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## When optimism fails: liberal intergovernmentalism and citizen representation

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# **When Optimism Fails: Liberal Intergovernmentalism and Citizen Representation<sup>1</sup>**

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## **Abstract**

Liberal Intergovernmentalism has a particular set of assumptions about the relationship between voters and governments. Either voters are content to trust their governments, because issues have low salience, or governments react to voters' preferences. How far is this "supply side" of the theory still valid in the newly politicized world of EU politics? This article discusses the assumptions about representation in the theory, and looks at the conditions under which the assumptions might still hold and what this means for EU politics today. If the representational assumptions still hold in this highly politicised EU world, then the theory would predict policy gridlock. On the other hand, if there is a growing gap between publics and elites, then the assumptions, and the related propositions about the democratic deficit, no-longer hold. Either way, the inherent optimism of the theory is undermined.

## Introduction

Andy Moravcsik once told me about how the European Commission changed its opinion of him. In the mid 1990s, after his 1993 article (Moravcsik 1993) and his *The Choice for Europe* book (Moravcsik 1998) had become popular on EU politics courses and seminars for Brussels' policy-makers, the Commission was not a huge fan of Professor Moravcsik! The Commission, and many officials in the other European Union (EU) institutions, did not like the central propositions of Moravcsik's Liberal Intergovernmentalism (LI) theory, for example that European integration was primarily driven by the member states, or that the EU institutions were "agents" of the governments, responsible for largely technocratic tasks. These ideas rubbed against the values of many in the "Brussels' bubble", who believed they were acting in the interests of Europe as whole, gradually pushing "ever closer union", often against the instincts of reluctant national capitals. These Commission staffers, MEPs, MEPs' assistants and people in interest groups and lobby firms preferred other ideas that were popular in the late 1990s; such as supranationalism, multi-level governance, institutionalism, or any theory that emphasised EU actors as autonomous and strategic agenda-setters, who are able to shape outcomes beyond the intentions of myopic governments (e.g. Pierson 1996, Marks et al. 1996, Tsebelis and Garrett 1996).

But, Moravcsik then suddenly became popular. With EU enlargement to Central and Eastern Europe, the launch of the Euro, declining public support for political integration, and the launch of the Convention on the Future of Europe, debates in Brussels were now dominated by constitutional politics and the democratic deficit debate. In this new world, Andy Moravcsik's (2002) view that there was not a democratic deficit in the EU, and hence that the EU did not need to be "fixed", was now

attractive to Brussels' insiders. EU elites also appreciated the implicit optimism in the LI theory, which saw the EU as a positive and liberal project, and as an accountable and stable institution. Unlike Andy, though, whose views of the democratic deficit were logically consistent with his LI theory, many Brussels' officials did not see the contradictions in their own minds: either they were wrong to assume that governments controlled the EU, or they were wrong that there was not a democratic deficit (cf. Hix 2008). Regardless, the EU was not undemocratic and did not need to be fixed, because the greatest theorist of EU politics had said so!

Yet, 15 years later, the EU project is facing a legitimacy crisis that cannot be ignored inside the Brussels beltway or by "optimistic theories" of EU. The defeat of the Constitutional Treaty in referendums in 2005 in France and the Netherlands – the first time a treaty had been rejected by the public in any founding member state – had been a wake-up call to Europe's elites. Then came the Eurozone sovereign debt crisis, the refugee crisis, the UK referendum to leave the EU, and the rise of populist anti-European parties on the radical right and radical left across many member states.

It would be too easy to blame the current malaise in the EU on the lack of democratic accountability, which would be a cheap shot at LI theory. An EU of 28 (or 27) member states, with heterogeneous preferences about macro-economic policies, immigration policies, foreign policies and many other issues, was always going to find it difficult to act quickly in the face of the Eurozone and refugee crises, irrespective of public attitudes. This is consistent with the core propositions of LI theory, in fact.

Yet, it is also the case that many voters across Europe no-longer trust their governments to represent their interests in EU politics, and that voters are deeply suspicious of the pro-European instincts of mainstream party elites. This is a significant challenge to LI theory, which assumes that governments are capable of effectively

representing their publics, and that EU issues are generally too low salience to motivate voters to punish their governments for decisions they make in Brussels.

So, rather than re-hash the debate about whether there is a democratic deficit in the EU, what is perhaps more worthwhile is to consider the conditions under which a lack of democratic accountability could be problematic for Liberal Intergovernmentalism. What are the conditions under which the key assumptions in LI theory about the connection between voters and governments hold? And, if these assumptions no-longer hold, what does this mean for our understanding of the EU?

The rest of this article is organised as follows. I first discuss the assumptions in Liberal Intergovernmentalism about the connection between voters' preferences and governments' actions in EU politics. I then look at how the connection between voters and governments has broken down, particularly over the past decade, before going on to discuss how to conceptualise the conditions under which the assumptions within LI theory could hold and what this mean for EU politics today.

## **Liberal Intergovernmentalism and Representation: No Fix Needed**

Liberal Intergovernmentalism has three main components. First, the “demand” for international and supranational governance is explained by a liberal theory of how economic interdependence determines national preference formation. Then, the “supply” of international and supranational outcomes is explained by two theoretical ideas: an intergovernmental theory of intergovernmental bargaining; and a transaction-costs/principal-agent theory of delegation to international institutions.

Gaps between the preferences of citizens and final policy outcomes could result from each of these stages. In the delegation of powers from governments to EU agents, such as the Commission or the European Court of Justice, if EU agents have divergent preferences from the EU governments and are not tightly controlled, or if oversight is ineffective, “policy drift” can occur; from an initial intergovernmental bargain to a final policy outcome (e.g. Majone 1996; Pollack 2003). Similarly, at the intergovernmental bargaining stage, decision-making rules and outlying policy status quos can give agenda-setting actors powers to ratchet policies in a more integrationist direction, and hence beyond the initial Treaty bargains or package-deals (e.g. Tsebelis and Garrett 1996, Pollack 2003). These elements of the initial LI theory, and how they relate to potential democratic accountability gaps, have been widely discussed and analysed (e.g. Scharpf 1999, Majone 2000. Føllesdal and Hix 2006).

