corporatism	Pensions	Taxation	Healthcare & social security
CSR compliance	0.176	-0.055	-0.14	0.056	0.198	0.03	0,098	-0.084	-0.124	0.003
EU position	-0.218	0.248	0.235	0.119	-0.189	-0.092	0,185	0.022	-0.003	0.058
Economic position	0.213	-0.02	0.033	0.101	0.295	0.084	-0,027	-0.05	-0.002	-0.001
CSR orientation	-0.028	-0.009	0.008	-0.099	-0.121	-0.124	-0,221	-0.164	-0.038	0.052
EU balance	-0.264	-0.186	0.048	-0.542	-0.591	-0.649	-0,676	-0.053	-0.028	0.079
EU trade	-0.284	0.038	-0.131	-0.227	-0.17	-0.298	-0,138	0.011	0.025	0.033
EDP	0.045	-0.242	-0.065	0.076	0.172	-0.039	-0,054	-0.007	-0.056	0.014
IDR	0.185	-0.119	0.037	0.257	0.145	0.152	0,274	-0.024	-0.037	-0.01
Eurozone	-0.029	-0.069	-0.424	0.284	0.437	0.389	0,517	0.046	-0.031	-0.024
Public finance	0.016	0.003	0.023	0.007	0.023	0.005	0,02	0.128	0.358	0.093
EU pref. heterogeneity	1	0.327	-0.133	-0.078	0.375	0.238	0,111	-0.009	0.006	0.017
Econ. pref. heterogeneity	0.327	1	-0.151	0.061	0.032	0.298	0,127	0.067	0.015	0.021
Minority government	-0.133	-0.151	1	-0.188	-0.319	-0.215	-0,131	-0.06	0.013	0.039
Regional authority	-0.078	0.061	-0.188	1	0.185	0.166	0,52	-0.023	0.059	-0.038
Government effectiveness	0.375	0.032	-0.319	0.185	1	0.722	0,545	0.058	0.01	-0.065
GDP	0.238	0.298	-0.215	0.166	0.722	1	0,474	0.058	0.03	-0.057
Corporatism	0,111	0,127	-0,131	0,52	0,545	0,474	1	0,075	-0,013	-0,043
Pensions	-0.009	0.067	-0.06	-0.023	0.058	0.058	0,075	1	-0.016	0.312
Taxation	0.006	0.015	0.013	0.059	0.01	0.03	-0,013	-0.016	1	-0.053
Healthcare & social security	0.017	0.021	0.039	-0.038	-0.065	-0.057	-0,043	0.312	-0.053	1
Labor market	0.031	0.017	-0.022	-0.002	0.085	0.083	0,013	-0.043	-0.111	0.129
Education & training	-0.009	0.001	-0.024	-0.018	0.001	-0.024	-0,018	-0.069	-0.138	0.012
Financial sector & housing	0.103	-0.075	0.041	0.004	0.09	0.08	0,048	-0.109	-0.072	-0.177
Structural reforms	0.002	0.048	-0.064	0.066	0.064	0.045	0,032	-0.202	-0.18	-0.239
Public administration	-0.09	-0.058	0.067	-0.018	-0.125	-0.147	-0,006	-0.082	-0.084	-0.147
Contested amendments	0.015	0.072	-0.107	0.023	0.149	0.154	0,103	0.292	-0.077	0.177
Words	0.011	-0.065	-0.136	0.165	-0.051	-0.07	0,054	0.128	0.14	0.146
EU support	-0.107	-0.042	0.039	0.033	0.156	0.261	0,028	0.025	0.034	-0.04
Government trust	0.111	0.223	-0.12	-0.138	0.51	0.517	0,269	0.081	0.049	-0.046
CEE	-0.272	-0.038	0.174	-0.505	-0.662	-0.703	-0,549	-0.011	0.006	0.061

Table 3.A7. Pair-wise correlations (continued).

	Labor market	Education & training	Finan. sector & housing	Structural reforms	Public administration	Contested amendments	Words	EU support	Government trust	CEE
CSR compliance	0,031	0,027	0,187	-0,11	-0,08	0,017	0,035	-0,053	-0,042	-0,188
EU position	-0,009	-0,05	-0,119	0,044	0,056	-0,037	0,058	0,045	-0,287	0,246
Economic position	0,025	0	0,096	0,073	-0,055	0,043	-0,012	0,083	0,092	-0,222
CSR orientation	0,461	0,571	-0,05	-0,147	-0,175	0,013	-0,164	0,019	-0,006	0,16
EU balance	-0,058	0,034	-0,111	-0,006	0,085	-0,065	-0,046	-0,016	-0,216	0,784
EU trade	-0,028	0,047	-0,122	-0,01	0,034	-0,009	-0,101	-0,032	0,091	0,597
EDP	0,009	-0,086	0,049	-0,052	0,014	0,004	0,248	-0,199	-0,362	-0,186
IDR	0,033	-0,063	0,15	-0,059	0,062	-0,008	0,216	0,007	-0,142	-0,439
Eurozone	0,058	-0,025	0,016	0,049	0,01	0,129	0,109	0,192	0,155	-0,535
Public finance	-0,258	-0,206	-0,169	-0,237	-0,12	-0,053	0,361	0,002	0,021	-0,011
EU pref. heterogeneity	0,031	-0,009	0,103	0,002	-0,09	0,015	0,011	-0,107	0,111	-0,272
Econ. pref. heterogeneity	0,017	0,001	-0,075	0,048	-0,058	0,072	-0,065	-0,042	0,223	-0,038
Minority government	-0,022	-0,024	0,041	-0,064	0,067	-0,107	-0,136	0,039	-0,12	0,174
Regional authority	-0,002	-0,018	0,004	0,066	-0,018	0,023	0,165	0,033	-0,138	-0,505
Government effectiveness	0,085	0,001	0,09	0,064	-0,125	0,149	-0,051	0,156	0,51	-0,662
GDP	0,083	-0,024	0,08	0,045	-0,147	0,154	-0,07	0,261	0,517	-0,703
Corporatism	0,013	-0,018	0,048	0,032	-0,006	0,103	0,054	0,028	0,269	-0,549
Pensions	-0,043	-0,069	-0,109	-0,202	-0,082	0,292	0,128	0,025	0,081	-0,011
Taxation	-0,111	-0,138	-0,072	-0,18	-0,084	-0,077	0,14	0,034	0,049	0,006
Healthcare & social security	0,129	0,012	-0,177	-0,239	-0,147	0,177	0,146	-0,04	-0,046	0,061
Labor market	1	0,349	-0,202	-0,257	-0,224	0,042	0,017	0,034	0,061	-0,058
Education & training	0,349	1	-0,162	-0,054	-0,18	0,04	-0,003	0,013	0,061	0,042
Financial sector & housing	-0,202	-0,162	1	-0,054	-0,104	-0,032	-0,035	-0,072	0,018	-0,14
Structural reforms	-0,257	-0,054	-0,054	1	0,075	-0,109	-0,16	0,052	0,058	-0,032
Public administration	-0,224	-0,18	-0,104	0,075	1	-0,055	-0,087	-0,073	-0,074	0,098
Contested amendments	0,042	0,04	-0,032	-0,109	-0,055	1	0,043	0,114	0,113	-0,125
Words	0,017	-0,003	-0,035	-0,16	-0,087	0,043	1	0,04	-0,27	-0,079
EU support	0,034	0,013	-0,072	0,052	-0,073	0,114	0,04	1	0,349	-0,187
Government trust	0,061	0,061	0,018	0,058	-0,074	0,113	-0,27	0,349	1	-0,302
CEE	-0,058	0,042	-0,14	-0,032	0,098	-0,125	-0,079	-0,187	-0,302	1

3.7.3 Additional models

The assumption that the compliance score is interval-level may not be met. Rather, the levels of progress may be located on an ordinal scale. To test whether results are robust to the assumption of an ordinal scale, a set of ordinal logistic regression models were run. Results are reported below.

Table 3.A8. Two-level ordinal logistic regression results.

	MODEL 1		MODEL 2	
	Coef.	(S.E.)	Coef.	(S.E.)
GOVERNMENT POSITIONS				
EU position	0.033	(0.154)	0.042	(0.156)
Economic position	0.264*	(0.123)	0.270*	(0.125)
CSR orientation	0.360*	(0.150)	0.361*	(0.151)
*Economic position * CSR orientation*			0.171	(0.099)
EU BENEFITS				
EU balance	0.566*	(0.234)	0.561*	(0.236)
EU trade	-0.208	(0.169)	-0.169	(0.174)
EU CONSTRAINTS				
EDP	0.228	(0.272)	0.186	(0.275)
IDR	-0.031	(0.269)	-0.083	(0.274)
Eurozone	-0.040	(0.389)	0.220	(0.398)
Public finance	1.468***	(0.391)	2.419***	(0.513)
*Eurozone * Public finance*			-1.511**	(0.541)
DOMESTIC CONSTRAINTS				
EU preference heterogeneity	0.028	(0.141)	0.058	(0.144)
Economic preference heterogeneity	0.171	(0.152)	0.130	(0.156)
Minority government	-0.790*	(0.371)	-0.722	(0.372)
Regional authority	-0.284	(0.186)	-0.263	(0.189)
STATE CAPACITIES				
Government effectiveness	0.556*	(0.252)	0.533*	(0.257)
GDP	-0.621**	(0.213)	-0.611**	(0.219)
Corporatism	0.453*	(0.205)	0.459*	(0.207)
OTHER POLICY FIELDS				
Pensions	-0.677	(0.358)	-0.605	(0.358)
Taxation	-0.941***	(0.283)	-1.056***	(0.288)
Healthcare and social security	0.128	(0.273)	0.193	(0.276)
Labor market	0.053	(0.302)	0.011	(0.304)
Education and training	-0.052	(0.329)	-0.017	(0.333)
Financial sector and housing	1.239**	(0.382)	1.293***	(0.386)
Structural reforms	-0.446	(0.282)	-0.458	(0.283)
Public administration	-0.131	(0.282)	-0.078	(0.283)
CONTROL VARIABLES				
Contested amendments	-0.100	(0.387)	-0.166	(0.388)
Words	-0.212	(0.120)	-0.155	(0.122)
EU support	0.029	(0.125)	0.037	(0.127)
Government trust	-0.374*	(0.189)	-0.354	(0.191)
CEE	-1.430*	(0.630)	-1.466*	(0.639)
Cut 1: Constant	-4.589***	(0.660)	-4.530***	(0.664)
Cut 2: Constant	-0.768	(0.589)	-0.652	(0.597)
Cut 3: Constant	2.526***	(0.593)	2.708***	(0.603)
Cut 4: Constant	6.080***	(1.147)	6.278***	(1.152)
Variance(Country)	0.008	(0.099)	0.015	(0.101)
Log likelihood	-422.289		-416.868	
AIC	912.577		905.736	
BIC	1054.415		1055.917	
N(Obs.) / N(Country)	479 / 27		479 / 27	

Notes: multilevel ordinal logistic random intercept model; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$, two-tailed test; all continuous independent variables standardized.

Arguably, significant changes occurred in European Semester-based surveillance since 2013. Thus, it might be appropriate to control for variation over time through the inclusion fixed effects for each European Semester round. Results of corresponding models are reported below.

Table 3.A9. Year-fixed effects models.

	MODEL 1		MODEL 2	
	Coef.	(S.E.)	Coef.	(S.E.)
GOVERNMENT POSITIONS				
EU position	0.024	(0.043)	0.027	(0.043)
Economic position	0.076*	(0.033)	0.075*	(0.033)
CSR orientation	0.080	(0.043)	0.078	(0.042)
*Economic position * CSR orientation*			0.058*	(0.028)
EU BENEFITS				
EU balance	0.150*	(0.063)	0.151*	(0.063)
EU trade	-0.065	(0.048)	-0.053	(0.049)
EU CONSTRAINTS				
EDP	0.025	(0.079)	0.016	(0.079)
IDR	0.039	(0.080)	0.021	(0.081)
Eurozone	0.054	(0.100)	0.117	(0.104)
Public finance	0.417***	(0.110)	0.655***	(0.139)
*Eurozone * Public finance*			-0.399**	(0.149)
DOMESTIC CONSTRAINTS				
EU preference heterogeneity	0.020	(0.044)	0.007	(0.045)
Economic preference heterogeneity	0.018	(0.041)	0.027	(0.041)
Minority government	-0.211*	(0.097)	-0.194*	(0.097)
Regional authority	-0.059	(0.053)	-0.051	(0.053)
CAPACITIES				
Government effectiveness	0.135	(0.070)	0.121	(0.071)
GDP	-0.157**	(0.060)	-0.151*	(0.060)
Corporatism	0.096	(0.057)	0.098	(0.057)
OTHER POLICY FIELDS				
Pensions	-0.160	(0.099)	-0.145	(0.098)
Taxation	-0.249**	(0.081)	-0.280***	(0.082)
Healthcare and social security	0.037	(0.079)	0.058	(0.078)
Labor market	0.047	(0.089)	0.034	(0.088)
Education and training	0.026	(0.096)	0.034	(0.095)
Financial sector and housing	0.388***	(0.106)	0.397***	(0.105)
Structural reforms	-0.155	(0.082)	-0.158	(0.081)
Public administration	-0.007	(0.084)	0.007	(0.083)
CONTROL VARIABLES				
Contested amendments	-0.032	(0.110)	-0.052	(0.109)
Words	-0.090*	(0.039)	-0.070	(0.040)
EU support	-0.014	(0.038)	-0.010	(0.038)
Government trust	-0.086	(0.055)	-0.076	(0.055)
CEE	-0.366*	(0.175)	-0.378*	(0.176)
YEARS (REFERENCE: 2013/14)				
2014/15	-0.070	(0.074)	-0.074	(0.073)
2015/16	-0.171	(0.088)	-0.161	(0.087)
2016/17	-0.204	(0.104)	-0.191	(0.104)
Constant	2.735***	(0.173)	2.709***	(0.173)
Variance(Country)	0.001		0.002	
Variance(Residual)	0.341		0.332	
Log likelihood	-422.617		-416.978	
AIC	915.235		907.956	
BIC	1061.244		1062.309	
N(Obs.) / N(Country)	479 / 27		479 / 27	

Notes: multilevel random intercept model; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$, two-tailed test; year reference category: 2013/14; all continuous independent variables standardized.

3.7.4 Corporatism data

The following table provides a detailed overview on values recorded for the eight corporatism sub-items and their sources in the ICTWSS dataset.

Table 3.A10. Corporatism sub-item values and sources.

	Item I (cent)		Item II (wc_struc)		Item III (wc_rights)		Item IV (govint)		Item V (level)		Item VI (ri)		Item VII (coord)		Item VIII (ext)	
	Value	Year(s)	Value	Year(s)	Value	Year(s)	Value	Year(s)	Value	Year(s)	Value	Year(s)	Value	Year(s)	Value	Year(s)
Austria	0.875	2013	3	2013/14	3	2013/14	2	2013/14	3	2013/14	2	2013/14	4	2013/14	3	2013/14
Belgium	0.478	2013	3	2013	2	2013	1	2013/14	5	2013/14	2	2013	1	2013/14	3	2013/14
Bulgaria	0.288	2012	2	2013/14	1	2013/14	1	2013/14	2	2013/14	1	2013/14	2	2013/14	2	2013/14
Croatia	.	missing	2	2013/14	2	2013/14	.	missing	2	2013/14	1	2013/14	2	2013/14	2	2013
Cyprus	0.289	2013	2	2013/14	1	2013/14	2	2013/14	2	2013/14	2	2013/14	2	2013/14	0	2013/14
Czech Republic	0.255	2013	2	2013/14	1	2013/14	2	2013/14	1	2013/14	**1.5**	**2013-14**	2	2013/14	1	2013/14
Denmark	0.417	2013	4	2013/14	2	2013/14	2	2013/14	3	2013/14	2	2013/14	4	2013/14	0	2013/14
Estonia	0.317	2012	2	2013/14	1	2013/14	2	2013/14	1	2013/14	1	2013/14	1	2013/14	2	2013/14
Finland	0.434	2013	4	2013/14	2	2013/14	4	2013/14	**4.5**	**2013-14**	1	2013/14	5	2013/14	2	2013/14
France	0.235	2012	3	2013/14	2	2013/14	1	2013/14	3	2013/14	0	2013/14	2	2013/14	3	2013/14
Germany	0.470	2011	3	2013/14	3	2013/14	2	2013/14	3	2013/14	1	2013/14	4	2013/14	1	2013/14
Greece	0.267	2011	3	2013	1	2013	1	2013/14	2	2013/14	1	2013	2	2013/14	0	2013/14
Hungary	0.265	2012	3	2013/14	1	2013/14	1	2013/14	1	2013/14	0	2013/14	1	2013/14	1	2013/14
Ireland	0.462	2013	2	2013	1	2013	1	2013/14	1	2013/14	1	2013	1	2013/14	**0.333**	**2013-15**
Italy	0.378	2013	4	2013/14	2	2013/14	2	2013/14	3	2013/14	1	2013/14	3	2013/14	0	2013/14
Latvia	0.507	2012	2	2013/14	1	2013/14	1	2013/14	1	2013/14	1	2013/14	1	2013/14	1	2013/14
Lithuania	0.361	2008	2	2013/14	1	2013/14	1	2013/14	1	2013/14	1	2013/14	1	2013/14	1	2013/14
Luxembourg	0.314	2012	3	2013/14	2	2013/14	1	2013/14	2	2013/14	2	2013/14	**1.5**	**2013-14**	3	2013/14
Malta	0.334	2012	2	2013/14	1	2013/14	1	2013/14	1	2013/14	1	2013/14	2	2013/14	0	2013/14
Netherlands	0.571	2011	3	2013/14	3	2013/14	1	2013/14	3	2013/14	2	2013/14	4	2013/14	2	2013/14
Poland	0.175	2010	2	2013/14	1	2013/14	2	2013/14	1	2013/14	0	2013/14	1	2013/14	1	2013/14
Portugal	0.346	2011	2	2013	1	2013	1	2013/14	3	2013/14	1	2013	2	2013/14	**1.5**	**2013-14**
Romania	0.231	2012	2	2013/14	1	2013/14	1	2013/14	1	2013/14	0	2013/14	2	2013/14	0	2013/14
Slovakia	0.501	2013	2	2013/14	2	2013/14	1	2013/14	2	2013/14	1	2013/14	3	2013/14	**1.5**	**2013-14**
Slovenia	0.321	2008	3	2013/14	2	2013/14	1	2013/14	3	2013/14	1	2013/14	3	2013/14	3	2013/14
Spain	0.377	2012	3	2013/14	1	2013/14	4	2013/14	3	2013/14	1	2013/14	3	2013/14	2	2013/14
Sweden	0.523	2012	4	2013	3	2013	2	2013/14	3	2013/14	1	2013/14	4	2013/14	0	2013/14
United Kingdom	0.113	2013	2	2013/14	1	2013/14	1.5	2013/14	1	2013/14	0	2013/14	1	2013/14	0	2013/14

Notes: ICTWSS data (Visser 2016); Items IV and VII recoded (Jahn 2016). Missing data for Croatia on Items I and IV. Values for which changes were recorded since 2013 represent the mean of the most recent data (in bold). Data for Greece were used for factor construction but dropped from analysis since Greece did not receive any CSRs 2013-16.

3.7.5 CSR sources

To collect data about the CSRs and their implementation, the Council Recommendations and the Commission assessments were used as sources. The respective documents are listed below.

Table 3.A11. CSR and assessment documents.

Country	ES	CSR source	Assessment source
Austria	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Austria and delivering a Council opinion on the Stability Programme of Austria, 2012-2017. 2013/C 217/01.	European Commission. 2014. Assessment of the 2014 national reform programme and stability programme for Austria. SWD(2014) 421 final. Brussels, 6 June.
Austria	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Austria and delivering a Council opinion on the Stability Programme of Austria, 2014. 2014/C 247/18.	European Commission. 2015. Country Report Austria 2015. SWD(2015) 39 final. Brussels, 26 February.
Austria	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Austria and delivering a Council opinion on the 2015 Stability Programme of Austria. 2015/C 272/23.	European Commission. 2016. Country Report Austria 2016. SWD(2016) 88 final. Brussels, 26 February.
Austria	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Austria and delivering a Council opinion on the 2016 Stability Programme of Austria. 2016/C 299/14.	European Commission. 2017. Country Report Austria 2017. SWD(2017) 85 final. Brussels, 22 February.
Belgium	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Belgium and delivering a Council opinion on the Stability Programme of Belgium, 2012-2016. 2013/C 217/02.	European Commission. 2014. Assessment of the 2014 national reform programme and stability programme for Belgium. SWD(2014) 402 final. Brussels, 6 June.
Belgium	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Belgium and delivering a Council opinion on the Stability Programme of Belgium, 2014. 2014/C 247/01.	European Commission. 2015. Country Report Belgium 2015. SWD(2015) 21 final/2. Brussels, 18 March.
Belgium	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Belgium and delivering a Council opinion on the 2015 Stability Programme of Belgium. 2015/C 272/07.	European Commission. 2016. Country Report Belgium 2016. SWD(2016) 71 final. Brussels, 26 February.
Belgium	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Belgium and delivering a Council opinion on the 2016 Stability Programme of Belgium. 2016/C 299/09.	European Commission. 2017. Country Report Belgium 2017. SWD(2017) 67 final. Brussels, 22 February.
Bulgaria	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Bulgaria and delivering a Council opinion on the Convergence Programme of Bulgaria, 2012-2016. 2013/C 217/03.	European Commission. 2014. Assessment of the 2014 national reform programme and convergence programme for Bulgaria. SWD(2014) 403 final. Brussels, 6 June.
Bulgaria	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Bulgaria and delivering a Council opinion on the Convergence Programme of Bulgaria, 2014. 2014/C 247/02.	European Commission. 2015. Country Report Bulgaria 2015. SWD(2015) 22 final. Brussels, 26 February.
Bulgaria	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Bulgaria and delivering a Council opinion on the 2015 Convergence Programme of Bulgaria. 2015/C 272/08.	European Commission. 2016. Country Report Bulgaria 2016. SWD(2016) 72 final. Brussels, 26 February.
Bulgaria	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Bulgaria and delivering a Council opinion on the 2016 Convergence Programme of Bulgaria. 2016/C 299/08.	European Commission. 2017. Country Report Bulgaria 2017. SWD(2017) 68 final/3. Brussels, 28 February.
Croatia	2013 /14	*NO CSR*	*NO ASSESSMENT*
Croatia	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Croatia and delivering a Council opinion on the Convergence Programme of Croatia, 2014. 2014/C 247/10.	European Commission. 2015. Country Report Croatia 2015. SWD(2015) 30 final. Brussels, 26 February.
Croatia	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Croatia and delivering a Council opinion on the 2015 Convergence Programme of Croatia. 2015/C 272/15.	European Commission. 2016. Country Report Croatia 2016. SWD(2016) 80 final/2. Brussels, 3 March.
Croatia	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Croatia and delivering a Council opinion on the 2016 Convergence Programme of Croatia. 2016/C 299/23.	European Commission. 2017. Country Report Croatia 2017. SWD(2017) 76 final. Brussels, 22 February.
Cyprus	2013 /14	*NO CSR*	*NO ASSESSMENT*
Cyprus	2014 /15	*NO CSR*	*NO ASSESSMENT*
Cyprus	2015 /16	*NO CSR*	*NO ASSESSMENT*
Cyprus	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Cyprus and delivering a Council opinion on the 2016 Stability Programme of Cyprus. 2016/C 299/07.	European Commission. 2017. Country Report Croatia 2017. SWD(2017) 78 final. Brussels, 22 February.
Czech Republic	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of the Czech Republic and delivering a Council opinion on the Convergence Programme of the Czech Republic, 2012-2016. 2013/C 217/04.	European Commission. 2014. Assessment of the 2014 national reform programme and convergence programme for Czech Republic. SWD(2014) 404 final. Brussels, 6 June.
Czech Republic	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of the Czech Republic and delivering a Council opinion on the Convergence Programme of the Czech Republic, 2014. 2014/C 247/03.	European Commission. 2015. Country Report Czech Republic 2015. SWD(2015) 23 final. Brussels, 26 February.

