National Parliaments and the Eurozone Crisis: Taking Ownership in Difficult Times?

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Abstract

The eurozone crisis suggests a significant reinforcement of the executive dominance in EU policy-making. Opaque emergency decisions taken at European summits as well as treaties established outside of the EU legal framework facilitate the side-lining of democratically elected chambers. This development entails the risk of a new wave of de-parliamentarisation in EU policy-making. An effective scrutiny of the crisis management by national parliaments is, however, indispensable to take national ownership of the reforms in the Economic and Monetary Union (EMU). This paper therefore investigates national parliaments’ involvement in the development of instruments to combat the crisis. Based on a quantitative data set of crisis-related parliamentary activities in 2010-2012, we observe a very uneven engagement in the scrutiny of the crisis management. Institutional prerogatives in EU affairs as well as macro-economic factors can partly explain the observed variation. Surprisingly, however, crisis-related parliamentary activity is not a reaction to Eurosceptic attitudes either in parliament or the public.

Key Words: Eurozone crisis, National Parliaments, Crisis Management, National Ownership, Parliamentary Scrutiny

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National parliaments (NPs) were for a long time perceived as the ‘institutional Cinderellas of European integration’ (Dinan 2012: 85): they neither invested much time in the scrutiny of their governments in EU affairs nor in the scrutiny of European actors. Given the continuous transfer of legislative competences to the European level, this led many observers to lament the erosion of parliamentary involvement in EU affairs (among many, Laursen and Pappas 1995; Norton 1996). Only more recently, this ‘de-parliamentarisation thesis’ was called into question (see for example Auel and Benz 2005a; O’Brennan and Raunio 2007; Winzen 2012, 2013): national parliaments acquired new formal participation rights, and many are now in a position to exert a stronger influence in EU affairs.

These recent improvements, however, seem to have been thwarted by the eurozone crisis. Decisions to tackle the crisis were not only taken under conditions of increased executive dominance and time pressure, making it difficult for parliaments to get involved and to take ownership of the crisis management: core instruments of the new EU economic governance also directly affect the budgetary sovereignty of national parliaments - conventionally seen as the ‘crown jewels’ (Puntscher Riekmann and Wydra 2013: 565) of democratically elected chambers. In addition, enhanced economic coordination at the European level increasingly reduces the political leeway at the national level in economic policy. Does this development indicate a renewed trend of de-parliamentarisation of EU affairs, and are all parliaments affected to the same degree?

Against this background, the aim of the paper is to analyse the crisis-related activities of the 27 national parliaments between 2010 and 2012. The paper proceeds as follows: we briefly discuss the changes to European economic governance and their impact on national parliaments by highlighting the executive dominance during the crisis management as well as the increasing number of initiatives outside the EU legal framework. We then outline the theoretical framework to explain variation in the level of parliamentary scrutiny activity, drawing on agency theory and the broad literature on national parliaments in the EU, which
has identified domestic institutional strength and Euroscepticism as the most important factors for the development of tight scrutiny procedures. We expand these more conventional explanations by including macro-economic factors, given that we focus on a very specific area of EU politics. We then introduce the data, a quantitative data set on crisis-related parliamentary activities established within the OPAL project (see Auel et al. 2015a). As our analysis reveals, institutional strength and macro-economic conditions are the strongest predictors for legislative scrutiny, while Euroscepticism plays – surprisingly – no role. The final section discusses the results and concludes.

**Economic Governance Reform and its Impact on National Parliaments**

Drudi et al. (2012: 881) propose dividing the financial crisis into three main phases: ‘the financial turmoil (September 2008), the global financial crisis (September 2008 – May 2010) and the eurozone sovereign debt crisis (May 2010 – the present)’. During the first two phases, the crisis did not (yet) have a specifically European dimension. It fully reached the EU when Greece requested financial assistance in early 2010. Since then, the crisis has spread to other member states, most notably Ireland, Portugal, Spain and Cyprus. EU member states have since then agreed on a number of economic governance reforms to manage and overcome what is now often labelled the ‘eurozone crisis’ (for an overview see Table 1 and Kunstein and Wessels 2012).

The crisis has impacted national parliaments in a number of ways. First and foremost, parliaments of financially threatened member states not only lose part of their freedom of action due to their dire financial situation, but must also comply with strict obligations to consolidate their budgets as a condition for receiving financial assistance from international funds, such as the European Stability Facility (EFSF) or the European Stability Mechanism (ESM). The so-called Memoranda of Understanding place massive burdens in terms of salary and pension cuts or the retrenchment of social welfare programmes (see for instance Pisani-
Ferry et al. 2013). But donor countries must also follow demands to consolidate national budgets within the revised Stability and Growth Pact or the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union (TSCG), also known as the Fiscal Compact (for the Italian case see Hopkin 2012). Additionally, they must shoulder large financial guarantees that may severely limit their future financial room for manoeuvre.