In response to these objections, Moravcsik has a powerful defence:

... if we adopt reasonable criteria for judging democratic governance, then the widespread criticism of the EU as democratically illegitimate is unsupported by the existing empirical evidence. At the very least, this critique must be heavily qualified. Constitutional checks and balances, indirect democratic control via national governments, and the increasing powers of the European Parliament are sufficient to ensure that EU policy-making is, in nearly all cases, clean, transparent, effective, and politically responsive to the demands of European citizens (Moravcsik 2002: 605).

Put another way, issues of policy-drift resulting from delegation, and of policy outcomes shaped by indirectly-democratic agenda-setters (such as courts, bureaucracies, central banks, other agencies, or unelected legislative bodies), are generic problems in any democratic political system, and there is little to suggest that these concerns are

particularly problematic in the EU context. In fact, the checks and balances in the EU system make it very difficult for any single actor to shape an outcome too far from an original intergovernmental agreement.

Nevertheless, there still remains the issue of the potential gap that can open up at the very first stage: between citizens' policy preferences and the actions of governments when acting at the EU level. Let us examine this in a bit more detail.

Moravcsik's (1993: 483-496) theory of how national interests are formed and articulated in EU politics can be summarised as follows. Starting from liberal theories of politics, citizens' and interest groups' preferences are primarily driven by economic interests in general, and producer interests in particular. These economic interests are shaped by international trade, international co-operation, and the externalities and interdependencies that result from these international interactions. Consistent with pluralist interest group theories, producer groups that have most to gain or lose from particular policy changes have the most incentives to organise to try to shape governments' positions. Governments, in this sense, are weather vanes: pointing in the directions they are pushed by domestic socio-economic interests. In short, "groups articulate preferences; governments aggregate them" (*ibid.*: 483).

Nevertheless, no single social or producer group dominates domestic politics, and different groups have different interest and powers in different policy areas. As a result, differential interests and influences of groups mean that member states have differential policy preferences about the EU. A government might prefer more EU action in some policy areas and less EU action in others. This proposition is consistent with a liberal-pluralist conception of domestic politics, and is a key contrast between Liberal Intergovernmentalism and classical realist theories of international relations or earlier intergovernmental theories of European integration, which emphasis stable culturally or

geo-politically determined national preferences (e.g. Hoffmann 1966, cf. Moravcsik 1997).

But, what about the public more widely, beyond the key economic producer groups? Do they not care about EU politics, or have any influence over what their governments are doing at the European level? Here, the main assumptions of LI theory are that the preferences of the broader public are articulated either via interest group politics or via the standard “transmission belt” mechanisms of domestic politics: party competition, national parliament elections, and post-election government formation. These ideas are explained in more detail in Moravcsik’s (1997: 518) “Taking Preferences Seriously: A Liberal Theory of International Politics”:

Representative institutions and practices constitute the critical “transmission belt” by which the preferences and social power of individuals and groups are translated into state policy. ... This is not to adopt a narrowly pluralist view of domestic politics in which all individuals and groups have equal influence on state policy, nor one in which the structure of state institutions is irrelevant. No government rests on universal or unbiased political representation; every government represents some individuals and groups more fully than others. .... Even where government institutions are formally fair and open, a relatively inegalitarian distribution of property, risk, information, or organizational capabilities may create social or economic monopolies able to dominate policy.

Put another way, as predicted by standard theories of electoral competition in democratic systems, on average governments are likely to articulate the preferences of the median voter. Yet, deviations from the preferences of the median voter are possible, if powerful interest groups are able to capture the attention of policy-makers and are

able to persuade them that the broader economic interests of a member state are better served by a policy that might not be the current preference of the electoral majority.

Moravcsik (1997: 530) goes further, though, arguing that democratic representation can lead to systematic bias in favour of some groups over others:

When political representation is biased in favour of particularistic groups, they tend to “capture” government institutions and employ them for their ends alone, systematically passing on the costs and risks to others. The precise policy of governments depends on which domestic groups are represented. The simplest resulting prediction is that policy is biased in favour of the governing coalition or powerful domestic groups.

Nevertheless, Moravcsik sees two types of constraints on the potential capture, and “biasing” of government policies. First, in a paper with Robert Keohane and Stephen Macedo, Moravcsik contends that multilateral institutions constrain the ability of powerful concentrated (producer) interests to bias policy outcomes in their preferred direction (Keohane et al. 2009). The argument, here, is that (*ibid.*: 10-11):

... in the competitive struggle of interest group politics, concentrated and well organized losers from trade liberalization often dominate diffuse and less-organized winners from liberal trade, such as consumers and future exporters ... The primary institutional response has been to structure the process of negotiation and adjudication so as to empower diffuse coalitions of liberalizing interests. Among the decisive domestic mechanisms have been enhanced presidential power, recognition of international adjudication, and negotiation through international institutions with norms of reciprocity and non-discrimination. Multilateral trade norms and institutions altered domestic practices – generally enhancing executive and judicial power, reshaping the

incentives of legislators, and shifting the salience of issues – so as to empower previously powerless diffuse interests.

In the EU context, for example, diffuse interests, such as trade unions, gender equality groups, or the environmental lobby, have been able to challenge powerful concentrated producer interests by invoking EU primary and secondary law in domestic courts or by going over the heads of national governments directly to the Commission or the European Parliament (e.g. Pollack 1997). These mechanisms limit the ability of national governments to take up policy positions that represent interests that are significantly biased in one direction or another from the preferences of the average citizen in a member state.