Table 3.A11. CSR and assessment documents (continued).

Country	ES	CSR source	Assessment source
Czech Republic	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of the Czech Republic and delivering a Council opinion on the 2015 Convergence Programme of the Czech Republic. 2015/C 272/09.	European Commission. 2016. Country Report Czech Republic 2016. SWD(2016) 73 final. Brussels, 26 February.
Czech Republic	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of the Czech Republic and delivering a Council opinion on the 2016 Convergence Programme of the Czech Republic. 2016/C 299/06.	European Commission. 2017. Country Report Czech Republic 2017. SWD(2017) 69 final. Brussels, 22 February.
Denmark	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Denmark and delivering a Council opinion on the Convergence Programme of Denmark, 2013-2016. 2013/C 217/05.	European Commission. 2014. Assessment of the 2014 national reform programme and convergence programme for Denmark. SWD(2014) 405 final. Brussels, 6 June.
Denmark	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Denmark and delivering a Council opinion on the Convergence Programme of Denmark, 2014. 2014/C 247/04.	European Commission. 2015. Country Report Denmark 2015. SWD(2015) 24 final. Brussels, 26 February.
Denmark	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Denmark and delivering a Council opinion on the 2015 Convergence Programme of Denmark. 2015/C 272/10.	European Commission. 2016. Country Report Denmark 2016. SWD(2016) 74 final. Brussels, 26 February.
Denmark	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Denmark and delivering a Council opinion on the 2016 Convergence Programme of Denmark. 2016/C 299/21.	European Commission. 2017. Country Report Denmark 2017. SWD(2017) 70 final. Brussels, 22 February.
Estonia	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Estonia and delivering a Council opinion on the Stability Programme of Estonia, 2012-2017. 2013/C 217/06.	European Commission. 2014. Assessment of the 2014 national reform programme and stability programme for Estonia. SWD(2014) 407 final. Brussels, 6 June.
Estonia	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Estonia and delivering a Council opinion on the Stability Programme of Estonia, 2014. 2014/C 247/06.	European Commission. 2015. Country Report Estonia 2015. SWD(2015) 26 final. Brussels, 26 February.
Estonia	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Estonia and delivering a Council opinion on the 2015 Stability Programme of Estonia. 2015/C 272/11.	European Commission. 2016. Country Report Estonia 2016. SWD(2016) 76 final. Brussels, 26 February.
Estonia	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Estonia and delivering a Council opinion on the 2016 Stability Programme of Estonia. 2016/C 299/11.	European Commission. 2017. Country Report Estonia 2017. SWD(2017) 72 final. Brussels, 22 February.
Finland	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Finland and delivering a Council opinion on the Stability Programme of Finland, 2012-2017. 2013/C 217/07.	European Commission. 2014. Assessment of the 2014 national reform programme and stability programme for Finland. SWD(2014) 427 final. Brussels, 6 June.
Finland	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Finland and delivering a Council opinion on the Stability Programme of Finland, 2014. 2014/C 247/24.	European Commission. 2015. Country Report Finland 2015. SWD(2015) 45 final. Brussels, 26 February.
Finland	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Finland and delivering a Council opinion on the 2015 Stability Programme of Finland. 2015/C 272/04.	European Commission. 2016. Country Report Finland 2016. SWD(2016) 94 final. Brussels, 26 February.
Finland	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Finland and delivering a Council opinion on the 2016 Stability Programme of Finland. 2016/C 299/19.	European Commission. 2017. Country Report Finland 2017. SWD(2017) 91 final. Brussels, 22 February.
France	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of France and delivering a Council opinion on the Stability Programme of France, 2012-2017. 2013/C 217/08.	European Commission. 2014. Assessment of the 2014 national reform programme and stability programme for France. SWD(2014) 411 final. Brussels, 6 June.
France	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of France and delivering a Council opinion on the Stability Programme of France, 2014. 2014/C 247/09.	European Commission. 2015. Country Report France 2015. SWD(2015) 29 final. Brussels, 26 February.
France	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of France and delivering a Council opinion on the 2015 Stability Programme of France. 2015/C 272/14.	European Commission. 2016. Country Report France 2016. SWD(2016) 79 final. Brussels, 26 February.
France	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of France and delivering a Council opinion on the 2016 Stability Programme of France. 2016/C 299/27.	European Commission. 2017. Country Report France 2017. SWD(2017) 75 final. Brussels, 22 February.
Germany	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Germany and delivering a Council opinion on the Stability Programme of Germany, 2012-2017. 2013/C 217/09.	European Commission. 2014. Assessment of the 2014 national reform programme and stability programme for Germany. SWD(2014) 406 final. Brussels, 6 June.
Germany	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Germany and delivering a Council opinion on the Stability Programme of Germany, 2014. 2014/C 247/05.	European Commission. 2015. Country Report Germany 2015. SWD(2015) 25 final/2. Brussels, 18 March.
Germany	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Germany and delivering a Council opinion on the 2015 Stability Programme of Germany. 2015/C 271/01.	European Commission. 2016. Country Report Germany 2016. SWD(2016) 75 final. Brussels, 26 February.
Germany	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Germany and delivering a Council opinion on the 2016 Stability Programme of Germany. 2016/C 299/05.	European Commission. 2017. Country Report Germany 2017. SWD(2017) 71 final. Brussels, 22 February.
Greece	2013 /14	*NO CSR*	*NO ASSESSMENT*
Greece	2014 /15	*NO CSR*	*NO ASSESSMENT*

Table 3.A11. CSR and assessment documents (continued).

Country	ES	CSR source	Assessment source
Greece	2015 /16	*NO CSR*	*NO ASSESSMENT*
Greece	2016 /17	*NO CSR*	*NO ASSESSMENT*
Hungary	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Hungary and delivering a Council opinion on the Convergence Programme of Hungary, 2012-2016. 2013/C 217/10.	European Commission. 2014. Assessment of the 2014 national reform programme and convergence programme for Hungary. SWD(2014) 418 final. Brussels, 6 June.
Hungary	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Hungary and delivering a Council opinion on the Convergence Programme of Hungary, 2014. 2014/C 247/15.	European Commission. 2015. Country Report Hungary 2015. SWD(2015) 36 final/2. Brussels, 18 March.
Hungary	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Hungary and delivering a Council opinion on the 2015 Convergence Programme of Hungary. 2015/C 272/20.	European Commission. 2016. Country Report Hungary 2016. SWD(2016) 85 final. Brussels, 26 February.
Hungary	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Hungary and delivering a Council opinion on the 2016 Convergence Programme of Hungary. 2016/C 299/12.	European Commission. 2017. Country Report Hungary 2017. SWD(2017) 82 final/2. Brussels, 28 February.
Ireland	2013 /14	*NO CSR*	*NO ASSESSMENT*
Ireland	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Ireland and delivering a Council opinion on the Stability Programme of Ireland, 2014. 2014/C 247/07.	European Commission. 2015. Country Report Ireland 2015. SWD(2015) 27 final. Brussels, 26 February.
Ireland	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Ireland and delivering a Council opinion on the 2015 Stability Programme of Ireland. 2015/C 272/12.	European Commission. 2016. Country Report Ireland 2016. SWD(2016) 77 final. Brussels, 26 February.
Ireland	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Ireland and delivering a Council opinion on the 2016 Stability Programme of Ireland. 2016/C 299/16.	European Commission. 2017. Country Report Ireland 2017. SWD(2017) 73 final. Brussels, 22 February.
Italy	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Italy and delivering a Council opinion on the Stability Programme of Italy, 2012-2017. 2013/C 217/11.	European Commission. 2014. Assessment of the 2014 national reform programme and stability programme for Italy. SWD(2014) 413 final. Brussels, 6 June.
Italy	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Italy and delivering a Council opinion on the Stability Programme of Italy, 2014. 2014/C 247/11.	European Commission. 2015. Country Report Italy 2015. SWD(2015) 31 final/2. Brussels, 18 March.
Italy	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Italy and delivering a Council opinion on the 2015 Stability Programme of Italy. 2015/C 272/16.	European Commission. 2016. Country Report Italy 2016. SWD(2016) 77 final. Brussels, 26 February.
Italy	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Italy and delivering a Council opinion on the 2016 Stability Programme of Italy. 2016/C 299/01.	European Commission. 2017. Country Report Italy 2017. SWD(2017) 85 final. Brussels, 22 February.
Latvia	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Latvia and delivering a Council opinion on the Convergence Programme of Latvia, 2012-2016. 2013/C 217/12.	European Commission. 2014. Assessment of the 2014 national reform programme and stability programme for Latvia. SWD(2014) 415 final. Brussels, 6 June.
Latvia	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Latvia and delivering a Council opinion on the Stability Programme of Latvia, 2014. 2014/C 247/12.	European Commission. 2015. Country Report Latvia 2015. SWD(2015) 33 final. Brussels, 26 February.
Latvia	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Latvia and delivering a Council opinion on the 2015 Stability Programme of Latvia. 2015/C 272/17.	European Commission. 2016. Country Report Latvia 2016. SWD(2016) 82 final. Brussels, 26 February.
Latvia	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Latvia and delivering a Council opinion on the 2016 Stability Programme of Latvia. 2016/C 299/20.	European Commission. 2017. Country Report Latvia 2017. SWD(2017) 79 final. Brussels, 22 February.
Lithuania	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Lithuania and delivering a Council opinion on the Convergence Programme of Lithuania, 2012-2016. 2013/C 217/13.	European Commission. 2014. Assessment of the 2014 national reform programme and convergence programme for Lithuania. SWD(2014) 416 final. Brussels, 6 June.
Lithuania	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Lithuania and delivering a Council opinion on the Convergence Programme of Lithuania, 2014. 2014/C 247/13.	European Commission. 2015. Country Report Lithuania 2015. SWD(2015) 34 final. Brussels, 26 February.
Lithuania	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Lithuania and delivering a Council opinion on the 2015 Stability Programme of Lithuania. 2015/C 272/18.	European Commission. 2016. Country Report Lithuania 2016. SWD(2016) 83 final. Brussels, 26 February.
Lithuania	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Lithuania and delivering a Council opinion on the 2016 Stability Programme of Lithuania. 2016/C 299/17.	European Commission. 2017. Country Report Lithuania 2017. SWD(2017) 80 final. Brussels, 22 February.
Luxembourg	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Luxembourg and delivering a Council opinion on the Stability Programme of Luxembourg, 2012-2016. 2013/C 217/14.	European Commission. 2014. Assessment of the 2014 national reform programme and stability programme for Luxembourg. SWD(2014) 417 final. Brussels, 6 June.
Luxembourg	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Luxembourg and delivering a Council opinion on the Stability Programme of Luxembourg, 2014. 2014/C 247/14.	European Commission. 2015. Country Report Luxembourg 2015. SWD(2015) 35 final/2. Brussels, 18 March.
Luxembourg	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Luxembourg and delivering a Council opinion on the 2015 Stability Programme of Luxembourg. 2015/C 272/19.	European Commission. 2016. Country Report Luxembourg 2016. SWD(2016) 84 final. Brussels, 26 February.

Table 3.A11. CSR and assessment documents (continued).

Country	ES	CSR source	Assessment source
Luxembourg	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Luxembourg and delivering a Council opinion on the 2016 Stability Programme of Luxembourg. 2016/C 299/24.	European Commission. 2017. Country Report Luxembourg 2017. SWD(2017) 81 final. Brussels, 22 February.
Malta	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Malta and delivering a Council opinion on the Stability Programme of Malta, 2012-2016. 2013/C 217/15.	European Commission. 2014. Assessment of the 2014 national reform programme and stability programme for Malta. SWD(2014) 419 final. Brussels, 6 June.
Malta	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Malta and delivering a Council opinion on the Stability Programme of Malta, 2014. 2014/C 247/16.	European Commission. 2015. Country Report Malta 2015. SWD(2015) 37 final. Brussels, 26 February.
Malta	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Malta and delivering a Council opinion on the 2015 Stability Programme of Malta. 2015/C 272/21.	European Commission. 2016. Country Report Malta 2016. SWD(2016) 86 final. Brussels, 26 February.
Malta	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Malta and delivering a Council opinion on the 2016 Stability Programme of Malta. 2016/C 299/25.	European Commission. 2017. Country Report Malta 2017. SWD(2017) 83 final. Brussels, 22 February.
Netherlands	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of the Netherlands and delivering a Council opinion on the Stability Programme of the Netherlands, 2012-2017. 2013/C 217/22.	European Commission. 2014. Assessment of the 2014 national reform programme and stability programme for the Netherlands. SWD(2014) 420 final. Brussels, 6 June.
Netherlands	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of the Netherlands and delivering a Council opinion on the Stability Programme of the Netherlands, 2014. 2014/C 247/17.	European Commission. 2015. Country Report Netherlands 2015. SWD(2015) 38 final. Brussels, 26 February.
Netherlands	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of the Netherlands and delivering a Council opinion on the 2015 Stability Programme of the Netherlands. 2015/C 272/22.	European Commission. 2016. Country Report The Netherlands 2016. SWD(2016) 87 final. Brussels, 26 February.
Netherlands	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of the Netherlands and delivering a Council opinion on the 2016 Stability Programme of the Netherlands. 2016/C 299/10.	European Commission. 2017. Country Report The Netherlands 2017. SWD(2017) 84 final. Brussels, 22 February.
Poland	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Poland and delivering a Council opinion on the Convergence Programme of Poland, 2012-2016. 2013/C 217/16.	European Commission. 2014. Assessment of the 2014 national reform programme and convergence programme for Poland. SWD(2014) 422 final. Brussels, 6 June.
Poland	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Poland and delivering a Council opinion on the Convergence Programme of Poland, 2014. 2014/C 247/19.	European Commission. 2015. Country Report Poland 2015. SWD(2015) 40 final. Brussels, 26 February.
Poland	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Poland and delivering a Council opinion on the 2015 Convergence Programme of Poland. 2015/C 272/24.	European Commission. 2016. Country Report Poland 2016. SWD(2016) 89 final. Brussels, 26 February.
Poland	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Poland and delivering a Council opinion on the 2016 Convergence Programme of Poland. 2016/C 299/04.	European Commission. 2017. Country Report Poland 2017. SWD(2017) 86 final. Brussels, 22 February.
Portugal	2013 /14	*NO CSR*	*NO ASSESSMENT*
Portugal	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Portugal and delivering a Council opinion on the Stability Programme of Portugal, 2014. 2014/C 247/20.	European Commission. 2015. Country Report Portugal 2015. SWD(2015) 41 final. Brussels, 26 February.
Portugal	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Portugal and delivering a Council opinion on the 2015 Stability Programme of Portugal. 2015/C 272/25.	European Commission. 2016. Country Report Portugal 2016. SWD(2016) 90 final. Brussels, 26 February.
Portugal	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Portugal and delivering a Council opinion on the 2016 Stability Programme of Portugal. 2016/C 299/26.	European Commission. 2017. Country Report Portugal 2017. SWD(2017) 87 final. Brussels, 22 February.
Romania	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Romania and delivering a Council opinion on the Convergence Programme of Romania, 2012-2016. 2013/C 217/17.	European Commission. 2014. Assessment of the 2014 national reform programme and convergence programme for Romania. SWD(2014) 424 final. Brussels, 6 June.
Romania	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Romania and delivering a Council opinion on the Convergence Programme of Romania, 2014. 2014/C 247/21.	European Commission. 2015. Country Report Romania 2015. SWD(2015) 42 final. Brussels, 26 February.
Romania	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Romania and delivering a Council opinion on the 2015 Convergence Programme of Romania. 2015/C 272/01.	European Commission. 2016. Country Report Romania 2016. SWD(2016) 91 final. Brussels, 26 February.
Romania	2016 /17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Romania and delivering a Council opinion on the 2016 Convergence Programme of Romania. 2016/C 299/18.	European Commission. 2017. Country Report Romania 2017. SWD(2017) 88 final. Brussels, 22 February.
Slovakia	2013 /14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Slovakia and delivering a Council opinion on the Stability Programme of Slovakia, 2012-2016. 2013/C 217/18.	European Commission. 2014. Assessment of the 2014 national reform programme and stability programme for Slovakia. SWD(2014) 426 final. Brussels, 6 June.
Slovakia	2014 /15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Slovakia and delivering a Council opinion on the Stability Programme of Slovakia, 2014. 2014/C 247/23.	European Commission. 2015. Country Report Slovakia 2015. SWD(2015) 44 final/2. Brussels, 18 March.
Slovakia	2015 /16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Slovakia and delivering a Council opinion on the 2015 Stability Programme of Slovakia. 2015/C 272/03.	European Commission. 2016. Country Report Slovakia 2016. SWD(2016) 93 final. Brussels, 26 February.

Table 3.A11. CSR and assessment documents (continued).

Country	ES	CSR source	Assessment source
Slovakia	2016/17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Slovakia and delivering a Council opinion on the 2016 Stability Programme of Slovakia. 2016/C 299/15.	European Commission. 2017. Country Report Slovakia 2017. SWD(2017) 90 final/2. Brussels, 27 February.
Slovenia	2013/14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Slovenia and delivering a Council opinion on the Stability Programme of Slovenia, 2012-2016. 2013/C 217/19.	European Commission. 2014. Assessment of the 2014 national reform programme and stability programme for Slovenia. SWD(2014) 425 final. Brussels, 6 June.
Slovenia	2014/15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Slovenia and delivering a Council opinion on the Stability Programme of Slovenia, 2014. 2014/C 247/22.	European Commission. 2015. Country Report Slovenia 2015. SWD(2015) 43 final/2. Brussels, 18 March.
Slovenia	2015/16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Slovenia and delivering a Council opinion on the 2015 Stability Programme of Slovenia. 2015/C 272/02.	European Commission. 2016. Country Report Slovenia 2016. SWD(2016) 92 final. Brussels, 26 February.
Slovenia	2016/17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Slovenia and delivering a Council opinion on the 2016 Stability Programme of Slovenia. 2016/C 299/22.	European Commission. 2017. Country Report Slovenia 2017. SWD(2017) 89 final. Brussels, 22 February.
Spain	2013/14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Spain and delivering a Council opinion on the Stability Programme of Spain, 2012-2016. 2013/C 217/20.	European Commission. 2014. Assessment of the 2014 national reform programme and stability programme for Spain. SWD(2014) 410 final. Brussels, 6 June.
Spain	2014/15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Spain and delivering a Council opinion on the Stability Programme of Spain, 2014. 2014/C 247/08.	European Commission. 2015. Country Report Spain 2015. SWD(2015) 28 final. Brussels, 26 February.
Spain	2015/16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Spain and delivering a Council opinion on the 2015 Stability Programme of Spain. 2015/C 272/13.	European Commission. 2016. Country Report Spain 2016. SWD(2016) 78 final. Brussels, 26 February.
Spain	2016/17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Spain and delivering a Council opinion on the 2016 Stability Programme of Spain. 2016/C 299/02.	European Commission. 2017. Country Report Spain 2017. SWD(2017) 74 final. Brussels, 22 February.
Sweden	2013/14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of Sweden and delivering a Council opinion on the Convergence Programme of Sweden, 2012-2016. 2013/C 217/21.	European Commission. 2014. Assessment of the 2014 national reform programme and convergence programme for Sweden. SWD(2014) 428 final. Brussels, 6 June.
Sweden	2014/15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of Sweden and delivering a Council opinion on the Convergence Programme of Sweden, 2014. 2014/C 247/25.	European Commission. 2015. Country Report Sweden 2015. SWD(2015) 46 final. Brussels, 26 February.
Sweden	2015/16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of Sweden and delivering a Council opinion on the 2015 Convergence Programme of Sweden. 2015/C 272/05.	European Commission. 2016. Country Report Sweden 2016. SWD(2016) 95 final. Brussels, 26 February.
Sweden	2016/17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of Sweden and delivering a Council opinion on the 2016 Stability Programme of Sweden. 2016/C 299/13.	European Commission. 2017. Country Report Sweden 2017. SWD(2017) 92 final. Brussels, 22 February.
United Kingdom	2013/14	Council of the EU. 2013. Council Recommendation of 9 July 2013 on the National Reform Programme 2013 of the United Kingdom and delivering a Council opinion on the Convergence Programme of the United Kingdom, 2012/13-2017/18. 2013/C 217/23.	European Commission. 2014. Assessment of the 2014 national reform programme and convergence programme for the United Kingdom. SWD(2014) 429 final. Brussels, 6 June.
United Kingdom	2014/15	Council of the EU. 2014. Council Recommendation of 8 July 2014 on the National Reform Programme 2014 of the United Kingdom and delivering a Council opinion on the Convergence Programme of the United Kingdom, 2014. 2014/C 247/26.	European Commission. 2015. Country Report United Kingdom 2015. SWD(2015) 47 final. Brussels, 26 February.
United Kingdom	2015/16	Council of the EU. 2015. Council Recommendation of 14 July 2015 on the 2015 National Reform Programme of the United Kingdom and delivering a Council opinion on the 2015 Convergence Programme of the United Kingdom. 2015/C 272/06.	European Commission. 2016. Country Report United Kingdom 2016. SWD(2016) 96 final. Brussels, 26 February.
United Kingdom	2016/17	Council of the EU. 2016. Council Recommendation of 12 July 2016 on the 2016 National Reform Programme of the United Kingdom and delivering a Council opinion on the 2016 Convergence Programme of the United Kingdom. 2016/C 299/03.	European Commission. 2017. Country Report United Kingdom 2017. SWD(2017) 93 final. Brussels, 22 February.

