FORSKERKLUMMEN:

Do Europeans want more economic governance from the EU?

Ben Rosamond explores the paradox of falling support for the EU at a time when the European public seems to expect European-level action to deal with the continuing effects of the financial crisis.

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Recent Eurobarometer polls have shown that the EU is regarded as the best placed actor to 'take effective action against the effects of the financial and economic crisis'. Indeed, the EU ranks ahead of national governments, the G20, the IMF and the United States. The finding is startling at a time when Eurobarometer surveys also show that support for EU membership across the member-states is on the wane. The latest surveys now show that less than half of the European population regard membership as a 'good thing'. In some cases falls in support for the EU have been quite spectacular. For example, in Greece, between Autumn 2009 and Spring 2010, the proportion of respondents rating EU membership a 'good thing' fell by 17 points to 44 per cent. Support for membership and perceptions of the benefits of membership have also declined sharply in Germany. How might we interpret this paradox?

The first thing to say is that we need to dip below the headline results of these polls. There is a very clear division between respondents in Eurozone and non-Eurozone countries. The surrender of national monetary sovereignty in the Eurozone appears to have persuaded citizens that the capacity to manage economic turmoil has been devolved upwards. Here the EU *and* the IMF rank ahead of national governments in terms of their efficacy. Interestingly, outside of the Eurozone, only three countries (Romania, Sweden and the UK) think of their governments as best placed to deal with the ongoing crisis. Citizens of six countries, including Denmark, appear to favour coordinated responses through the G20 to national strategies and EU action.

This recent polling evidence (published in late 2010 and early 2011) might indicate that Europeans have come around to the view that they are living in an interdependent world and that collective solutions to common problems is the way ahead. Perhaps, but there is another way of thinking about this. It might be that national publics have come to believe what governments tell them about the need for austerity budgeting and the logic of 'no alternative' that follows. Faith in the EU and the G20 may reflect a widespread sentiment that national governments are locked into neoliberal programmes of public expenditure cutting and thus cannot be expected to develop positive interventionist policies to aid economic recovery. Stark evidence for this can be found in Eurobarometer data showing that there are clear majorities in all member states favouring the rapid reduction of public deficits – an approach that effectively rules out state-led or neo-Keynesian solutions.

Yet, the same polls find that Europeans are strongly supportive of EU-level interventionist measures such as levying taxes on banking profits and tough rules on tax avoidance. A clear majority favours taxation of financial transaction. These results suggest potentially strong allegiance to policies and actions that depart from neoliberal norms.

These paradoxes touch upon some deeper issues associated with European economic governance. There is, of course, a limit to what the EU (in contrast to national governments) can actually do. Where it has 'constitutional' capacity to act in economic affairs, as in monetary policy across the Eurozone, the EU's stance is emphatically neoliberal. As a number of scholars have noted over the years, the EU operates as a kind of 'regulatory state', whose primary purpose is to ensure the smooth running of a European market order. Indeed, the accomplishment of that task is often identified as the primary source of its legitimacy.

Otherwise, the EU's job appears to be more coordinative. Take the European Economic Recovery Plan, first developed by the Commission at the height of the crisis in the fall of 2008. The task here is to establish common principles with a view to achieving a more coordinated response among member states. This obviously relies upon member-states being willing to engage in coordinative action.

Over the past 25 years the Commission has regularly premised claims for the continued expansion of European economic governance capacity upon the premise that it is best placed to manage the 'European economy'. Claims about the appropriate level of governance should (but rarely seem to) provoke debate about the policy substance of that governance. There is evidence from recent debates in the European Parliament of an emerging left-right cleavage over measures to deal with public deficits in the Eurozone countries. The polling evidence, while tentative, suggests that Europeans might relish a greater politicization of economic governance issues in years to come and that they might even be looking to the EU for an alternative.

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