Second, capture by powerful concentrated interests can only occur on low salience issues. In general, Moravcsik argues that most issues dealt with at the European level are not salient for most voters. Here, Moravcsik shares Lindberg and Scheingold's (1970) earlier suggestion that there is a "permissive consensus" about EU politics amongst Europe's publics (cf. Inglehart 1970). As Moravcsik (2002: 615-616) elaborates in "In Defense of the 'Democratic Deficit'":

Among the most significant consequences of the limitation of the substantive scope of the EU ... is that the issues handled by the EU ... lack salience in the minds of European voters. Of the five most salient issues in most west European democracies – health care provision, education, law and order, pension and social security policy, and taxation – none is primarily an EU competence... In contrast, the issues in which the EU specializes – trade liberalization, the removal of non-tariff barriers, technical regulation in environmental and other areas, foreign aid and general foreign policy co-ordination – tend to be of low salience in most European polities.

This low salience of EU issues means that most individual citizens are rationally ignorant about their government's actions at the European level. Either citizens are not interested in European integration, as the issues the EU tackles are unlikely to have a clear impact on their lives, or, if the mass public's interests are affected, citizens are content to leave it to their government to promote or protect their interests, understanding that there is a risk that a government's position could be influenced/captured by well-organised producer groups.

However, EU issues can become salient, and when they do, Moravcsik argues that governments will then be tightly constrained. Here, initially Moravcsik (1993: 491-494) argued that mass publics are most likely to be more mobilised on issues of socio-economic public goods provision, such as environmental protection or public health and safety standards. On these issues, political salience is higher than on commercial issues or technical standards. On these more salient issues, governments are unlikely to be captured by concentrated interests, but instead will be constrained by mass public preferences (*ibid.* 493):

Where existing domestic policy reflects widespread popular support, domestic regulations are likely to be resistant to the changes required to achieve international harmonization. Alongside producer interests, non-producers may either influence policy directly, as when environmental interest groups mobilize opposition, or punish or reward the government for the results of policy.

So, mass public preferences are not completely irrelevant. But, mass political preferences only influence government policies if public interest preferences conflict with producer preferences *and* the issues are salient enough for the public to be mobilised on an issue. In the public is mobilised, a government will be more likely to

articulate the preferences of the median voter (consumer) than the preferences of a particular (producer) interest group. Whether a government policy position is shaped by a particular social interest, in the shadow of a rationally ignorant public, or whether a government policy is constrained by a mobilised mass public, in either case there is unlikely to be any 'gap' between the economic interests of a state and how these interests are articulated by the government of the day.

These ideas about how public preferences are effectively articulated by governments in EU politics led Moravcsik to conclude that the claims about the "democratic deficit", and how they related to his view of the supply side of EU politics in particular, are overblown and are based on a misunderstanding of how voters' preferences are articulated (e.g. Moravcsik 2002, 2008). If the public in a member state is indifferent about an issue on the EU agenda, LI theory predicts that the government will represent the economic interests of the most important/powerful social interests in that member state, as articulated by the main producer groups. And, if the public in a member state is mobilised about an issue on the EU agenda, LI theory predicts that the government will represent the interests of the average voter, as the government does when making domestic policies on highly salient issues, such as tax and spending policies.

So, from this perspective, in response to the current crises, the EU has found it difficult to act not because it is an unaccountable polity but, rather, precisely because governments are accountable yet have heterogeneous preferences (cf. Moravcsik 2017). The Eurozone sovereign debt crisis was difficult to resolve because governments in both lender and borrower states were tightly constrained by their publics. Similarly, governments effectively represented conflicting voters' views in the refugee crisis, which made it difficult for Germany or the Commission to impose a refugee burden-

sharing scheme against consistent public opposition in Poland, Hungary and the Czech Republic. In this new post-permissive consensus climate, LI theory might not be so optimistic about the ability of the EU to take actions, but nonetheless still provides a powerful toolkit for understanding how the EU works.

### **A Growing Representation Gap in the 2010s**

Nevertheless, if governments are now heavily constrained by the preferences of their voters, the mechanisms behind the supply side theory in Liberal Intergovernmentalism need to be re-evaluated. Representing the myopic median voter on almost every issue is quite different from representing the most powerful socio-economic interest groups on most issues and the median voter on the occasional highly-salient issue. Before we discuss this further, though, let us first consider whether, in fact, the public has “woken up” to EU politics (cf. Hooghe and Marks 2009).

There is a growing body of theoretical and empirical research that points to the growing politicization of the EU in national politics in Europe. From a theoretical perspective, Hanspeter Kriesi and his collaborators (Kriesi, Grande, Lachat et al. 2006, 2008; Kriesi, Grande, Dolezal et al. 2012; Hutter, Grande and Kriesi 2016), as well as Liesbet Hooghe and Gary Marks (2017), conceptualise economic globalization in general, and European political and economic integration in particular, as a Rokkanian ‘cleavage’ in domestic politics. Others had similar conceptualisations of the conflict over European integration in the 1990s, although with less empirical support for a new ‘cleavage’ at that time (Hix 1994, 1999; Taggart 1998).

What these scholars mean by this new cleavage is that the socio-economic aspect (winners vs. losers from integration) and the cultural aspect (cosmopolitan vs. nationalist) of European integration are no-longer 'latent' divisions, that occasionally surface in national elections, European Parliament elections or EU-related referendums. As a result, a new 'European' cleavage has become a permanent political division in many national political systems, which has produced new parties, new voter-party alignments, and splits within national parties. At an empirical level, Kriesi, Grande, Lachat et al. (2006, 2008) and Kriesi, Grande, Dolezal (2012) show how globalization has led to a 'rotation' of the main dimension of political conflict away from a traditional 'economic' left-right towards a new 'cultural' division, between cosmopolitan/liberal values and nationalist/conservative values. Marks and Hooghe (2017) build on this approach, but point more directly to the 'European' nature of the emerging new domestic conflict, as a result of redistributive consequences of economic integration in the single market and the Eurozone crisis, and the growing salience of immigration and its connection to the EU, which includes the free movement of people within the EU as well as the European refugee crisis.