For data about whether CSRs contain amendments which were opposed by the Commission, Council documents were drawn upon. The Council is obliged to highlight CSRs where this was the case and to provide explanations in these cases due to the 'comply-or-explain' principle. For information about policy areas (see Table 3.A2 above), the Commission documentation of CSRs was drawn upon. The corresponding documents are listed in the table below.

Table 3.A12. Contestation and policy field sources.

ES	Contestation source	Policy field source
2013/14	Council of the EU. 2013. Explanatory note Accompanying document to Council Recommendations to Member States under the European semester 2013. 11336/13. Brussels, 8 July.	European Commission. 2013. 2013 European Semester: Country-specific recommendations. COM(2013) 350 final. Brussels, 29 May.
2014/15	Council of the EU. 2014. Explanations of modifications to Commission Recommendations for the Country Specific Recommendations. 10810/1/14 Rev1. Brussel, 18 June.	European Commission. 2014. 2014 European Semester: Country-specific recommendation. COM(2014) 400 final. Brussels, 2 June.
2015/16	Council of the EU. 2015. Explanations of modifications to Commission Recommendations for the Country Specific Recommendations. 9305/1/15 Rev1. Brussels, 17 June.	European Commission. 2015. 2015 European Semester: Country-specific recommendations. COM(2015)250 final. Brussels, 13 May.
2016/17	Council of the EU. 2016. Explanations of modifications to Commission Recommendations for the Country Specific Recommendations. 9327/16. Brussels, 13 June.	European Commission. 2016. 2016 European Semester: Country-specific recommendations. COM(2016)321 final. Brussels, 18 May.

The following table lists the CSRs which were used as reference texts for the word score coding of CSR orientation.

Table 3.A13. CSRs selected for scoring CSR orientation.

Year	Country	N	CSR text
Selected CSRs with priority of economic objectives			
2013	Austria	6	'Further strengthen the powers and resources of the federal competition authority and monitor the implementation of the competition law reform. Remove excessive barriers for service providers. This includes reviewing whether existing restrictions on entry and conduct in regulated professions are justified by general interest and fostering competition notably in the railway sector.'
2013	Belgium	1	'Adopt additional measures to achieve the structural adjustment effort specified in the Council Decision to give notice to correct the excessive deficit by 2013 and to enhance the sustainability and credibility of the consolidation. A durable correction of the fiscal imbalances requires the credible implementation of ambitious structural reforms which would increase the adjustment capacity and boost potential growth. After the correction of the excessive deficit, pursue the structural adjustment at an appropriate pace so as to reach the MTO by 2016 and ensure that the high debt ratio is put on a firm downward path. To this end, present, by 15 October 2013, growth-friendly structural measures for 2014 which ensure a sustainable correction of the excessive deficit and sufficient progress towards the MTO. Ensure that the adjustment path is balanced over time or even front-loaded. Adopt explicit coordination arrangements to ensure that budgetary targets are binding at federal and sub-federal levels within a medium-term planning perspective, including through the prompt adoption of a rule on the general government budget balance/surplus that complies with the requirements of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union and to increase the transparency of burden sharing and accountability across government layers.'
2013	Hungary	1	'Implement a credible and growth-friendly fiscal strategy by specifying the necessary measures focusing on expenditure savings and preserve a sound fiscal position in compliance with the MTO over the Convergence Programme horizon. Building on the above steps, put the general government debt ratio on a firm downward path, also with a view to mitigating the accumulated macroeconomic imbalances. Enhance the medium-term budgetary framework by making it more binding and by closely linking it to numerical fiscal rules. Broaden the mandatory remit and enhance the transparency of the Fiscal Council, including through systematic ex post monitoring of compliance with numerical fiscal rules as well as the preparation of regular macro-fiscal forecasts and budgetary impact assessments of major policy proposals.'
2013	Luxembourg	3	'Curb age-related expenditure by making long-term care more cost effective, in particular through a stronger focus on prevention, rehabilitation and independent living, strengthening the recently adopted pension reform, taking additional measures to curb early retirement and increasing the effective retirement age by aligning the retirement age or pension benefits to changes in life expectancy.'
2013	Slovakia	1	'Implement as envisaged the budget for the year 2013, so as to correct the excessive deficit in a sustainable manner and achieve the fiscal effort specified in the Council recommendations under EDP. After the correction of the excessive deficit, pursue the structural adjustment effort that will enable Slovakia to reach the MTO by 2017. Avoid cuts in growth enhancing expenditure and step up efforts to improve the efficiency of public spending. Building on the pension reform already adopted, further improve the long-term sustainability of public finance by reducing the financing gap in the public pension system and increasing the cost-effectiveness of the healthcare sector.'
2013	Slovenia	6	'Accelerate the reform of regulated services, including a significant reduction of entry barriers. Improve the business environment, including through ensuring the independence of and providing sufficient and autonomous financing to the Competition Protection Agency.'
2013	Sweden	3	'Improve the efficiency of the housing market by continued reforms of the rent setting system and strengthening the freedom of contract between individual tenants and landlords. Promote increased competition in the construction sector and review the planning, zoning and approval processes with the aim of increasing transparency, shortening lead times and reducing entry barriers for construction companies.'
2014	Austria	2	'Improve the long-term sustainability of the pension system, in particular by bringing forward the harmonisation of the statutory retirement age for men and women, by increasing the effective retirement age and by aligning the retirement age to changes in life expectancy. Monitor the implementation of recent reforms restricting access to early retirement. Further improve the cost effectiveness and sustainability of healthcare and long-term care services.'
2014	France	2	'Ensure that the labour cost reduction resulting from the "crédit d'impôt compétitivité employ" is sustained. Take action to further lower employer social security contributions in line with commitments under the responsibility and solidarity pact, making sure that no other measures offset its effect and that the targeting currently envisaged is maintained. Further evaluate the economic impact of social security contribution exemptions, putting the emphasis on employment, wage developments and competitiveness and take appropriate measures if necessary. Further reduce the cost of labour in a budget neutral way, namely at the lower end of the wage scale in particular through targeted reductions in employer social security contributions taking into account the various wage support schemes.'
2014	Malta	2	'To ensure the long-term sustainability of public finances continue the ongoing pension reform, such as by accelerating the already enacted increase in the statutory retirement age and by consecutively linking it to changes in life expectancy. Ensure that a comprehensive reform of the public health system delivers a cost-effective and sustainable use of available resources, such as strengthening primary care.'

Table 3.A13. CSRs selected for scoring CSR orientation (continued).

Year	Country	N	CSR text
2014	Portugal	2	'Maintain minimum wage developments consistent with the objectives of promoting employment and competitiveness. Ensure a wage setting system that promotes the alignment of wages and productivity at sectoral and/or firm level. Explore, in consultation with the social partners and in accordance with national practice, the possibility of mutually agreed firm-level temporary suspension of collective agreements. By September 2014, present proposals on mutually agreed firm-level temporary suspension of collective agreements and on a revision of the survival of collective agreements.'
2014	Slovenia	1	'Reinforce the budgetary strategy with sufficiently specified structural measures for the year 2014 and beyond, to ensure correction of the excessive deficit in a sustainable manner by 2015 through the achievement of the structural adjustment effort specified in the Council recommendation under the Excessive Deficit Procedure. A durable correction of the fiscal imbalances requires a credible implementation of ambitious structural reforms to increase the adjustment capacity and boost growth and employment. After the correction of the excessive deficit, pursue a structural adjustment of at least 0,5 % of GDP each year, and more in good economic conditions or to ensure that the debt rule is met in order to put the high general government debt ratio on a sustained downward path. To improve the credibility of fiscal policy, complete the adoption of a general government budget balance/surplus rule in structural terms, make the medium-term budgetary framework binding, encompassing and transparent, and establish the necessary legal basis for a functioning fiscal council defining its remit within the budgetary process and introducing clear procedural arrangements for monitoring budgetary outcomes as soon as possible. Launch a comprehensive review of expenditure covering state and local government levels, direct and indirect budget users and municipality-owned providers of utilities and services in the area of healthcare by the end of 2014 with a view to realising budgetary savings in 2015 and beyond.'
2014	Sweden	3	'Further improve the efficiency of the housing market through continued reforms of the rent-setting system. In particular, allow more market-oriented rent levels by moving away from the utility value system and further liberalising certain segments of the rental market, and greater freedom of contract between individual tenants and landlords. Decrease the length and complexity of the planning and appeal processes, by reducing and merging administrative requirements, harmonising building requirements and standards across municipalities and increasing transparency for land allotment procedures. Encourage municipalities to make their own land available for new housing developments.'
2015	Belgium	1	'Achieve a fiscal adjustment of at least 0,6 % of GDP towards the medium-term budgetary objective in 2015 and in 2016. Use windfall gains to put the general government debt ratio on an appropriate downward path. Complement the pension reform by linking the statutory retirement age to life expectancy. Agree on an enforceable distribution of fiscal targets among all government levels.'
2015	Croatia	2	'Discourage early retirement by raising penalties for early exits. Improve the adequacy and efficiency of pension spending by tightening the definition of arduous and hazardous professions. Tackle the fiscal risks in healthcare.'
2015	Croatia	3	'Tackle the weaknesses in the wage-setting framework, in consultation with the social partners and in accordance with national practices, to foster the alignment of wages with productivity and macroeconomic conditions. Strengthen incentives for the unemployed and inactive to take up paid employment. Based on the 2014 review, carry out the reform of the social protection system and further consolidate social benefits by improving targeting and eliminating overlaps.'
2015	France	4	'By the end of 2015, reduce regulatory impediments to companies' growth, in particular by reviewing the size-related criteria in regulations to avoid threshold effects. Remove the restrictions on access to and the exercise of regulated professions, beyond the legal professions, in particular as regards the health professions as from 2015.'
2015	Germany	3	'Take more ambitious measures to stimulate competition in the services sector, in particular in professional services, by eliminating unjustified restrictions such as legal form and shareholding requirements and fixed tariffs. To this end, conclude the ongoing domestic review of these barriers and take follow-up measures. Remove the remaining barriers to competition in the railway markets, in particular in long-distance rail passenger transport.'
2015	Italy	6	'Implement the simplification agenda for 2015-17 to ease the administrative and regulatory burden. Adopt competition-enhancing measures in all the sectors covered by the competition law, and take decisive action to remove remaining barriers. Ensure that local public services contracts not complying with the requirements on in-house awards are rectified by no later than end-2015.'
2015	Netherlands	2	'With the strengthening of the recovery, accelerate the decrease in mortgage interest tax deductibility so that tax incentives to invest in unproductive assets are reduced. Provide for a more market-oriented pricing mechanism in the rental market and further relate rents to household income in the social housing sector.'
2016	Belgium	1	'Achieve an annual fiscal adjustment of at least 0,6 % of GDP towards the medium-term budgetary objective in 2016 and in 2017. Use windfall gains to accelerate the reduction of the general government debt ratio. Agree on an enforceable distribution of fiscal targets among all government levels. Simplify the tax system and remove distortive tax expenditures.'
2016	Czech Republic	1	'Take measures to ensure the long-term sustainability of public finances, in light of future risks in the area of healthcare. Adopt legislation to strengthen the fiscal framework.'
2016	Finland	1	'Achieve an annual fiscal adjustment of at least 0,5 % of GDP towards the medium-term budgetary objective in 2016 and 0,6 % in 2017. Use any windfall gains to accelerate the reduction of the general government debt ratio. Ensure timely adoption and implementation of the administrative reform with a view to better cost-effectiveness of social and healthcare services.'
2016	Finland	3	'Continue pursuing efforts to increase competition in services, including in retail. Promote entrepreneurship and investment, including by reducing administrative and regulatory burden, to foster growth of high value added production.'
Selected CSRs with priority of social objectives			
2013	Austria	3	'Take new measures to increase the labour market participation of women, namely by further improving childcare and long-term care services and address the high gender pay and pension gaps. Fully use the labour market potential of people with a migrant background by continuing to improve the recognition of their qualifications and their education outcomes. Reduce the effective tax and social security burden on labour for low-income earners in a budget-neutral way by relying more on other sources of taxation less detrimental to growth, such as recurrent property taxes.'
2013	Germany	2	'Sustain conditions that enable wage growth to support domestic demand. To this end, reduce high taxes and social security contributions, especially for low-wage earners and raise the educational achievement of disadvantaged people. Maintain appropriate activation and integration measures, especially for the long-term unemployed. Facilitate the transition from non-standard employment such as mini-jobs into more sustainable forms of employment. Take measures to improve incentives to work and the employability of workers, in particular for second earners and low-skilled workers, also with a view to improving their income. To this end, remove disincentives for second earners and further increase the availability of full time childcare facilities and all-day schools.'
2013	Poland	4	'Continue efforts to increase female labour market participation, in particular by investing in affordable quality childcare and pre-school education, and by ensuring stable funding and qualified staff. With a view to improving sectoral labour mobility, take permanent steps to reform the KRUS. Phase out the special pension system for miners with a view to integrating them into the general scheme. Underpin the general pension reform with measures promoting the employability of older workers to raise exit ages from the labour market.'
2013	Poland	5	'Take additional measures to ensure an innovation-friendly business environment by strengthening the links between research, innovation and industrial policy, by further developing revolving instruments and tax incentives and by better targeting existing instruments to the different stages of the innovation cycle.'

Table 3.A13. CSRs selected for scoring CSR orientation (continued).

Year	Country	N	CSR text
2013	Romania	2	'Ensure growth-friendly fiscal consolidation and implement the budgetary strategy for the year 2013 and beyond as envisaged, thus ensuring achieving the MTO by 2015. Improve tax collection by implementing a comprehensive tax compliance strategy and fight undeclared work. In parallel, explore ways to increase reliance on environmental taxes. Continue the pension reform started in 2010 by equalising the pensionable age for men and women and by promoting the employability of older workers.'
2013	United Kingdom	3	'Building on the Youth Contract, step up measures to address youth unemployment, for example through a Youth Guarantee. Increase the quality and duration of apprenticeships, simplify the system of qualifications and strengthen the engagement of employers, particularly in the provision of advanced and intermediate technical skills. Reduce the number of young people aged 18-24 who have very poor basic skills, including through effectively implementing the Traineeships programme.'
2014	Austria	3	'Reduce the high tax wedge on labour for low-income earners by shifting taxation to sources less detrimental to growth, such as recurrent taxes on immovable property, including by updating the tax base. Reinforce measures to improve labour market prospects of people with a migrant background, women and older workers. This includes further improving childcare and long-term care services and the recognition of migrants' qualifications. Improve educational outcomes in particular for disadvantaged young people including those with a migrant background, by enhancing early childhood education and reducing the negative effects of early tracking. Further improve strategic planning in higher education and enhance measures to reduce dropouts.'
2014	Hungary	4	'Strengthen well-targeted active labour market policy measures, inter alia by accelerating the introduction of the client profiling system of the Public Employment Service. Put in place the planned youth mentoring network and coordinate it with education institutions and local stakeholders to increase outreach. Review the public works scheme to evaluate its effectiveness in helping people find subsequent employment and further strengthen its activation elements. Consider increasing the period of eligibility for unemployment benefits, taking into account the average time required to find new employment and link to activation measures. Improve the adequacy and coverage of social assistance while strengthening the link to activation. In order to alleviate poverty, implement streamlined and integrated policy measures to reduce poverty significantly, particularly among children and Roma.'
2014	Poland	2	'Strengthen efforts to reduce youth unemployment, in particular by further improving the relevance of education to labour market needs, increasing the availability of apprenticeships and work-based learning places and by strengthening outreach to unregistered youth and the cooperation between schools and employers, in line with the objectives of a youth guarantee. Increase adult participation in lifelong learning in order to adjust skills supply to skills demand. Combat labour market segmentation by stepping up efforts to ensure a better transition from fixed-term to permanent employment and by reducing the excessive use of civil law contracts.'
2014	Portugal	3	'Present, by March 2015, an independent evaluation of the recent reforms in the employment protection system, together with an action plan for possible further reforms to tackle labour market segmentation. Pursue the ongoing reform of active labour market policies and Public Employment Services aimed at increasing employment and labour participation rates, specifically by improving job counselling/job search assistance and activation/sanction systems with a view to reducing long-term unemployment and integrating those furthest away from the labour market. Address the high youth unemployment, in particular by effective skills anticipation and outreach to non-registered young people, in line with the objectives of a youth guarantee. Ensure adequate coverage of social assistance, including the minimum income scheme, while ensuring effective activation of benefit recipients.'
2014	Slovakia	4	'Take measures to increase the quality of teaching in order to raise educational outcomes. Reinforce the provision of work-based learning in companies in vocational education and training. Adapt accreditation, funding and governance measures to encourage the creation of profession-oriented bachelor-level programmes. Improve the quality and relevance of the science base and implement plans to foster effective knowledge transfer and cooperation between academia, research and business. Adopt systemic measures to improve access to high quality and inclusive pre-school and school education for marginalised communities, including Roma and take steps to increase their wider participation in vocational training and higher education.'
2014	Spain	4	'Implement the 2013-2016 Youth Entrepreneurship and Employment Strategy and evaluate its effectiveness. Provide good quality offers of employment, apprenticeships and traineeships for young people and improve the outreach to non-registered unemployed young people, in line with the objectives of a youth guarantee. Effectively implement the new educational schemes to increase the quality of primary and secondary education. Enhance guidance and support for groups at risk of early school leaving. Increase the labour-market relevance of vocational education and training and of higher education, in particular by enhancing the cooperation with employers and supporting the training of trainers and tutors.'
2014	United Kingdom	5	'Continue efforts to improve the availability of bank and non-bank financing to SMEs. Ensure the effective functioning of the Business Bank and support an increased presence of challenger banks.'
2015	Germany	1	'Further increase public investment in infrastructure, education and research. To foster private investment, take measures to improve the efficiency of the tax system, in particular by reviewing the local trade tax and corporate taxation and by modernising the tax administration. Use the ongoing review to improve the design of fiscal relations between the federation, Länder and municipalities, particularly with a view to ensuring adequate public investment at all levels of government.'
2015	Hungary	5	'Increase the participation of disadvantaged groups in particular Roma in inclusive mainstream education, and improve the support offered to these groups through targeted teacher training; strengthen measures to facilitate the transition between different stages of education and to the labour market, and improve the teaching of essential competences.'
2015	Lithuania	3	'Adopt a comprehensive reform of the pension system that also addresses the challenge of achieving pension adequacy. Improve the coverage and adequacy of unemployment benefits and cash social assistance and improve the employability of those looking for work.'
2015	Malta	4	'Improve small and micro-enterprises' access to finance, in particular through non-bank instruments.'
2015	Netherlands	1	'Shift public expenditure towards supporting investment in R & D and work on framework conditions for improving private R & D expenditure in order to counter the declining trend in public R & D expenditure and increase the potential for economic growth.'
2015	Romania	3	'Strengthen the provision of labour market measures, in particular for unregistered young people and the long-term unemployed. Ensure that the national employment agency is adequately staffed. Establish, in consultation with the social partners and in accordance with national practices, clear guidelines for setting the minimum wage transparently. Introduce the minimum insertion income. Increase the provision and quality of early childhood education and care, in particular for Roma. Take action to implement the national strategy to reduce early school leaving. Pursue the national health strategy 2014-2020 to remedy issues of poor accessibility, low funding and inefficient resources.'
2016	Bulgaria	3	'Reinforce and integrate social assistance, including relevant social services, and active labour market policies, in particular for the long-term unemployed and young people not in employment, education or training. Increase the provision of quality education for disadvantaged groups, including Roma. Improve the efficiency of the health system by improving access and funding, and health outcomes. In consultation with social partners establish guidelines and criteria for setting the minimum wage. Increase the coverage and adequacy of the minimum income scheme.'
2016	Estonia	1	'Ensure the provision and accessibility of high-quality public services, especially social services, at local level, inter alia, by adopting and implementing the proposed local government reform. Adopt and implement measures to narrow the gender pay gap, including those foreseen in the Welfare Plan.'
2016	Germany	1	'Achieve a sustained upward trend in public investment, especially in infrastructure, education, research and innovation, while respecting the medium term objective. Improve the design of federal fiscal relations with a view to increasing public investment, especially at municipal level.'

Table 3.A13. CSRs selected for scoring CSR orientation (continued).

Year	Country	N	CSR text
2016	Lithuania	2	'Strengthen investment in human capital and address skills shortages, by improving the labour market relevance of education, raising the quality of teaching and adult learning. Reinforce the coverage and effectiveness of active labour market policies. Strengthen the role of social dialogue mechanisms. Improve the performance of the healthcare system by strengthening outpatient care, disease prevention and health promotion. Improve the coverage and adequacy of unemployment benefits and social assistance.'
2016	Romania	2	'Strengthen the National Employment Agency's services to employers and jobseekers, in particular by tailoring services to jobseeker profiles, better linking them with social assistance, including social services, and reaching out to unregistered young people. Establish, in consultation with social partners, objective criteria for setting the minimum wage. Take action to prevent early school leaving and increase the provision of quality education, in particular among Roma. Adopt the equalisation of the pension age for men and women.'
2016	Slovakia	2	'Improve activation measures for the long-term unemployed and other disadvantaged groups, including individualised services and targeted training. Facilitate the employment of women, in particular by extending the provision of affordable, quality childcare. Improve educational outcomes by making the teaching profession more attractive and by increasing the participation of Roma children from early childhood in mainstream education.'
2016	United Kingdom	2	'Address shortfalls in network infrastructure investment, including by delivering the priorities of the National Infrastructure Plan. Take further steps to boost housing supply, including by implementing the reforms of the national planning policy framework.'

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Chapter 4: Public Support for EU Economic Policies

Co-authored by Dennis C. Spies

Abstract: General attitudes of citizens toward the European Union (EU) have frequently been analyzed. However, European integration represents a multifaceted process and citizen attitudes may well depend on the precise nature of policy proposals. In this contribution, we analyze the determinants of specific support for three prominent EU economic policy proposals: the Transatlantic Trade and Investment Partnership, Eurobonds, and a EU financial transaction tax. Drawing on Eurobarometer data, we find that four standard explanatory factors—ideology, utility, identity, and cues—also affect support for these policies. However, they do so in systematically different ways, depending on whether the policies primarily represent positive or negative integration and market-making or market-correcting, on how they affect national sovereignty, and on how they are affected by complexity and salience.