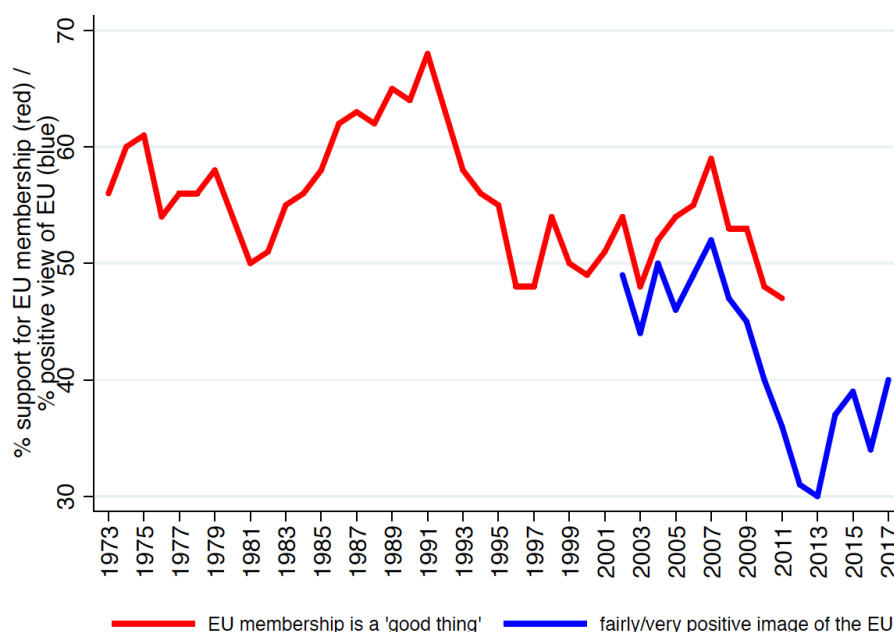
There are multiple aspects to these developments, and space constraints prevent a detailed analysis of the empirical patterns in support of the new structure of politics in, and of, the EU. But, a few key empirical regularities illustrate the growing politization of EU politics. To start with, there has been declining support for the EU since the early 1990s, as Figure 1 shows. The red line in the figure shows the percentage of EU citizens who felt that their country's membership of the EU was a "good thing".<sup>2</sup> This question was discontinued in 2012, so the blue line shows responses to the most

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<sup>2</sup> The Eurobarometer question wording was: "Generally speaking, do you think [your country's] membership of the Common Market/European Community/ European Union is a 'good thing', a 'bad thing', 'neither good nor bad', 'don't know'".

closely related question, showing the percentage of EU citizens who have either a “fairly positive” or “very positive” image of the EU.<sup>3</sup>

**Figure 1. The Rise and Fall in Support for the EU**



Note: The red line is the per cent of respondents who said that they thought their country's membership of the EU was a 'good thing'. The blue line is the per cent of respondents who said that they had either a 'very positive' or a 'fairly positive' image of the EU.

Source: Eurobarometer surveys, aggregated annually.

Support for the EU peaked in the early 1990s, in the build up to the launch of the single market, at the end of December 1992. Support then collapsed dramatically. Europe's political elites were surprised by the defeat of the Maastricht Treaty in a referendum in Denmark and how close the referendum on the Treaty was in France. The Maastricht Treaty was also defeated in the UK House of Commons, and only passed when the UK government attached a vote of no confidence to the bill. The Maastricht Treaty was also challenged in the German Constitutional Court. In other words, this was the first treaty that challenged the pro-EU consensus on all three of the largest member

<sup>3</sup> The Eurobarometer question wording was: "In general, does the EU conjure up for you a very positive, fairly positive, neutral, fairly negative or very negative image?"

states, as well as in several of the smaller states. In the wake of the battles over the Maastricht Treaty, anti-European parties emerged for the first time in several member states in the 1994 European Parliament elections. In response, Mark Franklin and his colleagues characterised this period as the “uncorking” of popular opposition to European integration, with the idea that once the cork of public opinion was out of the bottle it could not be put back in (Franklin et al. 1994). From now on, public opinion mattered in the formation of national government preferences, or so Franklin and others claimed (e.g. Gabel 1998; Hooghe and Marks 2009). Public support for the EU rose slightly in the mid 2000s, but by 2017 only 40 per cent of EU citizens had a “positive” image of the EU.

There was a slight up-tick in positive attitudes towards the EU in 2016 and 2017, after the worst of the Eurozone and refugee crises were over. Nevertheless, the trend since 1992 is clearly downward, and support for the EU would need to rise considerably from its currently low level for the “cork” of Euroscepticism to have any chance of being put back in the “bottle”.

Falling support for the EU may be a necessary condition for the end of a “permissive consensus”, but it is not by itself sufficient to force national governments to be tightly constrained by their publics in their actions in Brussels. Until the mid 2000s, popular opposition to the EU was mainly expressed in European Parliament elections and referendums on EU-related issues. These two arenas gave voters the opportunity to express their opposition to European integration at the same time as “punishing” governments and mainstream parties, without it having too much of an effect on domestic politics or policy outcomes (e.g. Hix and Marsh 2007; Hobolt 2009).

In contrast, the issue of “Europe” remained largely absent from the main political contests that mattered: elections to national parliaments (Mair 2000). As long as

national elections focused on the standard-fair of domestic politics, such as national tax and spending policies, and as long as anti-European parties did not win many votes or seats in these national elections, mainstream parties on the centre-left and centre-right could largely ignore growing popular opposition to European integration. This absence of EU issues in national electoral politics was consistent with the LI theory: despite declining support for European integration, and declining popularity of the EU, most issues on the EU policy agenda were simply not salient enough to constrain national governments too much.

However, this changed dramatically in the 2010s (e.g. Hutter et al. 2018; Charalambous et al. 2018). The Eurozone crisis, and the framing of “austerity imposed by Brussels” in debtor states and “Euro bailouts” in creditor states, meant that European issues now encroached directly on national tax and spending debates. Similarly, the refugee crisis, and the flooding of people onto beaches in Southern Europe and across borders in Eastern and Northern Europe transformed national debates about immigration, social cohesion, crime, and even terrorism. At the same time, there was growing opposition to the volume of low-skilled immigration from Eastern Europe in the UK, Denmark, Sweden, the Netherlands, Germany and Austria. Few concerns about migrants from Central and Eastern Europe had been expressed while these economies had been growing and creating jobs, but the economic downturn and the resulting cuts in public spending, in combination with mass low-skilled immigration, led to greater competition for low-skilled jobs in particular sectors (notably farm labour and building trades) and greater competition for public services (such as schools, housing, and health services).

Together these factors produced growing support in national elections for parties that combined anti-EU positions with anti-austerity and/or anti-immigration policies

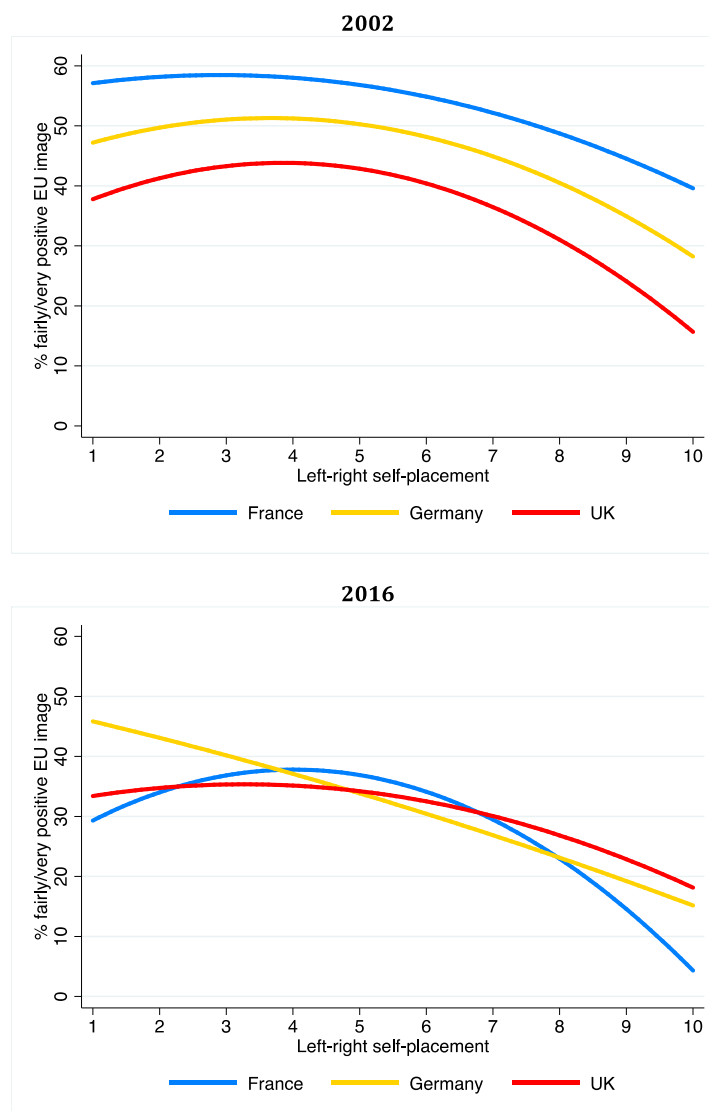
and anti-establishment populism. Many factors drive the support for populist parties on the radical left and radical right, such as the decline of manufacturing, anti-immigrant sentiments, cultural changes, and growing individual and regional inequality. Yet, all these parties are critical of the process of European integration, to a greater or lesser extent, and see opposition to the EU as part of their opposition to the pro-globalization policies of mainstream centre-left and centre-right parties. Between the 2004 and 2016 support for populist parties on the radical left (such as Syriza in Greece, Podemos in Spain and Sinn Féin in Ireland) grew from just above 5 to just below 10 per cent of total votes cast in national elections in Europe, while support for populist parties on the radical right (such as UKIP in the UK, the National Front in France, the Alternative for Germany, the Party for Freedom in the Netherlands, the Danish People's Party, the Sweden Democrats, and Law and Justice in Poland) jumped from 7 to 15 per cent of total votes (Hix 2018). So, together, populist anti-European parties of various stripes now command the support of almost one in four voters across Europe, and this support grew dramatically following the Eurozone and refugee crises.

As a result, mainstream parties and governments can no-longer ignore the growing anti-EU sentiment amongst their publics. And, on top of that, the main issues on the EU agenda – fixing the Eurozone and tackling refugees and immigration – are highly salient. The publics across Europe have heterogeneous preferences about these issues, and are in no mood for compromise on either topic. But, is this really a 'new cleavage', with a re-alignment of voters?

This question is partly answered by Figure 2, which shows the left-right self-placement of citizens in France, Germany and the UK – the key member states in Moravcsik's analysis – and their images of the EU in 2002 and 2016. Here, "left right self-placement" captures voters' positions on an aggregated left-right dimension of

domestic politics, which includes both economic issues and social/cultural issues. If European integration leads to a re-alignment of voters, as a result of a new cleavage in domestic politics, then attitudes on this underlying left-right dimension should start to correlate with attitudes towards the EU. As the main dimension of politics starts to shift from economic issues to cultural issues, the liberal-left should become more pro-globalization, and hence remain pro-EU, while the conservative-right should become more anti-globalization and anti-EU (Kriesi, Grande, Lachat et al. 2006).

**Figure 2. Left-Right and Image of the EU in France, Germany and the UK**



Note: The figures are quadratic models of left-right self-placement and image of the EU ('very positive' and 'fairly positive' combined).