Key words: EU economic governance; EU support; policy support; public opinion

4.1 Introduction

In the course of the recent Euro crisis, a wide set of economic policy proposals have been discussed among and between political decision-makers and the general public. The frequent dissonance between European Union (EU) decision-making outcomes and the views of citizens most affected by them has left some observers concerned about the democratic 'costs' of specific crisis response measures (Crum 2013; Majone 2014). As exemplified by the rise of Eurosceptic parties, the failed referendums on the European constitution in the Netherlands and France, the conflicts between member states on the reactions to the recent financial, economic and immigration crises, and most spectacularly with the British Brexit vote, public support for the European Union – or at least not open opposition against it – cannot be taken for granted anymore. Consequently, these developments have led to a revival of studies interested in what shapes public support for or opposition to the European project.

Summarizing this now encompassing literature, and making use of David Easton's (1965; 1975) famous distinction between 'diffuse' and 'specific' support, two sets of studies can be separated. On the one hand, there is a long tradition of research investigating the drivers of general support for the European polity, focusing on factors that may explain why citizens are in favor or against, sympathetic or dismissive towards 'the EU' or 'European integration' in general (Hobolt and de Vries 2016). On the other hand, there are studies investigating support for specific policies, covering such diverse fields as foreign (Schoen 2008), social (Gerhards *et al.* 2016) or economic policies (Daniele and Geys 2015; Kuhn and Stoeckel 2014; Bechtel *et al.* 2014). Both sets of studies typically draw on the same theories based upon various assumptions about the meaning and substance of European integration. However, a growing literature highlights that many citizens hold ambivalent and multi-dimensional views of the EU and further integration and relates this finding to the multidimensional and constantly changing nature of the EU polity and its policies (de Vries and Steenbergen 2013; Stoeckel 2013; Boomgaarden *et al.* 2011; Simpson and Loveless

2017). A corollary of this is that the drivers of policy support may vary in their impact across policies. However, knowledge about whether and to what extent explanations of support for EU policies are sensitive to policy-specific characteristics is still limited. This article analyzes the varying applicability of standard explanations of EU (policy) support across different yet comparable EU policies.

To disentangle the complex relationships between policy and public support, we focus here on three distinct policies in the core area of economic policy-making. These are (1) the proposal to establish a Transatlantic Trade and Investment Partnership with the United States (TTIP), (2) the proposal to introduce Eurobonds and (3) the proposal to impose an EU financial transaction tax (FTT). These policies are reasonably diverse in scope and goals to hypothesize policy-specific dynamics in public support based on differences pertaining to negative or positive integration, market-making or market-correcting, sovereignty effects and complexity and salience. Each of these dimensions can be linked to one of the major explanatory approaches in the literature of EU support, namely ideology, utility, identity and cues.

After shortly introducing the three policies, we derive hypotheses on the determinants of public support by drawing on the literature about the general attitudes of citizens towards the EU. The key factors of interest are respondents' left-right positions, their utility gain from integration, the nature of their identity and their use of national proxies as cognitive shortcuts. Our hypotheses furthermore incorporate considerations about policy-specific differences between TTIP, Eurobonds and FTT. Then, drawing on a recent Eurobarometer survey (European Commission 2016), we test the hypotheses by applying multi-level logistic regression models. Our results suggest that while factors associated with general attitudes towards the EU can also be helpful in explaining specific support for EU economic policies, the nature of their impact depends heavily on the characteristics of a specific policy.

4.2 EU economic policies: TTIP, Eurobonds and FTT

TTIP has triggered mass protests in several countries and has been hotly debated in national as well as European political fora. The final agreement is envisaged to encompass 24 chapters grouped in four parts: market access, regulatory cooperation, rules and institutional provisions. Supporters of TTIP primarily highlight its potential to reinvigorate economic growth and to shape and incentivize the upgrading of global standards . In this vein, it represents a response to the EU's economic problems. However, TTIP critics have voiced a wide range of concerns about the agreement, associating it, for instance, with threats to democratic self-rule, consumer rights, environment protection and food safety.

The proposal of Eurobonds, though shelved due to fierce resistance in crucial member states, has also received far-reaching attention. In the broadest sense, Eurobonds are defined as the common issuance of sovereign debt in the Eurozone. The various Eurobond proposals are all geared at facilitating member states' access to finance by reducing, or even eliminating, sovereign bond yield spreads (European Commission 2011). Therefore, they can be viewed as efforts to tackle the sovereign debt dimension of the crisis and have been hailed as 'the most potentially efficacious alternative solution to the euro's woes' (Matthijs and McNamara 2015: 230). Critics mainly highlight the risk of moral hazard due to reduced incentives to ensure public finances' sustainability. In addition, legal and institutional reservations have been voiced.

Discussions of an FTT received a boost with the financial crisis in an effort to counter perceived severe malpractices in the financial sector. In contrast to the other two policy proposals, the Commission has already tabled an official legislative proposal on an EU FTT as a Council Directive (European Commission 2013b). It is currently discussed under enhanced cooperation for a subset of member states. FTT supporters hail it as a 'Robin-Hood tax' that channels funds from speculators to society and reduces societal risks posed by financial market excesses. Progress is hampered by concerns about competitive disadvantages for domestic financial markets and the general economy and its instruments' cost-efficiency. Moreover, among the non-participants the UK has announced a legal challenge in case of adverse effects on outsiders. While the Commission continues to view the FTT as a political priority, the adoption schedule has repeatedly been delayed and it remains uncertain whether the proposal will ever reach fruition.

4.3 Explaining support for EU economic policies

Several theoretical perspectives have been developed and applied to explain Europeans' support for the EU and its policies. These theories generally fall into one of four groups: political ideology, economic utility approaches, social psychological arguments based on citizens' identities and cue-taking via domestic political elites. We discuss each of them in turn, formulating specific hypotheses in which we relate policy differences between TTIP, Eurobonds and FTT to these theoretical perspectives.

4.3.1 Political ideology

The EU has been associated with both a (neo-)liberalizing influence that threatens national welfare arrangements and economic security and with a supranationalizing influence that threatens national sovereignty, thus raising opposition from both left- and right-wing parties (Hooghe *et al.* 2002; de Vries and Edwards 2009; Marks and Wilson 2000). This political ideology-based argument, positing an inverted-U-curve pattern of EU support, also applies to individual attitudes (van Elsas and van der Brug 2015). Indeed, voters not only evaluate EU policies based on their own ideology, they also rely on heuristics and cues provided by political parties to develop attitudes toward EU issues (Hobolt 2007; Pannico 2017). Thus, the main argument stemming from the literature on general EU support as well as Euroscepticism is that opposition to the EU is lowest for moderate voters but increases for both more left-wing and more right-wing voters. Left- and right-wing extremists are expected to be most Eurosceptic (Usherwood and Startin 2013).

However, as stated, different reasons are given for left- and right-wing opposition. Marks and Wilson (2000: 436) suggest that the left-right politicization of policies aiming at 'the removal of tariff and non-tariff barriers to the movement of goods, capital, services and labor' differs from those enhancing 'the capacity for authoritative decision making in the EU'. Applying the definition provided by Scharpf (1999), we refer to the former as 'negative integration' and call the latter 'positive integration'. According to Marks and Wilson (2000), leftists are more likely to support positive, but less likely to support negative integration. This is because of differences in effects on competition between member states concerning provisions for providing the best possible conditions for capital. Such competition is enhanced by negative integration but diminished by positive integration. Thus, the type of coordination mechanism between member states – competitive or cooperative – and its effect on the exercise of political authority are of central importance to the distinction. However, it should be noted that more complex EU policies typically involve aspects of both types and in empirical reality it is more accurate to view the classification scheme of positive and negative integration as a gradual scale rather than a clear-cut dichotomy.

We thus expect that left-wing voters are more likely to support positive integration whereas right-wing voters are relatively more supportive of negative integration. However, TTIP, Eurobonds and the FTT do not unambiguously foster one integration type or the other but rather contain elements of both. Nevertheless, they differ in the balance they strike between positive and negative integration. Compared to the other two policies, TTIP can be seen as enhancing negative, more than positive, integration. The elimination of barriers to transatlantic trade and investment improves the feasibility of capital's exit options, fostering international competition to provide business-friendly regulation. While TTIP could potentially also lead to upward harmonization of regulations, public concerns primarily focused on expectations of a race to the bottom (Eliasson and García-Duran 2017). Eurobonds, by contrast, represent primarily an approach of positive integration. By reducing or eliminating sovereign bond yield spreads, they effectively also reduce or negate inter-state competition for lower borrowing costs. Instead, as the Commission (2011) has made clear, they require a cooperative mechanism of coordinating fiscal policy decisions and attracting investments in government bonds through EU-level political authority. Finally, the FTT proposal aims at supranationally re-embedding financial markets and preventing regulatory competition below a prescribed minimum tax rate. The coordination mechanism is therefore cooperative – setting a joint minimum standard – rather than competitive.[22] Thus, based on the definitions introduced above, it, too, represents a policy primarily geared towards positive integration.

> H1: The effect of being further to the right of the political spectrum is positive for policies primarily focused on negative integration (such as TTIP) but negative for policies primarily focused on positive integration (such as Eurobonds and FTT).

4.3.2 Utility

Utility-based theories of EU support focus on whether an individual profits economically from European integration or not. Those who benefit more from EU membership are more supportive than those who benefit less. Individual utility theory typically assumes that those with higher human capital, i.e. higher labor market skills, benefit more from a wider and more deeply integrated EU than those with lesser skills (Gabel 1998; Tucker *et al.* 2002). Similarly, the literature on free trade support shows that highly skilled and educated individuals are more supportive, especially so if their skills are (relatively) abundant domestically and scarce internationally and therefore become

[22] The FTT proposal also contains competitive elements in identifying only a minimum tax rate, thus incentivizing competition above this threshold. Since we are moving from a state where no minimum tax rate was defined, the FTT nevertheless represents (primarily) a case of positive integration.

complementary to skills abundant abroad (Mayda and Rodrik 2005; Scheve and Slaughter 2001). Applied to the EU, we might then expect that especially highly skilled individuals in wealthier countries with a more skilled labor force will show higher levels of general EU support. In contrast, low-skilled labor in these countries should oppose European integration.

However, the opposing poles in the trade literature are not pro- and anti-integrationist attitudes but rather market-making and market-correcting positions (Mayda and Rodrik 2005; Scheve and Slaughter 2001). Market-making policies foster the cross-border exchange of goods, services, capital and people, whereas market-correcting policies constrain it. Thus, in contrast to the distinction between negative and positive integration with its emphasis on (inter-state) political interaction, the one between market-making and market-constraining focuses on how transnational exchange between market actors is affected (Scharpf 1999: 46). Following this logic, highly skilled individuals are more supportive of market-making integrationist policies, but not of market-correcting ones. As with the distinction between negative and positive integration, complex policies often combine market-making and market-correcting and the three policies analyzed here are no exception. However, in our view it still possible to distinguish differences in degree.

TTIP primarily aims at reducing or eliminating tariff and non-tariff barriers to trade and investment between Europe and the US (European Commission 2013a). It represents a particularly encompassing case of a free trade agreement and seeks to facilitate market exchange between the economies involved. While it may also have secondary impacts of increasing product regulations in specific areas or diverting trade away from non-Western competitors, both of which may constrain cross-border exchanges, this is not how TTIP has been presented to the public by either policy-makers or media (Eliasson and García-Duran 2017). Thus, it follows primarily a market-making approach. Eurobonds, too, facilitate transnational market exchanges. They are geared at fostering the creation of 'a large and highly liquid market' with 'high credit quality' and a safe environment for cross-border market exchanges, providing financial market actors with sovereign bonds that represent 'more robust collateral', thus reducing their home bias and dependence on any individual member state (European Commission 2011: 4–5). While Eurobonds can be seen as a response to what some observers have perceived as market failure or severe 'mispricing of sovereign risk' (De Grauwe and Ji 2012), they do not do so through regulating market exchanges between investors in government bonds but through creating a single market for such risks and incentivizing investors to evaluate risks of all governments more equally by providing them with a joint guarantee. It is thus an example of a policy that combines positive integration with a market-making approach. In contrast, the EU FTT specifically aims at 'creating appropriate disincentives' for specific kinds of market transactions deemed undesirable and 'covering transactions relating to all types of financial instruments' (European Commission 2013b: 2, 8). While a more radical approach of market correction would outlaw specific types of transactions, the FTT approach is one of redistribution. Nevertheless, since it seeks to constrain, rather than facilitate, market exchange, the FTT proposal represents a market-correcting policy.

> H2: The effect of higher skills on EU policy support is positive for primarily market-making policies (such as TTIP and Eurobonds), but negative for primarily market-correcting policies (such as FTT). These effects should be stronger in countries with highly skilled workforce.

4.3.3 Identity

Research on EU support has strongly stressed the role of identity. Building on social identity theory, the reasoning goes that individuals' loyalty to groups takes precedence over rational faculties in evaluating political developments (Carey 2002). Territorial – primarily national – identities are particularly decisive as European integration represents a potential threat to the distinctiveness of national politics (Carey 2002; Hooghe and Marks 2005; McLaren 2002). While the relationship between national and European identity may be ambiguous, the negative effect of an exclusive identification with the nation-state on EU support is theoretically and empirically well-founded

(Hooghe and Marks 2005). From this perspective, individuals with exclusive national identities not only view European integration less positively, they are also, by denying the legitimacy of all supranational decision-making (Carey 2002: 391), more inclined to oppose any specific EU policy irrespective of its nature (Kuhn and Stoeckel 2014).

The logic of the identity-based objection makes it a relatively unlikely target for policy-specific considerations. However, policy difference may still matter due to the implied juxtaposition of EU and nation-state. Thus, the objection may be most consequential when integration affects issues of 'institutional significance' to the historical development of the European nation-state. According to Genschel and Jachtenfuchs (2013: 9), such 'core state powers' encompass 'coercive force, public finance and public administration [which] are constitutive of states in ways that other policy functions of the state are not'. However, this is not to say that policies that do not directly affect such powers do not constrain national sovereignty to a significant extent or that they do not raise identitarian objections. The difference is more clearly one of degree rather than one of kind than in the two dimensions discussed above. We, therefore, expect effects to only vary in strength, not in direction.

Discussions on TTIP have touched upon national sovereignty particularly concerning the controversial Investor-State Dispute Settlement. Moreover, TTIP possibly constrains national regulatory capacities in significant ways (De Ville and Siles-Brügge 2017). However, TTIP remains primarily a policy of market integration and regulation outside the field of core state powers. Moreover, it is placed within an already strongly supranationalized policy context due to the EU's Single Market. Thus, while TTIP encroaches upon national sovereignty, it does so primarily without compromising core state attributes and in areas that belong to the more customary field of market integration. The FTT proposal, too, is located outside the area of core state powers. The current proposal follows a highly decentralized approach. National administrations are responsible for setting up and collecting the tax. Moreover, any revenue generated benefits only the collecting state's budget, either directly or by offsetting national contributions to the EU budget (European Commission 2013b). Moreover, the design allows for substantial discretion in implementation and administration and under enhanced cooperation participation remains voluntary. While the FTT may affect government revenue (though only to a limited extent), it does not significantly alter the institutional architecture of public finance, since member states can apply and collect the tax in accordance with national practices. By contrast, Eurobonds heavily implicate core state powers, namely public finance and possibly public administration. The Commission has stressed that any design 'would mean a pooling of sovereign issuance among the Member States and the sharing of associated revenue flows and debt-servicing costs' and 'would necessarily have implications for fiscal sovereignty' (European Commission 2011: 2;4). The latter, the independent capacity to borrow and spend, belongs to the core of the modern nation-state. More encompassing designs even envisage creating a single centralized agency responsible for the collection, distribution and management all sovereign debt (European Commission 2011: 8).

> H3: The negative effect of exclusive national identity on EU policy support is stronger for policies affecting core state powers (such as Eurobonds) than for policies leaving such functions largely intact (such as TTIP and FTT).

4.3.4 Cue-taking

The assumptions of the utility approach in terms of individuals' ability to conduct cost-benefit analyses concerning the EU are rather brave. An alternative view posits that citizens are unable to evaluate the EU itself and, therefore, rely on cues taken from national politics (Hobolt and Wratil 2015; Hooghe and Marks 2005). One criterion which may color individuals' attitudes is their opinion of their national government (Anderson 1998). As governments play a prominent role in EU policy-making, trust in the national government also increases the likelihood that individuals will adopt a positive stance towards the EU and its policies. A second possibility is that respondents rely on the cues provided by all relevant parties to evaluate the EU and its policies.

Both arguments are based on the assumption that individuals lack the intellectual resources to evaluate the EU and its policies directly (Anderson 1998). Moreover, the cue-taking effects are arguably weaker among individuals with considerable political knowledge (Karp *et al.* 2003). While this argument suggests interpersonal differences in EU assessment, by implication this logic suggests that the importance of cue-taking as a cognitive shortcut also varies among different policies depending on the complexity of a given policy and the information available to assess it. Policies discussed in the EU may differ dramatically in terms of both the information-processing demands they pose (or complexity) and the factual knowledge available to the public, which condition the degree to which policy-specific knowledge can be drawn upon. Hobolt and Wratil (2015) show that, with increasing salience of EU economic policies, voters judge European integration more on the basis of rational considerations than based on cues.

With respect to complexity, TTIP and Eurobonds are substantially more complex than the FTT. TTIP, as a particularly far-reaching free trade agreement, is singular in that it covers a broad range of policy fields and a wide set of restrictions or regulations which are reduced or harmonized. Eurobonds can more easily be assigned to a policy area, public finance, but their – presumably far-reaching – broader economic, political and institutional consequences are difficult to specify in advance. Moreover, these consequences would crucially depend on future policy design choices (European Commission 2011). Compared to TTIP and Eurobonds, the EU FTT constitutes a concise policy proposal. There is a concrete legislative proposal and its immediate effects are less opaque because a direct tax is imposed on specific transactions undertaken by financial institutions (European Commission 2013b: 9). Thus, from this perspective, we expect cueing effects to play a lesser role for the FTT since individuals are better able to understand its meaning and scope, and, therefore, less drawn to rely on informational shortcuts. With respect to salience, we conducted a media analysis of 20 English, French, German or Italian-speaking quality newspapers in the time span from 2010, when Eurobonds were first discussed, to 2015, when the relevant wave of the Eurobarometer was fielded (detailed results in the Appendix). The analysis reveals that Eurobonds received the most attention during the first two years, but the lowest for the three years preceding the survey. The pattern for the FTT is similar, though the decline in attention since 2012 has been more gradual and less abrupt than in the case of Eurobonds, indicating that the FTT retained a higher level of salience. Finally, TTIP media attention grew dramatically over the last two years and suggests that the topic had the highest salience at that time. Summing up, our analysis concerning Eurobonds shows that it constitutes a complex policy whose salience had declined to the lowest level when the survey was taken, suggesting an important role for cue-taking in determining policy support. The FTT constitutes the least complex policy and was associated with an intermediate level of salience. We thus expect a relatively lesser proneness of support being driven by cue-taking. Finally, TTIP constitutes a difficult case to assess because it constitutes a complex policy which has enjoyed rapidly expanding media coverage. We therefore leave open the question whether the role of cues should be expected to be more in line with the FTT (due to high salience) or Eurobonds case (due to high complexity) or located in between.

> H4: For policies providing less favorable conditions for the acquisition of policy-specific knowledge (higher complexity, lower salience) (such as Eurobonds), the positive effect of government trust on policy support is larger than for policies providing more favorable conditions (lower complexity, higher salience) (such as FTT).

4.4 Data and method

We test both general and policy-specific hypotheses drawing on data from the Eurobarometer 83.4 (European Commission 2016). Survey fieldwork was done in November 2015. We limit our analysis to the 28 EU member states. To allow comparisons among different models, the same regression technique (logistic multilevel regression) and the same set of predictor variables are used for all three of our policy support variables.[23] Missing cases have been dealt with by applying listwise deletion. All continuous independent variables have been standardized.

4.4.1 Dependent variables

The item used to analyze support for TTIP asks respondents if they are in favor of or against 'a free trade agreement between the EU and the USA' (*TTIP*). We recoded this variable as a dummy, distinguishing supporters (=1) from opponents (=0). For the two other policies respondents should indicate their opinion about 'the introduction of Eurobonds' (*EUB*) and 'the introduction of a tax on financial transaction' (*FTT*) choosing between four answer categories. We also recoded these variables as dummies, distinguishing supporters (either strongly or fairly in favor = 1) from opponents (either strongly or fairly opposed = 0) to facilitate cross-model comparisons.

As we can only compare models with equal number of cases, missing values in our three dependent variables are a serious problem we have to deal with. While missing values for the independent variables are of minor concern to us, the major part of all missing values stems from our three dependent variables. More precisely, around 15-16 percent of all respondents did not answer the question of TTIP and FTT, but 31 percent refused to state their preference regarding Eurobonds (for details see the Appendix).[24] Analytically, there are two ways to deal with these missing values: either to drop them from the analysis or to include them, treating them as a middle, indifferent answer category. For the results presented below, we follow the more conservative approach and drop them from the analysis. The Appendix provides supplemental analyses which include the

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[23] Since cross-model comparison of log-odds ratios or odds ratios are problematic as they are affected by unobserved heterogeneity (Mood 2010), we also calculate linear probability models to test coefficient differences (see the Appendix).

[24] The relatively larger number of 'don't knowers' for the Eurobonds question might be explained by the fact that it constitutes a rather complex policy proposal that has received only scant media attention in the three years preceding the survey fieldwork (see the Appendix).

missings on our dependent variables, and shed some light on the large share of respondents who chose not to express either policy support or opposition.

4.4.2 Independent variables

To test the hypotheses developed for the political ideology approach, we measure how individuals place themselves within the political spectrum between the left and the right (*Left-right self-placement*). In the Eurobarometer, respondents are asked to situate themselves within a 10-point left-right scale (1=most left…, 10= most right). To test for the argument that opposition for the distinct policies follows an inverted U-shaped pattern, we also include a quadratic term of the left-right self-placement.

For the utilitarian hypotheses, we include a variable which measures respondents' labor market skills (*Skills*). Constructing such a variable is not straightforward. For instance, education does not represent a satisfactory proxy since not all skills acquired through education are labor market-relevant and not all labor market-relevant skills are acquired through education (Baker 2005). Moreover, education can have both utilitarian (skills) and sociological (values) effects on policy support (Hainmueller and Hiscox 2006; Baker 2005) that need to be distinguished. To achieve this, our measurement of skills approximates Baker's (2005) approach with a common factor of education, possessions (proxy for income), social class (proxy for occupation), and the personal job and financial situation (proxy for both income and occupation) using factor analysis. Following the literature on trade support (Baker 2005; Mayda and Rodrik 2005), we interact labor market skills with the logged GDP per capita of the previous year (*GDP*, Eurostat data) to test the factor endowment proposition.