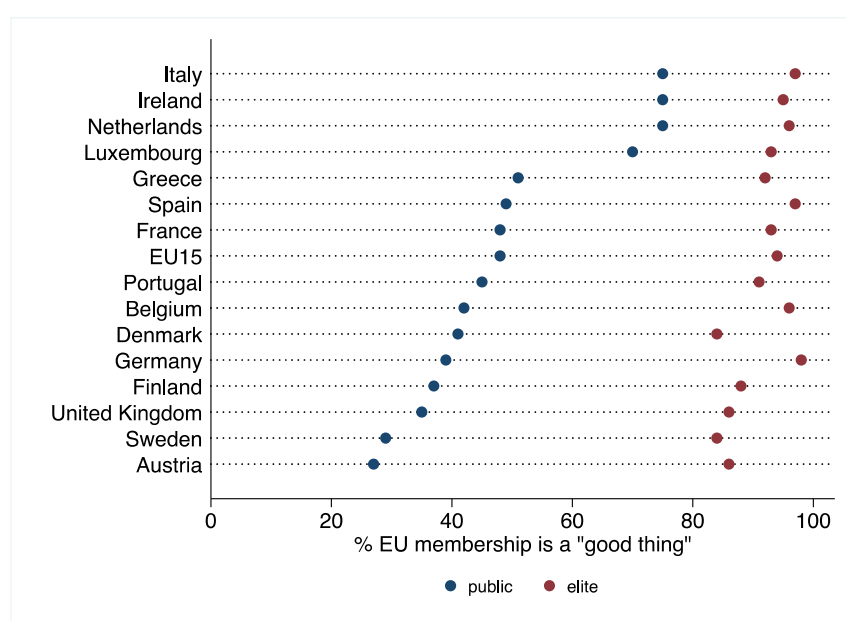
Source: Eurobarometer EB58.1 (Autumn 2002) and EB85.1 (Spring 2016).

This is exactly what the data show. Between 2002 and 2016 there was a decline in positive attitudes towards the EU across the left-right spectrum. In 2016 only one-quarter to one-third of people in these three countries had a positive view of the EU, while pluralities in France and the UK now had either moderately or strongly negative views. Furthermore, the ideological structure of attitudes towards the EU was quite different in 2014 to 2002. In 2002, there was a classic “inverted U” shape in all three of these member states: with centrist voters more pro-European than radical left or radical right voters (e.g. Taggart 1998), although left-wing voters were on average more pro-European than right-wing voters in all three states. In 2016, in the UK the relationship between the two sets of attitudes become “flatter”, as centrist voters became more similar to more extremist voters in their attitudes towards the EU. But, in 2016 in France and Germany the relationship between ideology and support for the EU was now more linear rather than quadratic: with left-wing and centrist voters more pro-EU than right-wing voters.

If centrist voters are more pro-European than more extremist voters, and if governments on average take up positions that are close to the median voter, then governments are unlikely to be too constrained by anti-European voters on the radical left and/or radical right. In this situation, centrist parties may be under pressure from more radical parties to be more critical of the EU, for example to complain about the operation of the Eurozone or EU refugee burden-sharing or access to benefits of EU migrant workers. For example, centre-left parties face pressure from populist left parties which oppose EU austerity policies, while centre-right parties face pressure from populist right parties who oppose EU immigration and refugee policies.

However, the emergence of a cross-cutting cleavage in domestic politics around a new cultural dimension puts internal pressures on the centre-left and centre-right coalitions: with liberal voters on the centre-left continuing to support European integration, while traditional centre-left voters become increasingly anti-European. Similarly, more socially-conservative voters on the centre-right become more anti-European, against the traditional positions of the leaderships of their parties.

**Figure 3. Public and Elite Support for EU Membership in 1996**



Note: The figure shows the per cent of respondents who said that they thought their country's membership of the EU was a 'good thing', in the 1996 Top Decision Makers survey and the standard Eurobarometer survey at the same time.

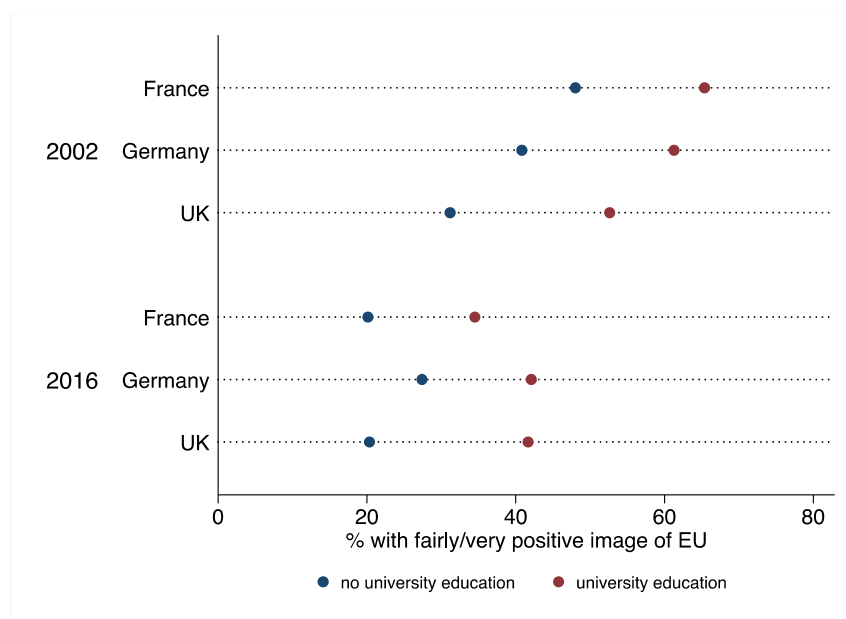
Source: Eurobarometer: Top Decision Makers and the European Union (Spring 1996) and Standard EB44 (Spring 1996).

A further aspect of the new EU cleavage in domestic politics is the growing conflict between economic, cultural and political elites (often in national capitals and globalizing cities) and the mass public. The average citizen and the people who make up the economic, political and cultural elites in the EU have always had very different views of the EU. As Figure 3 shows, a survey in 1996 of approximately 100 "top decision makers" in politics, business, the media, academia and the arts in each of the then 15

member states found two main patterns: first, a relatively homogenously pro-European elite across the member states; and, second, a significant gap between the attitudes of the elites and the attitudes of the general public in every member state, although there were larger gaps in some states (including Germany) than in others (such as Italy, Ireland and the Netherlands).