We test our identity-based hypotheses through a dummy that distinguishes between exclusive national identity compared with European or European and national identity (*Exclusive identity*). Exclusively national identifiers were coded as 1 and all other identifiers as 0. To test the hypotheses concerned with cue-taking, we measure individual trust in a respondent's national government (*Government trust*). The item selection is fairly straightforward, since the Eurobarometer includes a question explicitly asking for this. Respondents could indicate if they 'tend to trust' (=1) or 'tend not to trust' (=0) their national government.

4.4.3 Control variables

Previous studies have noted that elite consensus on European integration significantly increases the general EU support of voters and, additionally, might moderate the effect of exclusive national identity (Hooghe and Marks 2005). Therefore, we include party polarization in EU positions as a necessary control variable in order not to overstate the effects of left-right self-placement on policy-specific support as theorized in H1. We draw on the Chapel Hill Expert Survey dataset (Polk *et al.* 2017) and compute the standard deviation of parties that have won seats in the last EP election for each member state (*EU party polarization*) which we then interact with our identitarian predictor. A higher standard deviation thus points towards a greater politicization of EU affairs.

Although having made use of it to construct our measurement of skills, to control for other, non-skill-related aspects of education (Hainmueller and Hiscox 2006), we retain it in our analysis as a separate variable (*Education*).[25] The common factor thus represents respondents' labor market skills, while education should now tap the respondents' value orientation once skills are controlled for (Hainmueller and Hiscox 2006). We include EU knowledge (*EU knowledge*) which is measured as respondents' ability to give correct answers to three questions related to the EU as other studies have hypothesized that such knowledge may affect individual support for the EU (Karp *et al.* 2003). Moreover, we account for individual assessments of the national economic situation (*National economic assessment*) as such assessments are known to play a powerful role in influencing support

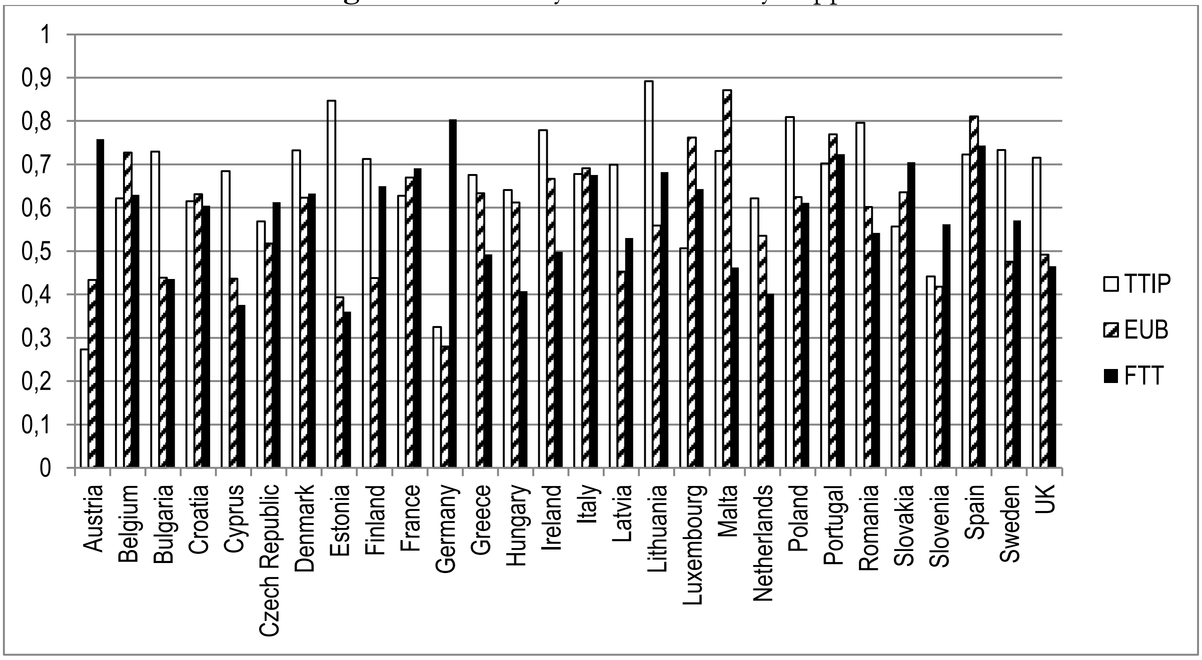
[25] For obvious reasons, education is highly correlated (0.66, see the Appendix) with our measurement of skills. Excluding it does not affect our substantive results.

for the EU, both in general and for specific policies (Gabel and Whitten 1997; Kuhn and Stoeckel 2014). Employment categories (*Employment*: *self-employed*; *manager*; *other white-collar*; *manual worker* (reference); *unemployed*; *other non-active*) and standard demographic variables, including age (*Age*), sex (*Female*) and whether one lives in an urban or rural area (*Rural*) are also controlled for. Furthermore, we add a variable accounting for potential differences between Central and Eastern European members and the rest (*CEE*). Finally, since it is conceivable that national economic performance and creditor-debtor dynamics structure attitudes towards EU economic policies and because specifically Eurobonds may be associated with unequal benefits across member states depending on the health of public finances (Frieden and Walter 2017), we include the three-year average of the current account balance relative to GDP (2012-2014) (*Current account*) and the general government deficit relative to GDP (2014) (*Government balance*, Eurostat). The Appendix contains descriptive statistics for all variables.

4.5 Results

Before turning to the results of the statistical analysis, it appears worthwhile to inspect country-level variations of support for the three selected policies (see Figure 4.1). While all three policies are supported by a larger number of respondents than they are opposed in the entire sample, there are significant patterns of cross-country and cross-policy variation. There are majorities supporting TTIP in all but three member states (Austria, Germany and Slovenia). In most member states (17 of 28) supporters outnumber opponents by more than 2 to 1. For Eurobonds, in a majority of member states (18 of 28) supporters also outnumber opponents, particularly in Malta and Spain (ratio above 4 to 1). At the other end of the spectrum, Germany represents an outlier where Eurobond opponents outnumber supporters by more than 2 to 1. Concerning the introduction of an FTT, supporters outnumber opponents in a majority of member states (19 of 28). In Germany and Austria, the ratio by which they do is larger than 3 to 1. FTT opponents outnumber supporters most strongly in Estonia and Cyprus.

Figure 4.1. Country Means of Policy Support.



Notes: EUB: Eurobonds; FTT: Financial Transaction Tax; TTIP: Transatlantic Trade and Investment Treaty.

To test the hypotheses developed above, we estimate a series of two-level logistic regression models. For each of our policy support items, we calculate one model without and one with interaction effects. We present our estimation results in Table 4.1. In Figure 4.2, we show the average marginal effects of the theoretically important independent variables in the models without interaction effects to allow for a more straightforward interpretation of the magnitude and variation of direct effects.[26] All models reported are based on the entire sample of countries.[27]

[26] Marginal effect plots for the models with interaction effects are provided in the Appendix.

[27] Models based on Eastern and Western European subsamples are provided in the Appendix.

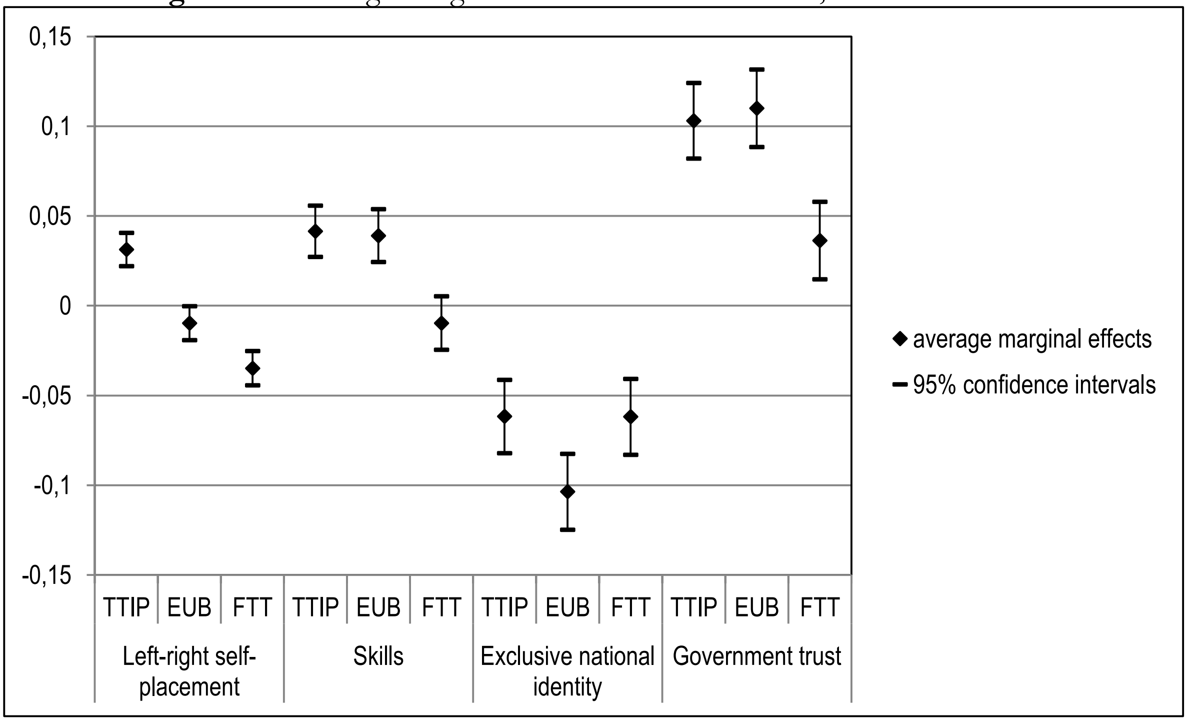
Table 4.1. Determinants of EU policy support: two-level logistic regression results.

	TTIP 1 Coef. / S.E.	TTIP 2 Coef. / S.E.	EUB 1 Coef. / S.E.	EUB 2 Coef. / S.E.	FTT 1 Coef. / S.E.	FTT 2 Coef. / S.E.
Left-right self-placement	0.15***	0.15***	-0.04*	-0.04*	-0.15***	-0.15***
	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
Left-right self-placement squared		-0.03		0.02		0.02
		(0.02)		(0.02)		(0.02)
Skills	0.19***	0.19***	0.17***	0.18***	-0.04	-0.06
	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
*Skills*GDP*		0		0.03		-0.09***
		(0.02)		(0.02)		(0.02)
Exclusive identity	-0.29***	-0.28***	-0.44***	-0.44***	-0.26***	-0.26***
	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)
*Excl. identity*Party EU polarization*		-0.06		-0.12**		-0.12**
		(0.05)		(0.05)		(0.04)
Government trust	0.49***	0.49***	0.48***	0.48***	0.16**	0.16***
	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)
GDP	-0.44*	-0.45*	-0.43	-0.42	0.1	0.11
	(0.22)	(0.22)	(0.23)	(0.23)	(0.19)	(0.19)
Party EU polarization	-0.03	-0.02	-0.12	-0.08	0.08	0.11
	(0.11)	(0.11)	(0.11)	(0.11)	(0.09)	(0.09)
Education	-0.17***	-0.17***	-0.06	-0.06*	-0.02	-0.01
	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
EU knowledge	0.04	0.04	0.07**	0.07**	0.14***	0.14***
	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
National economic assessment	0.05	0.05	0.12***	0.12***	0.09***	0.09***
	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
Employment: self-employed	-0.1	-0.1	0.11	0.11	-0.19*	-0.2*
	(0.09)	(0.09)	(0.08)	(0.08)	(0.08)	(0.08)
Employment: manager	0.14	0.14	0.23**	0.23**	-0.03	-0.03
	(0.08)	(0.08)	(0.08)	(0.08)	(0.08)	(0.08)
Employment: white-collar worker	0.12	0.12	0.04	0.04	0.09	0.08
	(0.07)	(0.07)	(0.07)	(0.07)	(0.07)	(0.07)
Employment: unemployed	-0.03	-0.03	-0.02	-0.02	-0.04	-0.05
	(0.09)	(0.09)	(0.09)	(0.09)	(0.08)	(0.08)
Employment: other non-active	0.1	0.1	0.06	0.06	-0.11	-0.12
	(0.06)	(0.06)	(0.06)	(0.06)	(0.06)	(0.06)
Age	-0.07**	-0.07**	-0.06*	-0.06*	0.11***	0.12***
	(0.03)	(0.03)	(0.02)	(0.02)	(0.02)	(0.02)
Female	0.02	0.02	-0.04	-0.04	-0.01	-0.02
	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)
Rural	-0.06	-0.07	-0.18***	-0.18***	-0.13**	-0.12**
	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)
CEE	-0.56	-0.56	-1.02*	-1.03*	0.02	0
	(0.46)	(0.46)	(0.47)	(0.47)	(0.4)	(0.39)
Current account	-0.28*	-0.28*	-0.03	-0.04	-0.02	-0.01
	(0.13)	(0.13)	(0.14)	(0.14)	(0.12)	(0.12)
Government balance	0.17	0.17	-0.03	-0.03	0	0.01
	(0.14)	(0.14)	(0.14)	(0.14)	(0.12)	(0.12)
Intercept	0.78***	0.81***	0.71***	0.69**	0.5**	0.53**
	(0.21)	(0.21)	(0.21)	(0.21)	(0.18)	(0.18)
Variance components						
Var(country)	0.31***	0.31***	0.32***	0.32***	0.23***	0.23***
	(0.09)	(0.09)	(0.09)	(0.09)	(0.07)	(0.06)
AIC	13139.26	13141.25	13731.4	13727.31	13962.26	13943.89
BIC	13299.87	13323.76	13892.01	13909.82	14122.87	14126.4
N(Obs.) / N(Country)	10943 / 28	10943 / 28	10943 / 28	10943 / 28	10943 / 28	10943 / 28

Notes: multilevel random intercept model; * p < 0.05, ** p < 0.01, *** p < 0.001, two-tailed test; employment reference category: manual worker; all continuous independent variables standardized.

Starting with political ideology-based effects, our results show significant direct effects of left-right ideology but do not support the notion of a general U-shaped pattern in these effects as posited in the literature on general EU support. When included, the quadratic term is positive and insignificant in the Eurobonds and FTT models. This indicates that support for Eurobonds and FTT does not appear to be negatively affected by being located at the fringes of the political spectrum. Only in the TTIP model, is there the expected negative sign, but it remains below conventional thresholds of significance. Moreover, even here the combined effect of being further right does not change direction throughout the range of observed values (see the Appendix).

Figure 4.2. Average marginal effects in models TTIP1, EUB1 and FTT1.



By contrast, the models indicate that there are significant and substantial effects of left-right ideology largely irrespective of where one is located in the political spectrum. Across the three policies, the direction of these effects mirrors differences in the left-right politicization of negative and positive integration (Marks and Wilson 2000). Being located further to the right consistently increases the likelihood of TTIP support, i.e. support of a policy more focused on negative integration and decreases that of FTT support, i.e. support of a policy more focused on positive integration. Our results suggest that on average, for a respondent located one standard deviation to the right of another one in the political spectrum, the likelihood of expressing policy support for TTIP increases by 3.1 percentage points, whereas it decreases by 3.5 percentage points for the FTT. With respect to Eurobonds support, the effect has the expected negative direction and is significant, but is much smaller than for the other policies. In sum, our results indicate that opposition to EU policies does not necessarily originate from *both* fringes of the political spectrum. Rather, policies focused on negative integration, i.e. on fostering member state competition, are more likely to find support as we move to the right of the political spectrum, whereas the contrary is the case for policies focused on positive integration, i.e. on reducing member state competition. This provides support for our hypothesis 1. It should be noted that there is no significant effect of elite consensus (measured here by EU party polarization) on support for the distinct policies.

Concerning labor market skills, we find the effects are positive in support of TTIP and Eurobonds, but not for FTT support, where the average marginal effect is insignificant and negative. Moreover, for neither TTIP nor Eurobonds is the positive effect substantially moderated by the national context (see the Appendix). According to our models, a citizen with labor market skills that are one standard deviation higher than those of another is, on average, around four percentage points more likely to support TTIP and 3.9 percentage points more likely to support Eurobonds. However, the lack of significance of the coefficient in the FTT regression also challenges hypothesis 2. In other words, while we find support for the argument that higher skill levels are associated with a greater likelihood to support EU market-making policies, our results do not allow us to confirm that lower skill levels increase the likelihood of support for a market-correcting EU policy.

To further shed light on this apparent discrepancy, a closer inspection of the FTT interaction model is helpful. In line with the Stolper-Samuelson-based factor endowment proposition which posits that demands for protection are most likely among those with domestically scarce skills (Mayda and Rodrik 2005), the model predicts an increasingly negative effect of skills on FTT support in the richer member states (see the Appendix). Those most likely to be negatively affected by transnational economic exchange given the relative domestic scarcity of their skill endowments, notably those with low skills in highly developed member states, are most likely to support a policy such as the FTT which promises to discourage such exchange to a certain, albeit limited, extent. However, we find evidence for this proposition only with respect to the protectionist, market-correcting (FTT) proposal. The (positive) effect of labor market skills on support for either TTIP or Eurobonds does not appear to be strongly affected by the home country's level of economic development. While our results contain some inconsistencies, overall, we find some support for hypothesis 2 that greater labor market skills increase the probability that individuals support liberal market-making but not protectionist market-correcting EU policies.

In line with previous research (Kuhn and Stoeckel 2014), our analysis shows the identity-based assumption about general EU support to be broadly accurate with respect to support for EU economic policies as well. Individuals identifying exclusively with their nation-state are significantly more likely to oppose all three policies surveyed here. Concerning this dimension, policy differences affect only the strength of effects, but not their direction. For the policy that affects core state powers in the most substantial way, i.e. Eurobonds with their far-reaching consequences for fiscal (and administrative) sovereignty, the effect is significantly larger than for the less demanding policies of TTIP and FTT, thus supporting hypothesis 3. In terms of probabilities, our models predict that individuals with exclusive national identities are, on average, around four percentage points less likely to support TTIP or the FTT, but above ten percentage points less likely to support Eurobonds. In two of the three cases, the interaction effect between an exclusive national identity and party system polarization is also in line with previous findings (Hooghe and Marks 2005): respondents with exclusively national identities are even less supportive of Eurobonds and FTT when political elites are disunited over the issue of European integration.

The results presented in Table 4.1 also support the cue-taking argument that individuals with greater trust in their national government are more likely to support EU policies, irrespective of the precise nature of the policy concerned. For all three policies, there is a significant and sizable positive impact of government trust on the likelihood of support. Our analysis reveals that the strength – though not the direction – of the effect of government trust indeed varies across the three policies: it is much stronger for TTIP and Eurobonds than it is for the FTT. Based on our models, we expect citizens who 'tend to trust' their governments to be, on average, between 10 and 11 percentage points more likely to support both TTIP and Eurobonds, but only 3.6 percentage points more likely to support the FTT. The stronger effect for Eurobonds (less favorable conditions for acquisition of policy-specific knowledge) and the relatively weaker one for the FTT (more favorable conditions) follow the expectation developed in hypothesis 4. However, for TTIP the effect is also strong, although the amount of media coverage has been substantial. One speculative yet plausible interpretation is that the complexity of TTIP is so high that although there is a lot of coverage, citizens still rely heavily on information shortcuts. In general, this leads us to conclude that lower complexity – more identifiable content, scope and effects – appears to lead to less reliance on cognitive shortcuts such as proxies drawn from national politics more consistently than salience.

Ending the discussion of our results, we would like to point the reader's attention to the fact that support for the three specific policies can in general much better be explained by micro- than by contextual-level variables. Indeed, of the five macro-level variables (GDP, party polarization, trade balance, government debt or the dummy for Central and Eastern Europe) included in our models, none are consistently significantly related to policy support. GDP and the current account balance significantly and, contrary to what might be expected, negatively affect TTIP support, whereas the Eastern Europe dummy is a significant and powerful predictor of greater opposition to Eurobonds. GDP and polarization further moderate the effects of individual-level variables, but not consistently across all policies. Policy idiosyncrasies aside, it is thus the uneven distribution of political ideology, skills, identity and government trust across EU member states that explains the country-level variance in support for EU economic policies.

4.6 Conclusion

Previous research on EU-related attitudes has overwhelmingly focused either on explaining why citizens do or do not express general, or 'diffuse', support for the EU or on analyzing support for single EU policies as isolated objects of 'specific' support. Given that citizen attitudes towards the EU are known to be multi-dimensional and that major explanatory approaches make assumptions about the content and nature of European integration that may not be applicable to all EU policies to the same extent, we contend that an exploration in cross-policy differences is worthwhile when investigating the varying impact of standard explanatory variables on specific support. While some studies have analyzed citizen support for specific policies or aggregated policy areas, this specific issue has rarely been directly tackled. We argue that, because political ideology and utilitarian approaches are fundamentally based upon assumptions about the specific 'content' of European integration, a change in patterns of support is fully plausible if the policy content is altered in substantially important ways. Moreover, even identity and cue-taking approaches rest on assumptions about the EU polity – seeing it as a challenge to national sovereignty and inherently complex – that may not be applicable to all EU policies to the same extent. If existing research has failed to produce consistent results concerning EU policy support, this may well be because support for EU policies is policy-specific.

In this contribution, we have analyzed support for TTIP, Eurobonds and the FTT, i.e. economic policies sufficiently comparable yet sufficiently different in how far they represent negative or positive integration, aim at facilitating or obstructing market exchange, impact core national prerogatives and are salient and complex in terms of content, scope and effects. While the comparably high number of missing values warns us to draw any conclusions very carefully, our results suggest that while factors associated with general attitudes towards the EU are also helpful in explaining specific EU policy support, the nature and size of their impact depends significantly on their policy-specific characteristics.

In particular, the presence and direction of identity- and cue-based factors are in line with theoretical expectations drawn from analyses of general EU support. However, even if these effects are homogeneous in terms of presence and direction, they still vary sharply with respect to strength. Identity appears most decisive when EU policies challenge traditional 'core state powers' (Genschel and Jachtenfuchs 2013). The importance of cues from national politics fluctuates with the necessity of employing them as cognitive shortcuts, which in turn depends on difficulties citizens face when establishing the outlines and effects of a given policy. Given the sizable effect suggested by our results and the fact that complexity is a feature characterizing many if not most EU policies, (government) trust appears to constitute a rather important source of EU policy support, which highlights the need for the EU to address its recently diagnosed crisis of trust if it wishes to sustain or enhance public support for its policies (Foster and Frieden 2017). However, it is especially with respect to political ideology and utilitarian factors that our results point to the importance of policy-specific characteristics. Concerning the ideology-based hypothesis, the results not only fail to follow the inverted U-shaped pattern found for general EU support but the linear effects also differ in both presence and direction, suggesting a need to consider policy-specific differences in the left-right politicization of negative and positive integration (Marks and Wilson 2000; Scharpf 1999). With respect to the utilitarian hypothesis, we find partial support for the argument, drawn from the literature on support of free trade, that skilled individuals are more likely to support market-making EU policies, but not market-correcting ones. However, the fact that our results are less consistent than in the case of political ideology indicates that policy-specific (divergence in) support for distinct EU policies is much more responsive to political than to economic utilitarian considerations.

In sum, this study reveals that specific EU policy support is too multi-faceted to be analyzed without considering cross-policy differences. Policy support is contingent on policy content: substance matters. This means that for moving beyond the current piecemeal understanding of support for EU policy, there is a need for more studies that systematically investigate commonalities and differences in patterns of support for different policies. Such work may ultimately benefit the understanding of the multidimensional and ambiguous nature of citizen attitudes towards the EU in general (Boomgaarden *et al.* 2011; de Vries and Steenbergen 2013; Stoeckel 2013). Ambivalence in general support for the EU may not, after all, be a sign of inconsistency but rather a consistent attitude responding to a large and expanding set of very different policies. The responsiveness of political ideology to changes in the policy substance could be interpreted as a sign that citizen attitudes on EU policies are meaningful – and that a European public sphere of policy contestation may be emerging.

4.7 Appendix

4.7.1 Data

All models are based on Eurobarometer data from the survey wave 84.3 (*EB 84.3 ZA6643*, November 2015). Data on GDP per capita (country level) was collected from Eurostat.

4.7.2 Variable coding

Reported here is the coding before standardization. Independent variables were standardized after listwise deletion. Dummy independent variables were not standardized.

<u>TTIP</u>

'What is your opinion on each of the following statements? Please tell me for each statement, whether you are for it or against it.

A free trade agreement between the EU and the USA'

1 = for   0 = against   . = DK

Eurobonds

'Thinking about reforming global financial markets, please tell me whether you are in favour or opposed to the following measures to be taken by the EU.

The introduction of Eurobonds (European bonds)'

1 = strongly/fairly in favour   0 = strongly/fairly opposed   . = DK, missing

FTT

'Thinking about reforming global financial markets, please tell me whether you are in favour or opposed to the following measures to be taken by the EU.

The introduction of a tax on financial transactions'

1 = strongly/fairly in favour   0 = strongly/fairly opposed   . = DK, missing

Left-right self-placement

'In political matters, people talk of 'the left' and 'the right'. How would you place your views on this scale?'

1 = left   …   10 = right   . = refusal, DK

Skills

We use the common factor of education, possessions, social class, and personal job and financial situation (Cronbach's Alpha = 0.5132; Kaiser-Meyer-Olkin measure = 0.6930). The underlying variables are coded as follows:

Education: *'How old were you when you stopped full-time education?'*

1 = no full-time education; 0-14   2 = 15   3 = 16   …

11 = 24   12 = 25-∞   . = refusal, DK

For respondents who were 'still studying', we followed other studies and used their current age to measure their current education.

Possessions: *'Which of the following goods do you have?'*

11-point additive score based on the following possessions: television, DVD player, music CD player, desk computer, laptop, tablet, smartphone, an internet connection at home, a car, an apartment/ a house which you finished paying for, an apartment/ a house which you are paying for.

Social class: *'Do you see yourself and your household belonging to…?'*

0 = the working class of society   1 = the lower middle class of society

2 = the middle class of society   3 = the upper middle class of society

4 = the higher class of society   . = other, none, refusal, DK

Personal job and financial situation: Common factor (Cronbach's alpha = 0.7645; Kaiser-Meyer-Olkin measure = 0.6416) of the following items:

'How would you judge the current situation in each of the following?

Your personal job situation'

0 = very bad	1 = rather bad	2 = rather good	3 = very good	. = DK, missing

'How would you judge the current situation in each of the following?

The financial situation of your household'

0 = very bad	1 = rather bad	2 = rather good	3 = very good	. = DK, missing

'During the last twelve months, would you say you had difficulties to pay your bills at the end of the month…?'

0 = most of the time	1 = from time to time	2 = almost never/ never	. = refusal, missing

Exclusive identity

'Do you see yourself as…?'

0 = (nationality) and European, European and (nationality), European only	1 = (nationality) only	. = none, refusal, DK, missing

Government trust

'I would like to ask you a question about how much trust you have in certain media and institutions. For each of the following media and institutions, please tell me if you tend to trust it or tend not to trust it.

The (nationality) Government'

0 = tend not to trust	1 = tend to trust	. = DK, missing

Education

Education: *'How old were you when you stopped full-time education?'* (see Skills)

1 = no full-time education; 0-14	2 = 15	3 = 16	…
11 = 24	12 = 25-∞	. = refusal, DK	

For respondents who were 'still studying', we followed other studies and used their current age to measure their current education.

EU knowledge

Additive score (0-3) of individuals' ability to answer three knowledge questions correctly

'For each of the following statements about the EU could you please tell me whether you think it is true or false.'

'The EU currently consists of 28 Member States' (+1 = true; +0 = false, DK)

'The members of the European Parliament are directly elected by the citizens of each Member State' (+1 = true; +0 = false, DK)

'Switzerland is a Member State of the EU' (+1 = false; +0 = true, DK)

0 = 0 correct answers	1 = 1 correct answer	2 = 2 correct answers	3 = 3 correct answers

National economic assessment

'How would you judge the current situation in each of the following?

The situation of the (nationality) economy'

0 = very bad	1 = rather bad	2 = rather good	3 = very good	. = DK, missing

Employment categories

'What is your current occupation?'

Self-employed: 1 = farmer, fisherman, professional (lawyer, medical practitioner, accountant, architect, etc.), owner of a shop, craftsmen, other self-employed person, business proprietors, owner (full or partner) of a company; 0 = other occupation

Manager: 1 = employed professional (employed doctor, lawyer, accountant, architect), general management, director or top management, middle management, other management; 0 = other occupation

Other white-collar: 1 = employed position, working mainly at a desk, employed position, not at a desk but travelling (salesmen, driver, etc.); 0 = other occupation

Manual worker (reference): 1 = employed position, not not at a desk, but in a service job (hospital, restaurant, police, fireman, etc.), supervisor, skilled manual worker, other (unskilled) manual worker, servant; 0 = other occupation

Unemployed: 1 = unemployed or temporarily not working; 0 = other occupation

Other non-active: 1 = responsible for ordinary shopping and looking after the home, or without any current occupation, not working, student, retired or unable to work through illness; 0 = other occupation

Age

'How old are you?'

15 = 15 years old	…	99 = 99 years or older

Female

'*Gender.*'

0 = man	1 = woman

Rural

'Would you say you live in a…?'

0 = small or middle sized town, large town 1 = rural area or village . = DK

Macro variables

Data were extracted from the Chapel Hill Expert Survey (parties' EU position) and eurostat (all other data).

Table 4.A1. Macro-level variables (Eurostat and CHES).

Country	GDP per capita 2014 (euro, current prices)	EU positions stand. deviation, all EP parties	Curr. account balance / GDP, 2012-2014	General government balance / GDP 2014	No. of respondents in analysis
Austria	38500	1.805	1.967	-2.7	579
Belgium	35900	1.154	-0.367	-3.1	605
Bulgaria	5900	1.263	0.167	-5.5	333
Croatia	10200	0.767	0.967	-5.4	572
Republic of Cyprus	20400	0.8	-5.067	-8.8	133
Czech Republic	14700	1.98	-0.633	-1.9	475
Denmark	46200	2.055	7.667	1.4	430
Estonia	15200	0.773	-0.467	0.7	183
Finland	37600	1.603	-1.6	-3.2	320
France	32300	1.999	-1.067	-3.9	330
Germany	36000	1.758	7.067	0.3	776
Greece	16300	2.183	-2.467	-3.7	475
Hungary	10600	2.086	2.567	-2.1	523
Ireland	41000	1.562	0.367	-3.7	393
Italy	26500	2.168	0.833	-3	388
Latvia	11800	1.326	-2.767	-1.6	349
Lithuania	12400	1.237	1.3	-0.7	315
Luxembourg	87600	0.289	5.467	1.4	227
Malta	18900	0.7	4.733	-2	93
Netherlands	39300	1.89	9.7	-2.3	381
Poland	10700	2.075	-2.367	-3.5	288
Portugal	16700	1.95	-0.033	-7.2	369
Romania	7500	0.379	-2.2	-1.4	284
Slovakia	13900	1.396	1.3	-2.7	458
Slovenia	18100	0.264	4.133	-5.4	340
Spain	22400	0.907	0.8	-6	401
Sweden	44400	1.837	5.167	-1.5	431
United Kingdom	34900	1.857	-4.267	-5.7	492

4.7.3 Descriptive statistics

Table 4.A2. Summary of individual-level variables.

Variable	Mean	Std. dev.	Min	Max
TTIP	0.630	0.483	0	1
Eurobonds	0.567	0.496	0	1
FTT	0.601	0.490	0	1
Left-right self-placement	5.281	2.200	1	10
Skills	0	0.759	-2.170	2.043
Education	6.465	3.320	1	12
Possessions	6.701	2.389	0	11
Social class	1.413	0.994	0	4
Personal job and financial situation	0	0.853	-2.266	1.400
Personal job situation	1.812	0.844	0	3
Personal financial situation	1.753	0.748	0	3
Ease of paying bills	1.516	0.672	0	2
Exclusive identity	0.350	0.477	0	1
Government trust	0.348	0.476	0	1
EU knowledge	2.286	0.808	0	3
National economic assessment	1.331	0.806	0	3
Self-employed	0.096	0.294	0	1
Manager	0.144	0.351	0	1
Other white-collar	0.143	0.350	0	1
Manual worker	0.221	0.415	0	1
Unemployed	0.084	0.278	0	1
Other non-active	0.312	0.463	0	1
Age	48.480	16.331	15	99
Female	0.476	0.499	0	1
Rural	0.294	0.456	0	1

Table 4.A3. Summary of macro-level variables.

Variable	Mean	Median	Min	Max	Std. dev.
GDP	25925	19650 Malta / Cyprus	5900 Bulgaria	87600 Luxembourg	17355.832
PEUP	1.431	1.582 Ireland / Finland	0.264 Slovenia	2.183 Greece	0.611
CURAC	1.104	0.6 Ireland / Spain	-5.067 Cyprus	9.7 Netherlands	3.619
GVBAL	-2.971	-2.85 Italy / Belgium / Slovakia	-8.8 Cyprus	1.4 Denmark / Luxembourg	2.483

Table 4.A4. Pair-wise correlations.

	TTIP	EUB	FTT	LRSP	SKI	EXID	GOTR	GDP	PEUP	EDUC	EUKN	NAEC	SELF	MANA	WHIC	UNEM	NACT	AGE	FEM	RUR	CEE	CUAC	GBAL
TTIP	1	0.183	-0.034	0.089	0.054	-0.087	0.104	-0.099	-0.011	0.042	0.024	0.002	0	0.025	0.022	-0.025	-0.01	-0.032	-0.003	-0.033	0.057	-0.128	-0.056
EUB	0.183	1	0.24	-0.014	0.087	-0.157	0.112	-0.016	-0.026	0.053	0.066	0.039	0.025	0.046	0.019	-0.016	-0.035	-0.052	-0.015	-0.045	-0.028	-0.063	-0.083
FTT	-0.034	0.24	1	-0.087	0.015	-0.069	0.048	0.073	0.011	-0.013	0.087	0.068	-0.034	0.01	0.016	-0.007	0.008	0.043	-0.01	-0.026	-0.067	0.054	0.043
LR SP	0.089	-0.014	-0.087	1	0.068	-0.001	0.04	-0.078	0.036	0.012	0.004	0.012	0.045	-0.01	0.019	-0.037	-0.007	0.014	-0.04	0.006	0.097	-0.043	0.028
SKI	0.054	0.087	0.015	0.068	1	-0.221	0.205	0.306	0.05	0.66	0.121	0.33	0.111	0.341	0.092	-0.21	-0.142	-0.136	-0.044	-0.08	-0.169	0.25	0.247
EX ID	-0.087	-0.157	-0.069	-0.001	-0.221	1	-0.133	0.025	0.057	-0.197	-0.119	-0.107	-0.045	-0.08	-0.043	0.041	0.053	0.084	0.046	0.044	-0.024	-0.083	-0.032
GO TR	0.104	0.112	0.048	0.04	0.205	-0.133	1	0.136	0.011	0.124	0.091	0.338	0	0.076	0.014	-0.073	0.015	0.041	-0.018	-0.014	-0.05	0.161	0.189
GDP	-0.099	-0.016	0.073	-0.078	0.306	0.025	0.136	1	0.201	0.08	-0.026	0.321	0	0.08	-0.049	-0.043	0.074	0.102	-0.076	-0.001	-0.835	0.414	0.309
PEUP	-0.011	-0.026	0.011	0.036	0.05	0.057	0.011	0.201	1	0.015	-0.028	0.077	0.057	0.026	0.039	-0.037	-0.047	0.005	-0.019	-0.123	-0.333	0.055	0.135
EDUC	0.042	0.053	-0.013	0.012	0.66	-0.197	0.124	0.08	0.015	1	0.095	0.119	0.064	0.305	0.067	-0.063	-0.153	-0.185	-0.019	-0.121	-0.005	0.124	0.158
EU KN	0.024	0.066	0.087	0.004	0.121	-0.119	0.091	-0.026	-0.028	0.095	1	0.042	0.032	0.068	0.024	-0.042	0	0.091	-0.069	-0.061	0.025	0.034	0.001
NA EC	0.002	0.039	0.068	0.012	0.33	-0.107	0.338	0.321	0.077	0.119	0.042	1	-0.026	0.124	0.008	-0.086	0.007	0.024	-0.04	-0.014	-0.136	0.35	0.373
SELF	0	0.025	-0.034	0.045	0.111	-0.045	0	0	0.057	0.064	0.032	-0.026	1	-0.133	-0.133	-0.098	-0.219	-0.005	-0.081	0.014	-0.035	-0.04	-0.035
MANA	0.025	0.046	0.01	-0.01	0.341	-0.08	0.076	0.08	0.026	0.305	0.068	0.124	-0.133	1	-0.168	-0.124	-0.277	-0.109	0	-0.061	-0.044	0.051	0.053
WHI C	0.022	0.019	0.016	0.019	0.092	-0.043	0.014	-0.049	0.039	0.067	0.024	0.008	-0.133	-0.168	1	-0.124	-0.275	-0.138	0.063	-0.041	0.064	-0.008	0.014
UNEM	-0.025	-0.016	-0.007	-0.037	-0.21	0.041	-0.073	-0.043	-0.037	-0.063	-0.042	-0.086	-0.098	-0.124	-0.124	1	-0.204	-0.13	0.027	0.025	0	-0.046	-0.092
N ACT	-0.01	-0.035	0.008	-0.007	-0.142	0.053	0.015	0.074	-0.047	-0.153	0	0.007	-0.219	-0.277	-0.275	-0.204	1	0.414	0.038	0.022	-0.051	0.061	0.049
AGE	-0.032	-0.052	0.043	0.014	-0.136	0.084	0.041	0.102	0.005	-0.185	0.091	0.024	-0.005	-0.109	-0.138	-0.13	0.414	1	-0.04	0.027	-0.069	0.092	0.05
FEM	-0.003	-0.015	-0.01	-0.04	-0.044	0.046	-0.018	-0.076	-0.019	-0.019	-0.069	-0.04	-0.081	0	0.063	0.027	0.038	-0.04	1	0.004	0.09	-0.037	-0.001
RUR	-0.033	-0.045	-0.026	0.006	-0.08	0.044	-0.014	-0.001	-0.123	-0.121	-0.061	-0.014	0.014	-0.061	-0.041	0.025	0.022	0.027	0.004	1	-0.002	-0.026	-0.04
CEE	0.057	-0.028	-0.067	0.097	-0.169	-0.024	-0.05	-0.835	-0.333	-0.005	0.025	-0.136	-0.035	-0.044	0.064	0	-0.051	-0.069	0.09	-0.002	1	-0.21	-0.007
CUAC	-0.128	-0.063	0.054	-0.043	0.25	-0.083	0.161	0.414	0.055	0.124	0.034	0.35	-0.04	0.051	-0.008	-0.046	0.061	0.092	-0.037	-0.026	-0.21	1	0.553
GBAL	-0.056	-0.083	0.043	0.028	0.247	-0.032	0.189	0.309	0.135	0.158	0.001	0.373	-0.035	0.053	0.014	-0.092	0.049	0.05	-0.001	-0.04	-0.007	0.553	1

4.7.4 Marginal effect plots for models with interaction effects

Figure 4.A1. Average Marginal Effects of Left-Right Self-Placement in Model TTIP2.

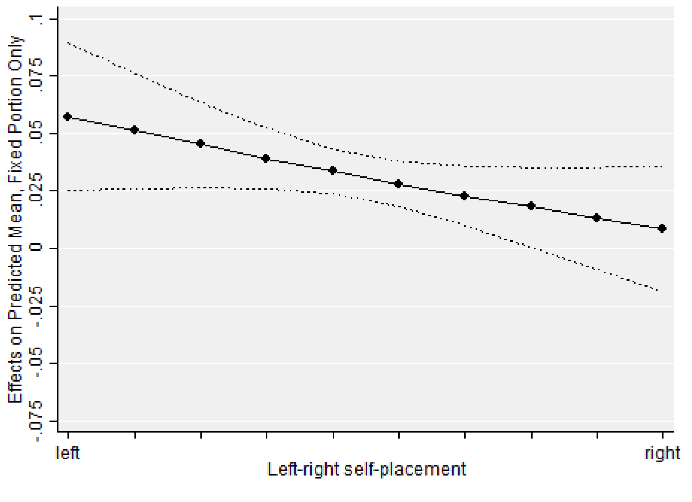


Figure 4.A2. Average Marginal Effects of Left-Right Self-Placement in Model EUB2.

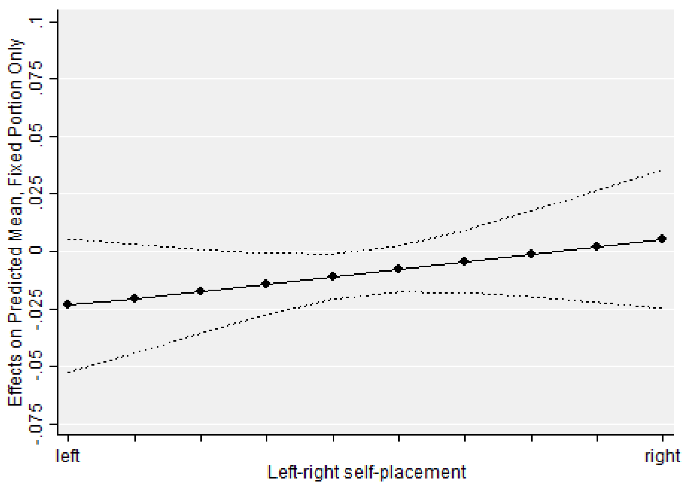


Figure 4.A3. Average Marginal Effects of Left-Right Self-Placement in Model FTT2.

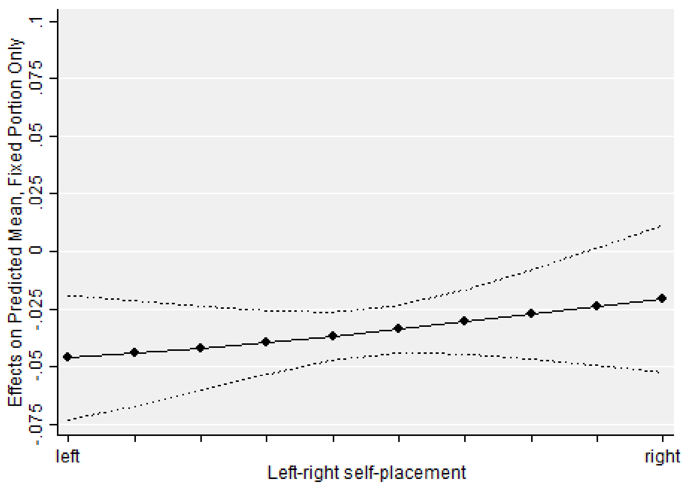


Figure 4.A4. Average Marginal Effects of Skills in Model TTIP2.

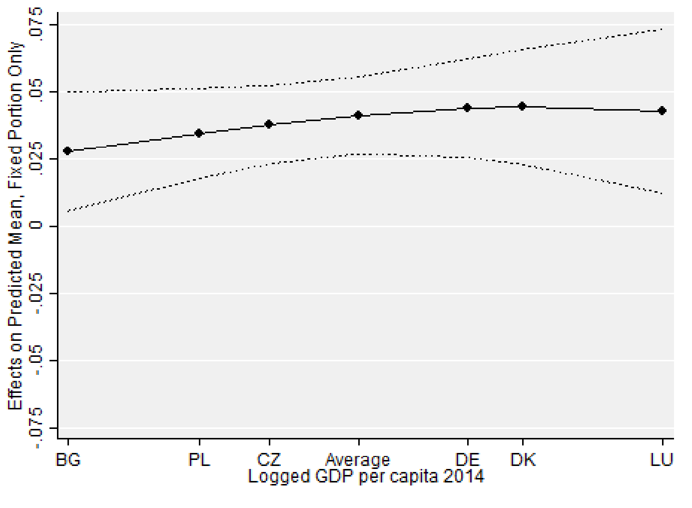


Figure 4.A5. Average Marginal Effects of Skills in Model EUB2.

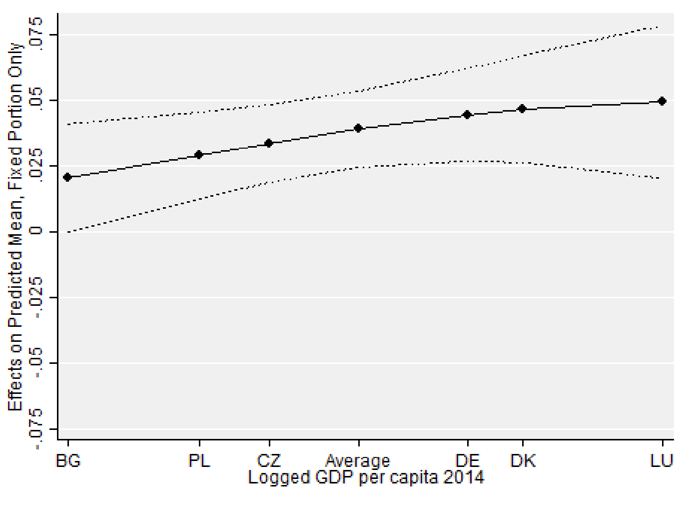


Figure 4.A6. Average Marginal Effects of Skills in Model FTT2.