One explanation of this gap is that elites tend to benefit more from European integration, as they have the personal endowments (such as a higher level of education) and economic assets (such as savings and income) that allow them to make the most of the new economic, cultural and lifestyle opportunities that result from economic integration and market liberalisation in Europe (esp. Gabel 1998). In contrast, the average EU citizen has a lower set of skills and economic assets, and so faces greater competition and risks from the opening up of the free movement of goods, service and labour across Europe.

**Figure 4. Education and Image of the EU**



Note: The figure shows the per cent of respondents in France, Germany and the UK who had either a 'very positive' or a 'fairly positive' image of the EU in 2002 and 2016, by whether they finished education before 20 (no university education) or after 20 (university education).

Source: Eurobarometer EB58.1 (Autumn 2002) and EB85.1 (Spring 2016).

This elite-mass gap has persisted. The 1996 top decision makers survey has not been replicated. Nevertheless, we can use another measure as a proxy for “elites” and “masses”: whether someone has a university education, which is increasingly correlated with a person’s social and economic opportunities (Evans and Tilly, 2017). Figure 4 shows the different images of the EU amongst people in France, Germany and the UK in 2002 and 2016, for those people with and without a university degree. The gap between the elites (those with a university education) and the masses (those without a university education) has persisted; although both the elites and the masses were less pro-European in 2016 than they were in 2002 in all three of the largest EU member states.

The baseline level of support for the EU might rise as the worst of the refugee and Eurozone crises subside, but the gap between the attitudes of the elites and the mass public is likely to persist. When the public did not care much about what their elites did in Brussels, this gap may not have mattered. But, with the growing salience of EU politics, the elite-mass gap is now a problem. If the elites follow the preferences of their publics, they will be tightly constrained, as LI theory would predict – although the ability of the EU to make decisions will be significantly reduced, as a result of the heterogeneity between the preferences of the EU member states’ publics. On the other hand, if the elites act in their own interests when making policy at the EU level, the EU will be able to take actions, but this would not be strictly compatible with the “liberal” version of representation in LI theory and would also mean a clear democratic deficit in the operation of the EU.

### **A Re-assessment: Conditions for LI’s Representation Assumptions to Work**

The growing salience of EU politics amongst the mass publics may be a challenge to the assumption in LI theory that EU issues are not salient. Unencumbered by myopic anti-European voters, governments are relatively free to referee the competition between domestic economic interests, and ultimately to take positions in EU politics in the best medium or long-term economic interests of their state. Highly mobilised anti-European voters are likely to question anything their governments do at the European level and are unlikely to accept certain short-term losses (for example in votes in the EU Council) for the promise of uncertain longer-term gains.

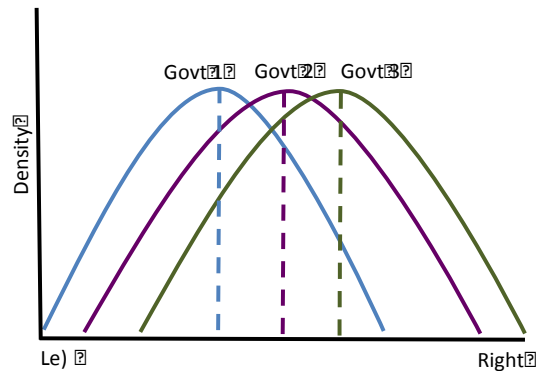
Nevertheless, the collapse of the “permissive consensus” amongst the public does not necessarily mean that the liberal representational-connection side of LI theory would not work, together with the intergovernmental bargaining aspect of the theory. Whether LI theory can still effectively capture the key mechanisms in EU politics depends on the structure of the relationship between governments and their voters as well as between the governments themselves. Figure 5 illustrates this idea via three scenarios of the distribution of voters’ preferences and the locations of the governments in three hypothetical EU member states.

In Scenario 1, the publics in each member state are internally divided over EU policies. Across the EU, centre-left voters favour some EU policies (such as environment standards, workers’ rights, liberal justice and home affairs policies, and expansionary monetary policies) while centre-right voters favour other EU policies (such as more market deregulation, more restrictions on the immigration and refugees, and more restrictions on national budgets within the Euro). Meanwhile, the governments in each member state are close to the median voter in each state. Because the structure of voters’ preferences across the three member states is not identical, the governments

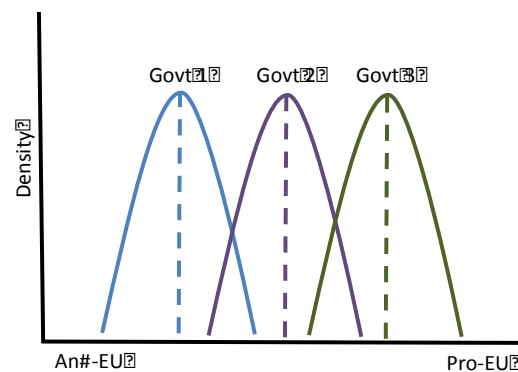
take up different policy positions in EU politics: with Government 1 on the left, Government 3 on the right, and Government 2 in the middle.

**Figure 5. Citizen and State Preferences in EU Politics**

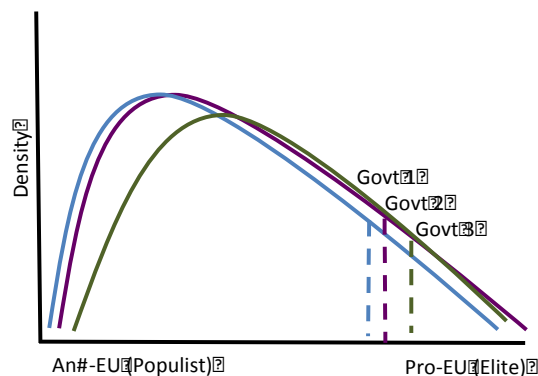
**Scenario 1: Overlapping Citizens and Heterogeneous Governments**