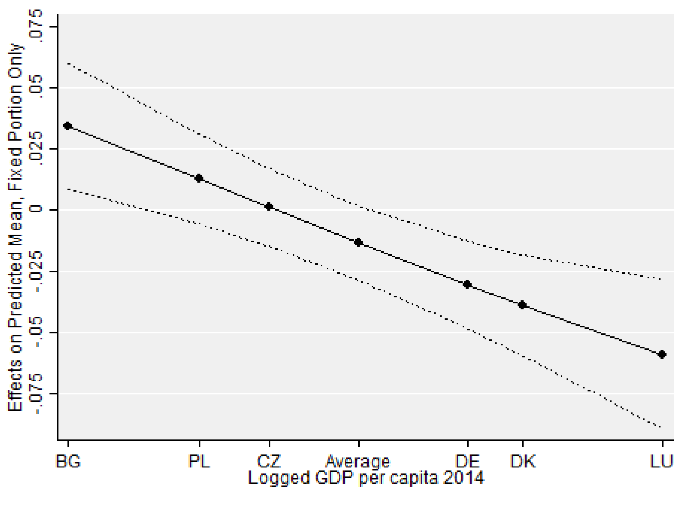


Figure 4.A7. Average Marginal Effects of Exclusive Identity in Model TTIP2.

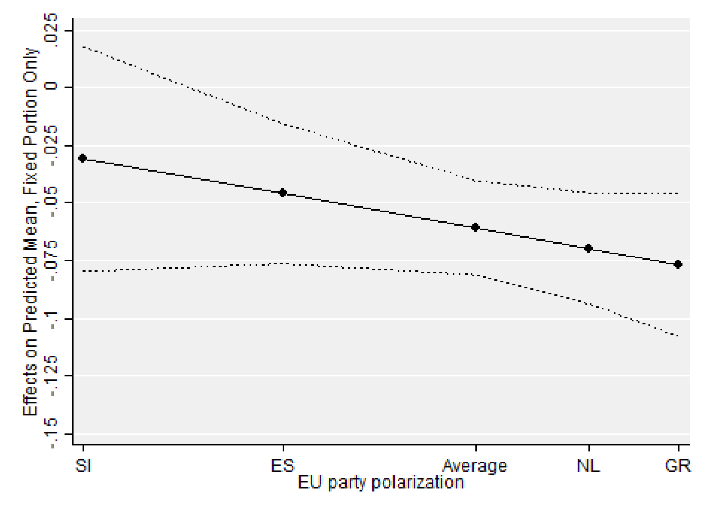


Figure 4.A8. Average Marginal Effects of Exclusive Identity in Model EUB2.

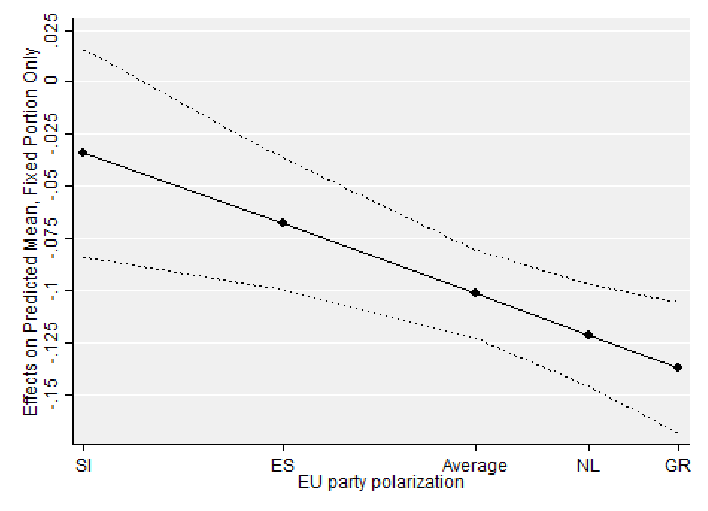
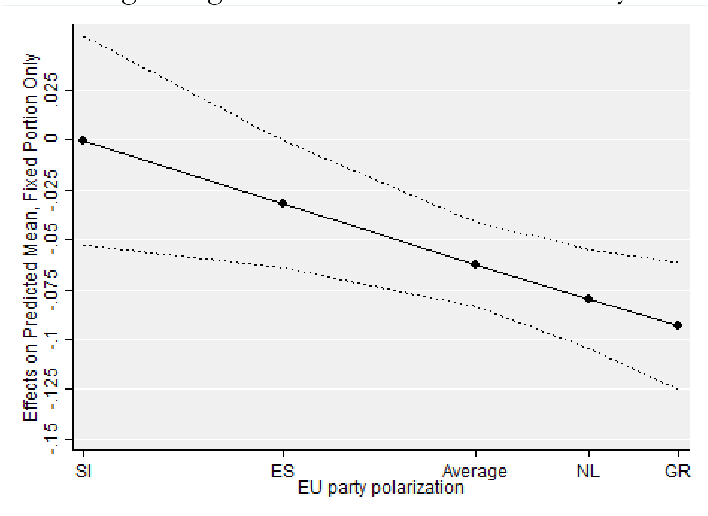


Figure 4.A9. Average Marginal Effects of Exclusive Identity in Model FTT2.



4.7.5 Differences of coefficients

To test the significance of differences in coefficients of the main explanatory variables, we ran the linear probability models (*TTIP*; *EUB*; *FTT*) jointly using Stata's gsem command, calculated differences between coefficients and computed their corresponding test statistics.

Table 4.A5. Determinants of EU policy support: two-level linear probability models.

	TTIP		EUB		FTT	
	Coef.	S.E.	Coef.	S.E.	Coef.	S.E.
Left-right self-placement	0.029***	(0.004)	-0.009*	(0.005)	-0.033***	(0.005)
Skills	0.040***	(0.007)	0.037***	(0.007)	-0.009	(0.007)
Exclusive identity	-0.059***	(0.010)	-0.099***	(0.010)	-0.058***	(0.010)
Government trust	0.097***	(0.010)	0.104***	(0.010)	0.034**	(0.010)
GDP	-0.096*	(0.046)	-0.085	(0.049)	0.027	(0.044)
Party EU polarization	-0.005	(0.022)	-0.021	(0.023)	0.017	(0.021)
Education	-0.034***	(0.006)	-0.013*	(0.006)	-0.003	(0.006)
EU knowledge	0.009	(0.005)	0.015**	(0.005)	0.032***	(0.005)
National economic assessment	0.010	(0.006)	0.027***	(0.006)	0.020***	(0.006)
Employment: self-employed	-0.022	(0.017)	0.023	(0.018)	-0.044*	(0.018)
Employment: manager	0.026	(0.016)	0.049**	(0.016)	-0.007	(0.017)
Employment: white-collar worker	0.024	(0.015)	0.010	(0.016)	0.019	(0.016)
Employment: unemployed	-0.009	(0.018)	-0.001	(0.018)	-0.009	(0.019)
Employment: other non-active	0.020	(0.013)	0.012	(0.013)	-0.025	(0.014)
Age	-0.015**	(0.005)	-0.013*	(0.005)	0.025***	(0.005)
Female	0.004	(0.009)	-0.009	(0.009)	-0.003	(0.009)
Rural	-0.013	(0.010)	-0.038***	(0.010)	-0.028**	(0.010)
CEE	-0.132	(0.095)	-0.204*	(0.101)	0.010	(0.090)
Current account	-0.058*	(0.028)	-0.009	(0.029)	-0.006	(0.026)
Government balance	0.032	(0.028)	-0.007	(0.030)	-0.001	(0.027)
Intercept	0.678***	(0.043)	0.648***	(0.045)	0.613***	(0.041)
Variance components						
Var(country)	0.013***	(0.004)	0.015***	(0.004)	0.012***	0.003
N(Obs.) / N(Country)	10943 / 28		10943 / 28		10943 / 28	

Notes: multilevel random intercept model; * p < 0.05, ** p < 0.01, *** p < 0.001, two-tailed test; employment reference category: manual worker; all continuous independent variables standardized.

Table 4.A6. Differences in coefficients across linear probability models.

LPM-model 1 – LPM-model 2	***TTIP – EUB***		***TTIP – FTT***		***EUB – FTT***	
Left-right self-placement						
- coef. (model 1 – model 2)	0.039	***	0.063	***	0.024	***
- p-value of difference	0.000		0.000		0.000	
Skills						
- coef. (model 1 – model 2)	0.003		0.049	***	0.046	***
- p-value of difference	0.757		0.000		0.000	
Exclusive identity						
- coef. (model 1 – model 2)	0.040	**	0.001		-0.041	***
- p-value of difference	0.002		0.958		0.001	
Government trust						
- coef. (model 1 – model 2)	-0.007		0.063	***	0.070	***
- p-value of difference	0.590		0.000		0.000	

Notes: significance levels * p<0.05; ** p<0.01; *** p<0.001

4.7.6 Inspection of missing values

Since we retain only a roughly 40 percent of the original respondents in our analysis, it appears worthwhile to inspect the variables responsible for the drop in observations.

Table 4.A7. Step-wise account of listwise deletion.

Dataset cuts	Observations retained	Percent
• *EU-28*[1]	27681	100.00
• *EU-28 + DVs*[2]	16665	60.20
• *EU-28 + DVs + IVs*[3]	11008	39.77
• *EU-28 + DVs + IVs + CVs*[4]	10943	39.53

Notes: [1] observations in EU-28; [2] EU-28 observations without missing values for dependent variables; [3] EU-28 observations without missing values for dependent and independent variables; [4] EU-28 observations without missing values for dependent, independent and control variables.

Table 4.A8. Missing values of main variables.

Variable name	Frequency of missing values	Percent
Dependent variables		
• *TTIP*	4171	15.07
• *EUB*	8567	30.95
• *FTT*	4616	16.68
Independent variables		
• *Left-right self-placement*	5463	19.74
• *Skills*	6774	24.47
• *Exclusive identity*	509	1.84
• *Government trust*	1920	6.94

4.7.7 East-West differences

Since it is conceivable that public opinion in and the effects of left-right partisanship in particular (Marks *et al.* 2006) differ between Central and Eastern Europe and the rest, we include a separate analysis for each of these groups.

Table 4.A9. Determinants of EU policy support: two-level logistic regression results (West).

	W-TTIP 1 Coef. / S.E.	W-TTIP 2 Coef. / S.E.	W-EUB 1 Coef. / S.E.	W-EUB 2 Coef. / S.E.	W-FTT 1 Coef. / S.E.	W-FTT 2 Coef. / S.E.
Left-right self-placement	0.165***	0.164***	-0.097**	-0.093**	-0.284***	-0.279***
	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
Left-right self-placement squared		-0.072**		0.014		-0.012
		(0.023)		(0.023)		(0.023)
Skills	0.261***	0.297***	0.216***	0.259***	-0.114**	-0.053
	(0.044)	(0.052)	(0.044)	(0.053)	(0.043)	(0.05)
*Skills*GDP*		-0.067		-0.064		-0.104*
		(0.05)		(0.052)		(0.048)
Exclusive identity	-0.297***	-0.222***	-0.457***	-0.367***	-0.296***	-0.195**
	(0.06)	(0.064)	(0.059)	(0.065)	(0.059)	(0.064)
*Excl. identity*Party EU polarization*		-0.235**		-0.259***		-0.313***
		(0.073)		(0.077)		(0.074)
Government trust	0.507***	0.509***	0.524***	0.527***	0.045	0.05
	(0.063)	(0.063)	(0.062)	(0.062)	(0.061)	(0.061)
GDP	-0.175	-0.199	-0.708*	-0.732*	-0.015	-0.031
	(0.299)	(0.304)	(0.333)	(0.344)	(0.267)	(0.27)
Party EU polarization	0.036	0.096	-0.332*	-0.259	0.095	0.172
	(0.146)	(0.15)	(0.163)	(0.169)	(0.131)	(0.134)
Education	-0.209***	-0.208***	-0.04	-0.044	0.024	0.021
	(0.037)	(0.037)	(0.037)	(0.037)	(0.036)	(0.037)
EU knowledge	0.02	0.023	0.058*	0.060*	0.147***	0.150***
	(0.028)	(0.028)	(0.028)	(0.028)	(0.027)	(0.028)
National economic assessment	0.001	-0.002	0.126***	0.129***	0.082*	0.084*
	(0.035)	(0.035)	(0.035)	(0.035)	(0.035)	(0.035)
Employment: self-employed	-0.137	-0.136	0.096	0.1	-0.14	-0.136
	(0.105)	(0.105)	(0.106)	(0.106)	(0.103)	(0.103)
Employment: manager	0.204*	0.217*	0.306**	0.313**	0.116	0.129
	(0.098)	(0.099)	(0.097)	(0.098)	(0.097)	(0.097)
Employment: white-collar worker	0.146	0.136	0.112	0.111	0.032	0.028
	(0.099)	(0.099)	(0.099)	(0.099)	(0.097)	(0.097)
Employment: unemployed	0.16	0.16	-0.014	-0.018	-0.171	-0.174
	(0.111)	(0.111)	(0.112)	(0.112)	(0.11)	(0.11)
Employment: other non-active	0.124	0.127	0.054	0.052	-0.09	-0.091
	(0.081)	(0.081)	(0.081)	(0.081)	(0.08)	(0.081)
Age	-0.085**	-0.080**	-0.022	-0.021	0.145***	0.149***
	(0.031)	(0.031)	(0.03)	(0.03)	(0.03)	(0.03)
Female	-0.033	-0.035	-0.084	-0.082	-0.068	-0.066
	(0.055)	(0.055)	(0.055)	(0.055)	(0.054)	(0.054)
Rural	-0.031	-0.031	-0.265***	-0.268***	-0.247***	-0.248***
	(0.061)	(0.061)	(0.061)	(0.061)	(0.06)	(0.06)
Current account	-0.08	-0.075	-0.084	-0.084	-0.068	-0.067
	(0.192)	(0.195)	(0.211)	(0.218)	(0.171)	(0.174)
Government balance	-0.16	-0.145	0.096	0.117	0.137	0.162
	(0.233)	(0.237)	(0.257)	(0.266)	(0.208)	(0.211)
Intercept	0.532*	0.615*	0.929**	0.927**	0.698**	0.726**
	(0.259)	(0.264)	(0.287)	(0.297)	(0.233)	(0.237)
Variance components						
Var(country)	0.319**	0.331**	0.389**	0.418**	0.253**	0.260**
	(0.113)	(0.117)	(0.139)	(0.15)	(0.092)	(0.095)
N(Obs.) / N(Country)	6823 / 17	6823 / 17	6823 / 17	6823 / 17	6823 / 17	6823 / 17

Notes: multilevel random intercept model; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$, two-tailed test; employment reference category: manual worker; all continuous independent variables standardized.

Table 4.A10. Determinants of EU policy support: two-level logistic regression results (East).

	E-TTIP 1 Coef. / S.E.	E-TTIP 2 Coef. / S.E.	E-EUB 1 Coef. / S.E.	E-EUB 2 Coef. / S.E.	E-FTT 1 Coef. / S.E.	E-FTT 2 Coef. / S.E.
Left-right self-placement	0.126***	0.120***	0.012	0.005	-0.018	-0.028
	(0.032)	(0.033)	(0.03)	(0.031)	(0.03)	(0.031)
Left-right self-placement squared		0.024		0.015		0.019
		(0.023)		(0.021)		(0.022)
Skills	0.085	0.042	0.130*	-0.059	0.061	-0.303**
	(0.055)	(0.098)	(0.051)	(0.093)	(0.051)	(0.093)
*Skills*GDP*		-0.043		-0.177*		-0.337***
		(0.078)		(0.073)		(0.072)
Exclusive identity	-0.287***	-0.254**	-0.390***	-0.394***	-0.169*	-0.142
	(0.076)	(0.08)	(0.071)	(0.076)	(0.072)	(0.077)
*Excl. identity*Party EU polarization*		0.094		0.002		0.087
		(0.067)		(0.063)		(0.063)
Government trust	0.455***	0.451***	0.399***	0.392***	0.313***	0.302***
	(0.083)	(0.083)	(0.075)	(0.075)	(0.075)	(0.075)
GDP	-0.692*	-0.710*	-0.22	-0.27	0.378	0.284
	(0.307)	(0.309)	(0.234)	(0.225)	(0.281)	(0.268)
Party EU polarization	-0.109	-0.141	0.098	0.092	0.009	-0.027
	(0.118)	(0.12)	(0.089)	(0.087)	(0.107)	(0.104)
Education	-0.09	-0.093	-0.110*	-0.113*	-0.072	-0.078
	(0.057)	(0.057)	(0.052)	(0.052)	(0.052)	(0.052)
EU knowledge	0.083*	0.082*	0.078*	0.076*	0.131***	0.128***
	(0.036)	(0.036)	(0.034)	(0.034)	(0.034)	(0.034)
National economic assessment	0.133**	0.133**	0.117**	0.120**	0.075	0.078
	(0.043)	(0.043)	(0.04)	(0.04)	(0.04)	(0.04)
Employment: self-employed	0.031	0.027	0.142	0.139	-0.297*	-0.301*
	(0.146)	(0.146)	(0.136)	(0.136)	(0.134)	(0.134)
Employment: manager	0.017	0.019	0.114	0.118	-0.241	-0.23
	(0.139)	(0.139)	(0.125)	(0.126)	(0.125)	(0.125)
Employment: white-collar worker	0.088	0.095	-0.033	-0.03	0.146	0.155
	(0.113)	(0.113)	(0.104)	(0.105)	(0.105)	(0.106)
Employment: unemployed	-0.322*	-0.320*	-0.025	-0.018	0.11	0.126
	(0.136)	(0.137)	(0.131)	(0.131)	(0.131)	(0.132)
Employment: other non-active	0.071	0.073	0.083	0.081	-0.129	-0.129
	(0.104)	(0.104)	(0.096)	(0.096)	(0.096)	(0.096)
Age	-0.065	-0.067	-0.110**	-0.112**	0.096*	0.093*
	(0.043)	(0.043)	(0.039)	(0.039)	(0.039)	(0.039)
Female	0.113	0.117	0.02	0.012	0.067	0.054
	(0.071)	(0.071)	(0.066)	(0.066)	(0.066)	(0.066)
Rural	-0.116	-0.106	-0.049	-0.044	0.055	0.068
	(0.079)	(0.079)	(0.074)	(0.075)	(0.075)	(0.075)
Current account	-0.12	-0.117	0.057	0.065	-0.255	-0.238
	(0.277)	(0.277)	(0.209)	(0.2)	(0.252)	(0.239)
Government balance	0.483**	0.489**	-0.055	-0.049	-0.197	-0.188
	(0.179)	(0.179)	(0.134)	(0.129)	(0.161)	(0.153)
Intercept	-0.052	-0.112	-0.009	-0.062	0.565	0.459
	(0.345)	(0.348)	(0.267)	(0.259)	(0.317)	(0.303)
Variance components						
Var(country)	0.161*	0.161*	0.089*	0.080*	0.135*	0.120*
	(0.078)	(0.079)	(0.044)	(0.041)	(0.064)	(0.058)
N(Obs.) / N(Country)	4120 / 11	4120 / 11	4120 / 11	4120 / 11	4120 / 11	4120 / 11

Notes: multilevel random intercept model; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$, two-tailed test; employment reference category: manual worker; all continuous independent variables standardized.

4.7.8 Ordered logits for Eurobonds and FTT support

The Eurobarometer questionnaire distinguishes between being 'strongly' and 'fairly' in favor or opposed to Eurobonds and FTT, thus yielding 4 answer categories. In the main models, we collapsed these categories to allow cross-policy comparisons. Below, we provide information on ordered logit models accounting for the more nuanced response categories of these variables.

Table 4.A11. Eurobonds and FTT support: two-level ordered logistic regression results.

	OL-EUB1 Coef. / S.E.	OL-EUB2 Coef. / S.E.	OL-FTT1 Coef. / S.E.	OL-FTT2 Coef. / S.E.
Left-right self-placement	-0.033	-0.037*	-0.144***	-0.146***
	(0.018)	(0.018)	(0.018)	(0.018)
Left-right self-placement squared		0.030*		0.008
		(0.014)		(0.014)
Skills	0.173***	0.174***	0.002	-0.015
	(0.028)	(0.029)	(0.028)	(0.028)
*Skills*GDP*		-0.011		-0.102***
		(0.02)		(0.02)
Exclusive identity	-0.395***	-0.390***	-0.221***	-0.220***
	(0.04)	(0.04)	(0.039)	(0.039)
*Excl. identity*Party EU polarization*		-0.104**		-0.099*
		(0.04)		(0.039)
Government trust	0.386***	0.384***	0.122**	0.129**
	(0.04)	(0.04)	(0.04)	(0.04)
GDP	-0.352	-0.349	0.16	0.164
	(0.213)	(0.215)	(0.194)	(0.193)
Party EU polarization	-0.127	-0.098	0.051	0.075
	(0.101)	(0.103)	(0.092)	(0.092)
Education	-0.067**	-0.069**	0	0.01
	(0.025)	(0.025)	(0.025)	(0.025)
EU knowledge	0.055**	0.055**	0.113***	0.113***
	(0.019)	(0.019)	(0.018)	(0.018)
National economic assessment	0.123***	0.124***	0.077***	0.076***
	(0.023)	(0.023)	(0.022)	(0.022)
Employment: self-employed	0.099	0.1	-0.13	-0.134
	(0.072)	(0.072)	(0.07)	(0.07)
Employment: manager	0.155*	0.155*	-0.048	-0.041
	(0.065)	(0.065)	(0.064)	(0.064)
Employment: white-collar worker	0.038	0.039	0.042	0.037
	(0.061)	(0.061)	(0.061)	(0.061)
Employment: unemployed	-0.044	-0.049	-0.024	-0.031
	(0.073)	(0.073)	(0.072)	(0.072)
Employment: other non-active	-0.007	-0.009	-0.07	-0.075
	(0.053)	(0.053)	(0.052)	(0.052)
Age	-0.041*	-0.043*	0.115***	0.119***
	(0.02)	(0.02)	(0.02)	(0.02)
Female	-0.026	-0.024	0.001	0
	(0.036)	(0.036)	(0.036)	(0.036)
Rural	-0.204***	-0.204***	-0.126**	-0.121**
	(0.04)	(0.04)	(0.04)	(0.04)
CEE	-0.874*	-0.890*	0.043	0.031
	(0.439)	(0.443)	(0.4)	(0.397)
Current account	-0.058	-0.059	-0.054	-0.038
	(0.128)	(0.13)	(0.117)	(0.116)
Government balance	-0.017	-0.009	0.003	0.014
	(0.13)	(0.132)	(0.119)	(0.118)
Cut1 Intercept	-2.138***	-2.119***	-1.778***	-1.812***
	(0.197	(0.2)	(0.181)	(0.18)
Cut2 Intercept	-0.669***	-0.650**	-0.459*	-0.489**
	(0.196	(0.199)	(0.18)	(0.179)
Cut3 Intercept	1.412***	1.433***	1.065***	1.037***
	(0.197	(0.199)	(0.18)	(0.179)
Variance components				
Var(country)	0.288***	0.295***	0.237***	0.233***
	(0.08)	(0.082)	(0.067)	(0.066)
N(Obs.) / N(Country)	10943 / 28	10943 / 28	10943 / 28	10943 / 28

Notes: multilevel random intercept model; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$, two-tailed test; employment reference category: manual worker; all continuous independent variables standardized.

4.7.9 Interpretation of 'don't know' answers

Due to the large number of missing values especially with respect to our policy support variables (see Tables 4.A7-A8), it is useful to inspect more closely how the profile of survey respondents who did not give an opinion is different from those who did. To this end, we furthermore include a comparison of means of this group of 'don't knowers' to opponents and supporters and run a multilevel ordered logit model that assumes the view of 'don't know' as an intermediate category as well as a multinomial regression model with 3 discrete categories (see Tables 4.A12-16 below). Our main results remain largely stable. However, it turns out that 'don't knowers' have significantly less knowledge about the EU and can be found among women much more than men across all three policies analyzed. We interpret these results as evidence that the relatively large share of 'don't knowers' can be at least partially accounted for by lacking knowledge. In sum, there is evidence that our sample is biased towards male, younger, and more politically informed voters.

Table 4.A12. Differences in means of missing values: TTIP support.

	Mean Opposed	Mean Don't know	Mean Supportive	Difference Mean Don't know - Mean Opposed	p value	Difference Mean Supportive - Mean Don't know	p value
Left-right self-placement	4.972	5.081	5.433	0.109	0.075	0.352	0.000
Skills	-0.036	-0.207	0.057	-0.172	0.000	0.264	0.000
Exclusive identity	0.414	0.46	0.339	0.046	0.001	-0.121	0.000
Government trust	0.294	0.322	0.387	0.028	0.030	0.066	0.000
GDP	10.097	10.029	9.979	-0.068	0.000	-0.05	0.003
Party EU polarization	1.543	1.506	1.52	-0.037	0.019	0.014	0.340
Education	6.35	6.047	6.574	-0.303	0.002	0.528	0.000
EU knowledge	2.2	1.817	2.238	-0.383	0.000	0.422	0.000
National econ. assessment	1.322	1.223	1.33	-0.099	0.000	0.107	0.000
Employment: manual worker	0.224	0.22	0.22	-0.005	0.702	0	0.966
Employment: self-employed	0.095	0.058	0.089	-0.036	0.000	0.031	0.000
Employment: manager	0.13	0.111	0.15	-0.019	0.044	0.039	0.000
Employment: white-collar w.	0.134	0.116	0.143	-0.018	0.062	0.027	0.003
Employment: unemployed	0.096	0.098	0.081	0.003	0.744	-0.017	0.022
Employment: other non-act.	0.322	0.396	0.316	0.075	0.000	-0.081	0.000
Age	49.375	52.68	48.526	3.305	0.000	-4.154	0.000
Female	0.497	0.649	0.496	0.152	0.000	-0.153	0.000
Rural	0.305	0.308	0.283	0.003	0.820	-0.025	0.040
CEE	0.329	0.352	0.383	0.023	0.086	0.031	0.017
Current account	2.069	1.445	1.053	-0.624	0.000	-0.393	0.000
Government balance	-2.727	-2.938	-2.985	-0.211	0.001	-0.047	0.446

Table 4.A13. Differences in means of missing values: EUB support.

	Mean Opposed	Mean Don't know	Mean Supportive	Difference Mean Don't know - Mean Opposed	p value	Difference Mean Supportive - Mean Don't know	p value
Left-right self-placement	5.306	5.156	5.254	-0.151	0.001	0.098	0.026
Skills	-0.081	-0.061	0.099	0.021	0.328	0.159	0.000
Exclusive identity	0.447	0.431	0.288	-0.016	0.131	-0.143	0.000
Government trust	0.29	0.354	0.396	0.064	0.000	0.042	0.000
GDP	10.007	10.089	9.996	0.081	0.000	-0.093	0.000
Party EU polarization	1.542	1.53	1.511	-0.012	0.279	-0.02	0.081
Education	6.271	6.396	6.615	0.125	0.087	0.22	0.001
EU knowledge	2.193	1.943	2.311	-0.25	0.000	0.368	0.000
National econ. assessment	1.275	1.303	1.356	0.028	0.101	0.054	0.001
Employment: manual worker	0.232	0.22	0.215	-0.012	0.172	-0.005	0.556
Employment: self-employed	0.085	0.073	0.099	-0.013	0.027	0.027	0.000
Employment: manager	0.126	0.128	0.157	0.002	0.770	0.029	0.000
Employment: white-collar w.	0.133	0.124	0.148	-0.01	0.173	0.024	0.000
Employment: unemployed	0.089	0.098	0.081	0.01	0.119	-0.018	0.002
Employment: other non-act.	0.335	0.358	0.301	0.023	0.023	-0.057	0.000
Age	49.912	50.585	47.91	0.674	0.058	-2.675	0.000
Female	0.499	0.591	0.478	0.093	0.000	-0.114	0.000
Rural	0.317	0.29	0.275	-0.028	0.004	-0.014	0.111
CEE	0.395	0.314	0.364	-0.081	0.000	0.05	0.000
Current account	1.59	1.588	1.194	-0.001	0.988	-0.394	0.000
Government balance	-2.686	-2.907	-3.056	-0.221	0.000	-0.149	0.001

Table 4.A14. Differences in means of missing values: FTT support.

	Mean Opposed	Mean Don't know	Mean Supportive	Difference Mean Don't know - Mean Opposed	p value	Difference Mean Supportive - Mean Don't know	p value
Left-right self-placement	5.49	5.213	5.092	-0.277	0.000	-0.122	0.035
Skills	0.022	-0.241	0.034	-0.262	0.000	0.275	0.000
Exclusive identity	0.402	0.49	0.335	0.088	0.000	-0.155	0.000
Government trust	0.321	0.341	0.372	0.02	0.125	0.031	0.016
GDP	9.978	9.985	10.06	0.007	0.707	0.075	0.000
Party EU polarization	1.531	1.453	1.538	-0.078	0.000	0.085	0.000
Education	6.505	6.12	6.475	-0.385	0.000	0.355	0.000
EU knowledge	2.143	1.802	2.285	-0.341	0.000	0.484	0.000
National econ. assessment	1.269	1.189	1.374	-0.079	0.000	0.185	0.000
Employment: manual worker	0.224	0.216	0.221	-0.008	0.489	0.005	0.646
Employment: self-employed	0.102	0.064	0.083	-0.038	0.000	0.02	0.006
Employment: manager	0.139	0.117	0.144	-0.021	0.022	0.027	0.003
Employment: white-collar w.	0.137	0.096	0.145	-0.041	0.000	0.049	0.000
Employment: unemployed	0.09	0.092	0.086	0.003	0.738	-0.007	0.373
Employment: other non-act.	0.308	0.414	0.32	0.106	0.000	-0.094	0.000
Age	47.723	52.389	49.606	4.666	0.000	-2.783	0.000
Female	0.503	0.646	0.492	0.144	0.000	-0.154	0.000
Rural	0.301	0.323	0.281	0.022	0.079	-0.043	0.000
CEE	0.397	0.381	0.335	-0.015	0.250	-0.046	0.000
Current account	1.31	0.847	1.611	-0.463	0.000	0.764	0.000
Government balance	-3.006	-3.023	-2.799	-0.017	0.789	0.224	0.000

Table 4.A15. 'Don't know as indifference': two-level ordinal logistic regression results.

	TTIP 1 Coef. / S.E.	TTIP 2 Coef. / S.E.	EUB 1 Coef. / S.E.	EUB 2 Coef. / S.E.	FTT 1 Coef. / S.E.	FTT 2 Coef. / S.E.
Left-right self-	0.164***	0.170***	-0.029	-0.03	-0.149***	-0.154***
placement	(0.017)	(0.017)	(0.015)	(0.016)	(0.016)	(0.016)
Left-right self-		-0.035**		0.015		0.021
placement squared		(0.012)		(0.011)		(0.012)
Skills	0.175***	0.174***	0.143***	0.147***	-0.068**	-0.078**
	(0.027)	(0.027)	(0.025)	(0.025)	(0.026)	(0.026)
Skills*GDP		-0.002		0.016		-0.066***
		(0.018)		(0.017)		(0.018)
Exclusive identity	-0.262***	-0.258***	-0.353***	-0.351***	-0.215***	-0.216***
	(0.036)	(0.036)	(0.033)	(0.033)	(0.035)	(0.035)
Excl. identity*Party EU		-0.051		-0.087**		-0.141***
polarization		(0.035)		(0.032)		(0.034)
Government trust	0.391***	0.392***	0.360***	0.358***	0.170***	0.173***
	(0.038)	(0.038)	(0.035)	(0.035)	(0.037)	(0.037)
GDP	-0.441*	-0.445*	-0.302	-0.297	0.078	0.077
	(0.208)	(0.208)	(0.178)	(0.18)	(0.186)	(0.185)
Party EU polarization	-0.04	-0.024	-0.078	-0.049	0.055	0.1
	(0.097)	(0.097)	(0.083)	(0.084)	(0.087)	(0.087)
Education	-0.152***	-0.151***	-0.054*	-0.058**	0.027	0.031
	(0.024)	(0.024)	(0.022)	(0.023)	(0.024)	(0.024)
EU knowledge	0.079***	0.080***	0.062***	0.063***	0.127***	0.129***
	(0.017)	(0.017)	(0.016)	(0.016)	(0.016)	(0.016)
National economic	0.059**	0.058**	0.126***	0.127***	0.095***	0.093***
assessment	(0.021)	(0.021)	(0.02)	(0.02)	(0.021)	(0.021)
Employment: self-	-0.115	-0.116	0.119	0.118	-0.159*	-0.166*
employed	(0.067)	(0.067)	(0.063)	(0.063)	(0.065)	(0.065)
Employment: manager	0.091	0.092	0.151**	0.150**	-0.019	-0.015
	(0.061)	(0.061)	(0.056)	(0.056)	(0.059)	(0.059)
Employment: white-	0.067	0.063	0.04	0.04	0.076	0.071
collar worker	(0.058)	(0.058)	(0.053)	(0.053)	(0.056)	(0.056)
Employment:	-0.029	-0.028	0.014	0.015	-0.013	-0.017
unemployed	(0.065)	(0.065)	(0.061)	(0.061)	(0.064)	(0.064)
Employment: other	0.067	0.068	0.056	0.054	-0.117*	-0.122**
non-active	(0.049)	(0.049)	(0.045)	(0.045)	(0.047)	(0.047)
Age	-0.081***	-0.080***	-0.060***	-0.064***	0.127***	0.129***
	(0.019)	(0.019)	(0.018)	(0.018)	(0.018)	(0.018)
Female	-0.027	-0.029	-0.067*	-0.066*	-0.041	-0.041
	(0.033)	(0.033)	(0.031)	(0.031)	(0.032)	(0.032)
Rural	-0.009	-0.012	-0.161***	-0.165***	-0.102**	-0.100**
	(0.037)	(0.037)	(0.035)	(0.035)	(0.036)	(0.036)
CEE	-0.576	-0.576	-0.657	-0.664	-0.024	-0.048
	(0.422)	(0.422)	(0.362)	(0.366)	(0.378)	(0.376)
Current account	-0.270*	-0.267*	-0.057	-0.063	-0.04	-0.032
	(0.126)	(0.127)	(0.108)	(0.11)	(0.113)	(0.113)
Government balance	0.146	0.145	-0.052	-0.047	0.01	0.026
	(0.127)	(0.127)	(0.109)	(0.11)	(0.114)	(0.113)
Cut1 Intercept	-1.001***	-1.038***	-1.062***	-1.048***	-0.721***	-0.736***
	(0.184)	(0.185)	(0.159)	(0.161)	(0.166)	(0.166)
Cut2 Intercept	-0.507**	-0.544**	0.034	0.048	-0.242	-0.257
	(0.184)	(0.185)	(0.159)	(0.161)	(0.166)	(0.166)
Variance components						
Var(country)	0.267***	0.268***	0.195***	0.199***	0.214***	0.212***
	(0.074)	(0.074)	(0.054)	(0.055)	(0.059)	(0.059)
N(Obs.) / N(Country)	16012 / 28	16012 / 28	16012 / 28	16012 / 28	16012 / 28	16012 / 28

Notes: multilevel random intercept model; * p < 0.05, ** p < 0.01, *** p < 0.001, two-tailed test; employment reference category: manual worker; all continuous independent variables standardized.

Table 4.A16. Multinomial logistic regression results (reference: DK / missing).

	TTIP Coef. / S.E. Opposition	Coef. / S.E. Support	EUB Coef. / S.E. Opposition	Coef. / S.E. Support	FTT Coef. / S.E. Opposition	Coef. / S.E. Support
Left-right self-placement	-0.068*	0.122***	0.039	0.006	0.093***	-0.084**
	(0.03)	(0.028)	(0.022)	(0.021)	(0.028)	(0.028)
Skills	0.024	0.200***	0.003	0.182***	0.243***	0.164***
	(0.047)	(0.045)	(0.035)	(0.034)	(0.046)	(0.044)
Exclusive identity	0.028	-0.232***	0.114*	-0.451***	-0.123*	-0.394***
	(0.062)	(0.059)	(0.046)	(0.045)	(0.061)	(0.059)
Government trust	-0.314***	0.137*	-0.341***	0.077	-0.246***	-0.132*
	(0.067)	(0.063)	(0.049)	(0.046)	(0.064)	(0.062)
GDP	0.252***	-0.147*	0.009	-0.247***	0.058	0.008
	(0.071)	(0.066)	(0.053)	(0.051)	(0.067)	(0.064)
Party EU polarization	0.084*	0.025	0.083***	-0.013	0.182***	0.141***
	(0.033)	(0.031)	(0.025)	(0.024)	(0.031)	(0.03)
Education	-0.077	-0.110**	-0.080**	-0.168***	-0.187***	-0.206***
	(0.041)	(0.039)	(0.031)	(0.03)	(0.041)	(0.039)
EU knowledge	0.384***	0.376***	0.279***	0.358***	0.295***	0.455***
	(0.028)	(0.026)	(0.021)	(0.021)	(0.027)	(0.026)
National economic assessment	0.051	0.102**	-0.027	0.070**	0.036	0.119***
	(0.035)	(0.034)	(0.026)	(0.025)	(0.034)	(0.033)
Employment: self-employed	0.413**	0.227	0.109	0.193*	0.297*	0.051
	(0.131)	(0.126)	(0.091)	(0.087)	(0.124)	(0.122)
Employment: manager	0.066	0.075	0.024	0.092	-0.011	-0.022
	(0.11)	(0.105)	(0.08)	(0.076)	(0.106)	(0.103)
Employment: white-collar worker	0.073	0.067	0.031	0.105	0.191	0.252*
	(0.104)	(0.099)	(0.076)	(0.073)	(0.107)	(0.104)
Employment: unemployed	0.006	-0.027	-0.09	-0.042	0.082	0.063
	(0.113)	(0.108)	(0.085)	(0.083)	(0.113)	(0.11)
Employment: other non-active	0.017	0.074	-0.001	0.044	-0.022	-0.132
	(0.085)	(0.081)	(0.063)	(0.062)	(0.082)	(0.08)
Age	-0.236***	-0.245***	-0.075**	-0.161***	-0.261***	-0.142***
	(0.034)	(0.033)	(0.025)	(0.024)	(0.033)	(0.032)
Female	-0.536***	-0.525***	-0.346***	-0.379***	-0.501***	-0.508***
	(0.06)	(0.057)	(0.044)	(0.042)	(0.059)	(0.057)
Rural	0.067	-0.046	0.187***	-0.03	0.001	-0.088
	(0.064)	(0.061)	(0.048)	(0.047)	(0.062)	(0.06)
CEE	0.460**	-0.113	0.395***	-0.211*	0.437**	0.05
	(0.141)	(0.133)	(0.106)	(0.102)	(0.135)	(0.131)
Current account	0.137***	-0.183***	-0.001	-0.126***	0.191***	0.148***
	(0.036)	(0.035)	(0.027)	(0.026)	(0.036)	(0.035)
Government balance	-0.066	0.005	0.143***	0.001	-0.166***	-0.06
	(0.04)	(0.038)	(0.03)	(0.029)	(0.038)	(0.037)
Intercept	1.368***	2.143***	0.384***	0.936***	1.542***	2.227***
	(0.096)	(0.091)	(0.071)	(0.068)	(0.094)	(0.091)

Notes: multinomial logistic regression model; reference category for DVs: DK / missing; * p < 0.05, ** p < 0.01, *** p < 0.001, two-tailed test; employment reference category: manual worker; all continuous independent variables standardized.

4.7.10 Results of media analysis

To give the reader an impression of the salience of the three economic policies, we conducted a media analysis using the Nexis® database. For this, we searched 20 English, French, German and Italian quality national newspapers (see below) for terms related to one of the three policies. We started in November 2010 (when Eurobonds were first discussed) and ended in October 2015 (the Eurobarometer we use was surveyed in November 2015). See our results below.

Figure 4.A10. Media Coverage: Overview.

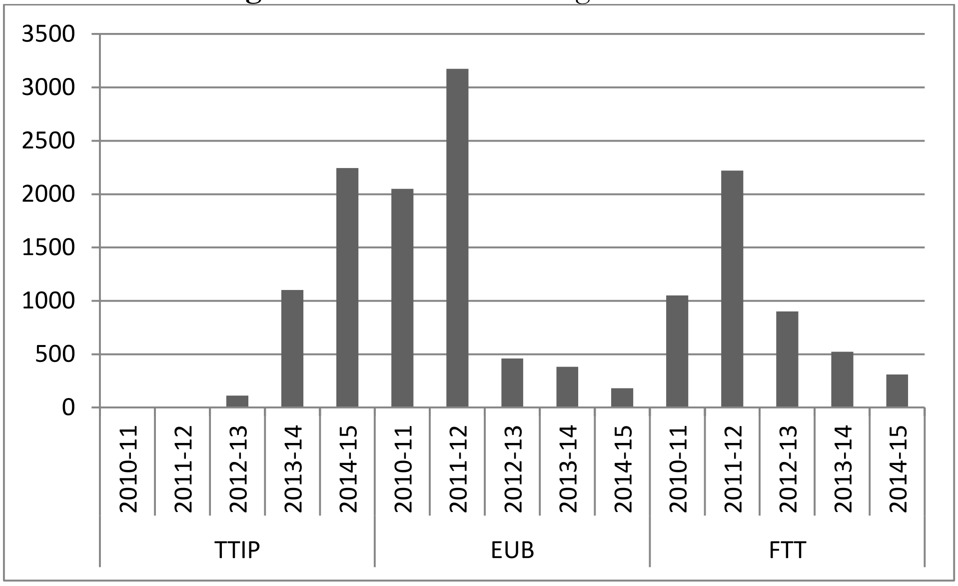


Table 4.A17. Media Coverage: TTIP.

Publication	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2010-2015
Le Figaro	0	0	2	30	23	55
Le Monde	0	0	9	29	34	72
Le Mode.fr	0	0	4	45	67	116
L'Express.fr	0	0	0	18	5	23
Der Standard	0	0	5	54	146	205
Der Tagesspiegel	0	0	12	97	208	317
Die Presse	0	0	4	80	266	350
Die Welt	0	1	10	71	147	229
Frankfurter Rundschau	0	0	7	167	345	519
taz	0	0	7	263	366	636
Corriere della Sera	1	0	12	21	38	72
Il Giorno	4	0	0	19	33	4
Il Resto del Carlino	1	0	0	17	55	73
La Nazione	0	0	1	17	52	70
La Stampa	0	0	7	15	47	69
The Daily Mail and Mail on Sunday	0	0	1	1	3	5
The Guardian	1	0	14	84	205	304
The Independent	0	0	4	47	150	201
The Irish Times	0	3	10	25	48	86
The Observer	0	0	4	3	5	12
Sum	**7**	**4**	**113**	**1103**	**2243**	**3470**

Table 4.A18. Media Coverage: EUB.

Publication	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2010-2015
Le Figaro	83	187	24	14	3	311
Le Monde	98	135	24	17	15	289
Le Mode.fr	61	81	9	16	17	184
L'Express.fr	0	0	0	9	0	0
Der Standard	78	115	10	6	5	214
Der Tagesspiegel	145	141	26	25	4	341
Die Presse	138	185	34	24	35	416
Die Welt	169	254	54	40	13	530
Frankfurter Rundschau	119	156	21	16	13	325
taz	104	96	38	15	8	261
Corriere della Sera	173	339	48	43	12	615
Il Giorno	141	192	11	27	8	379
Il Resto del Carlino	133	210	13	25	7	388
La Nazione	135	236	14	25	7	417
La Stampa	111	247	27	39	13	437
The Daily Mail and Mail on Sunday	18	37	4	4	1	64
The Guardian	96	199	17	7	5	324
The Independent	97	149	60	16	2	324
The Irish Times	139	191	21	14	14	379
The Observer	15	23	6	1	0	45
Sum	**2051**	**3173**	**461**	**383**	**182**	**6252**

Table 4.A19. Media Coverage: FTT.

Publication	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2010-2015
Le Figaro	57	160	61	26	25	329
Le Monde	59	149	44	31	25	308
Le Mode.fr	59	102	29	44	35	269
L'Express.fr	0	0	0	20	0	20
Der Standard	84	123	52	25	19	303
Der Tagesspiegel	58	131	55	18	12	274
Die Presse	77	213	91	56	38	475
Die Welt	36	124	49	14	14	237
Frankfurter Rundschau	95	166	65	43	28	397
taz	65	98	43	17	5	228
Corriere della Sera	56	128	94	61	11	350
Il Giorno	51	82	49	22	3	207
Il Resto del Carlino	50	83	45	23	2	203
La Nazione	56	94	51	24	5	230
La Stampa	47	113	35	30	3	228
The Daily Mail and Mail on Sunday	35	46	23	4	2	110
The Guardian	78	180	41	25	57	381
The Independent	47	103	24	15	13	202
The Irish Times	28	101	48	22	12	211
The Observer	13	24	2	2	1	42
Sum	**1051**	**2220**	**901**	**522**	**310**	**5004**

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