**Scenario 2: Heterogeneous Citizens and Heterogeneous Governments**



**Scenario 3: Populist Citizens and Elitist Governments**



Now, even if EU actions become highly salient, because these actions encroach on highly salient domestic policy issues (such as fiscal policies or immigration), LI theory should still work. The governments would be constrained by the median voter in each member state, but would be more constrained than they might have been without EU

politics becoming salient. Furthermore, the overlap of voters' preferences should allow intergovernmental bargaining at the EU level to produce results. If a government compromises in a particular deal, or if a government is on the losing side in a majoritarian outcome, a significant proportion of the public in that member state would still be supportive of the policy agreed at the European level. For example, if Government 1 is forced to accept an outcome that is slightly to the right of that government's position, the voters on the right of the median voter in that state might prefer the EU agreement to the position their government took in the negotiations. This scenario perhaps captures the structure of preferences and bargaining in the late 1980s and early 1990s, when voters across Europe held different views about the trade-offs between the deregulatory aspects of the single market programme and the flanking harmonised environmental and social policies. Even with more highly salient EU politics today, if voters' preferences are overlapping, LI theory could still explain governments' positions and EU policy outcomes quite well.

In Scenario 2, the publics in each member state have different (heterogeneous) views about EU integration, with voters in State 1 less supportive of EU action than the voters in State 3, and the voters in State 2 somewhere between these two positions. In all three states, the governments are located close to their median voter. But, if EU politics now becomes salient, the governments will take up positions in EU policy process that reflect the heterogeneous preferences of their voters. This will make EU policy-making difficult, as the set of policies that all three governments could agree to change will be relatively small. Only "extreme" policy status quos, which all three governments dislike, will be able to be changed. Reforming existing EU policies will be more difficult, as one or more government is likely to prefer the current policy to any policy proposed by another government. In addition, any compromises by governments

are likely to be punished by voters, as large majorities of voters would oppose any move from the median-voter anchored position of their government. This scenario perhaps characterises a lot of current EU politics: of highly politicised bargaining, heterogeneous government and voter preferences across member states, which together result in policy gridlock.

In this scenario, the representational side of LI theory could still hold, as the gap between voters and governments would be small. However, the intergovernmental bargaining side of the theory would predict policy gridlock. This is because the heterogeneous and highly mobilised publics are unlikely to allow governments to compromise, to agree to log-roll bargains, to accept short-term losses for longer-term gains, or to allow the governments to delegate any significant powers to the EU institutions. In this scenario, EU politics would perhaps be more characterised by classic intergovernmental bargaining, *a la* Hoffmann (1966), which seemed to capture the impasses in EU politics in the 1960s and early 1970s. This scenario might, in fact, be where the EU is heading after the Eurozone crisis, the refugee crisis, the collapse in public support for the EU, and UK exit from the EU.

Finally, in Scenario 3, the public in all three member states are strongly anti-European, while the governments are not close to their median voters, but instead articulate the preferences of the economic and political elites in their states, and so support further European economic and political integration. In this scenario, the governments would be happy to agree to new EU actions, in the face of fierce domestic opposition in all three countries. The governments would not be constrained by their voters when making decision in Brussels, but would risk fuelling anti-EU sentiment and support for populist extremist parties. Also, if the governments did continue to collude against the preferences of their publics, there would be a democratic deficit in the EU

politics, and this deficit would stem primarily from the gap between the voters and the actions of their governments in Brussels, rather than from any gap between intergovernmental decisions and the actions of the EU institutions. This scenario perhaps captures some aspects of EU politics today, for example with a growing polarization between liberal/centrist pro-EU leaders, such as Emmanuel Macron and Angela Merkel, and growing opposition to further EU integration on the radical left and radical right.

This scenario would hence also be a challenge to LI theory. Under the assumptions about representation in the theory, governments should not take up positions that are too far from voters' preferences, especially if an issue becomes salient. If governments did act in the interests of the elites and not their publics, then this would be against a key assumption in LI theory and would challenge the "no democratic deficit" proposition that is derived from the representational assumptions in LI theory. On the other hand, with this set up of preferences, if pro-European elites became heavily constrained by their anti-European publics, then no government would support any further EU actions and the EU political process would come to a standstill. This would constitute a different challenge for LI theory: the representation assumption would remain intact, but intergovernmental bargaining would mean gridlock rather than action.

## **Conclusion**

At its heart, Liberal Intergovernmentalism is an optimistic theory of EU politics. Citizens either trust their governments to "get on with it", or governments closely represent

citizens' opinions if an issue becomes highly salient. Then, once governments' preferences are formed, EU actions can be agreed by consensus, perhaps via trade-offs, compromises, and side-payments to compensate potential losers. In short, EU decisions reflect governments' preferences, which in turn reflect citizens' preferences. The EU works, and any concerns about a democratic deficit are overblown.

EU politics has become more salient to voters, as support for the EU has declined and support for anti-European populist parties has increased. But the end to the so-called permissive consensus is not by itself a challenge to Liberal Intergovernmentalism. In this new era, governments are likely to be more constrained by public preferences than they used to be. In a sense, governments' actions at the EU level become more like their actions in domestic politics than their actions in other fields of international politics.

Nevertheless, these tight domestic constraints present a different set of problems for the EU if the publics in different EU member states have radically opposing views about EU policies, as they do on Eurozone bailout payments or refugee burden-sharing, for example. Constrained governments with heterogeneous domestic voters' preferences make EU action via intergovernmental mechanisms almost impossible in a polity of 27 or 28 states. And, delegation to supranational institutions, with agenda-setting by the Commission and European Parliament and majority voting in the Council, is no-longer acceptable to increasingly EU-critical publics.

So, if the representational assumptions of LI theory still hold in this new world of highly-salient EU politics, then the intergovernmental side of the theory would predict policy gridlock and breakdown. On the other hand, if the governments collude to take actions in the long-term interests of Europe's economic and political elites, which might be consistent with the intergovernmental bargaining aspect of the theory, then these

actions would be against the representational side of the theory, and against the derived claim that there is not a democratic deficit in the EU. Either way, the inherent optimism in the theory, about the accountability and sustainability of the EU, would be undermined.

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