A second development is a further strengthening of European executives. With the EU in full crisis mode, the European Council has become the most important forum for decision-making in EMU affairs. Crisis management ‘by summit’ has become the norm (Schulz 2012), shifting the decision-making mode even further towards European executives who can more easily bypass parliaments at the national and European level (Eriksen and Fossum 2011: 158).

Executives in the Eurozone have also set up the Euro Summit, a new decision-making body consisting of the Heads of State and Government of the eurozone which meets prior to European Council sessions. The European Council, the Euro Summit as well as the Eurogroup have therefore turned into something similar to a European economic government (Wessels and Rozenberg 2013).

And third, some of the measures have been implemented within the EU legal framework and others outside. Instruments such as the EFSF/ESM, the Euro Plus Pact (EUPP) or the Fiscal Compact are based on treaties outside of the EU legal framework and apply to participating countries only. This differentiation implies that national parliaments in and outside the Eurozone increasingly face different legal and political set-ups, let alone very different economic conditions. Additionally, national governments treated (or tried to treat) intergovernmental agreements as foreign rather than EU policy, thus limiting their parliaments’ involvement.

[Table 1 about here]

How did parliaments respond to these developments? First empirical evidence reveals a rather growing asymmetry of parliamentary power during the course of the crisis (Benz 2013): some
parliaments gained strong (formal) participation rights in new rescue mechanisms (e.g. Austria, Estonia, Finland, Germany or the Netherlands with regard to the EFSF and ESM) while others, especially parliaments in debtor countries, were in the firm grip of austerity measures imposed by international financiers (see for instance Katsikas 2012; Ladi 2013; Scharpf 2012). While this growing asymmetry refers primarily to formal parliamentary prerogatives, we know only little about whether and how parliaments made use of them. Their actual involvement is, however, imperative to take ‘national ownership’ of the crisis management. If the crisis management is perceived as a dictate from non-elected ‘bureaucrats in Brussels’, this cuts off the vital legitimacy chain that national parliaments ought to provide.

**Delegation and Ownership in Times of Crisis**

Our concept of ownership is closely related to agency theory and the principal-agent model, which have become prominent approaches to the study of political representation in general and the role of national parliaments in EU affairs in particular. Kiewiet and McCubbins (1991: 239-40) define an agency relationship as ‘established when an agent has delegated … the authority to take action on behalf of … the principal’. Applied to national parliaments, the underlying assumption is that they (or more specifically the governing parties) delegate authority in EU affairs to their agent - the government - and can then employ various means of control to prevent agency loss (see also Winzen 2012). The concept of ownership, however, goes beyond the prevention of agency loss and takes into account that parliaments are also agents of their citizens. To fulfil this role, parliaments must not only accompany decision-making processes by scrutinising and controlling their governments, but also by communicating EU crisis politics to their citizens. Whether or not MPs will invest their scarce resources in activities aimed at taking ownership of EU politics rather than simply abdicating them to their agents depends on both, institutional
opportunities, i.e. the capacity, and on incentives, i.e. the motivation to engage in scrutiny of EU affairs (for a more detailed discussion see the introduction to this volume). So far, most of the literature on national parliaments in the EU has focused on the institutional adaptation to EU affairs, i.e. the development of the institutional capacities. Two factors were identified as being most important: domestic institutional strength and Euroscepticism. Institutional strength has been measured with a variety of variables such as the overall institutional strength of parliaments prior to and independent of integration, the power balance in legislative-executive relations or the type of government (especially minority governments) (Bergman 1997, 2000; Dimitrakopoulos 2001; Holzhacker, 2005; Karlas 2012; Martin 2000; Maurer and Wessels 2001; Raunio 2005; Saalfeld 2005). ‘Indeed, research on explaining cross-national variation in the level of scrutiny in EU matters indicates that the overall strength of the legislature “spills over” to European affairs, with stronger control of the government in domestic matters producing also tighter cabinet scrutiny in European affairs’ (Raunio 2009: 330, FN 11). The second factor draws on motivation-based explanations and can be summarised under the heading of public and/or elite opinion, including the degree of public support for the EU in the member state and/or the existence of anti-European parties (Raunio and Wiberg 2000, Raunio 2005, Winzen 2013). In Raunio’s comparative study (2005), based on a fuzzy set QCA analysis, the power of parliament independent of integration emerged as the only necessary condition, whereas the combination of having a powerful parliament and a Eurosceptic electorate were sufficient conditions for producing tighter procedures for the control of the government in EU matters.

In the following, we draw on these findings to develop hypotheses on the impact of both institutional capacity and political motivation on the level of activity in crisis affairs. Although the literature presented above is mainly concerned with institutional aspects, it can also be applied to parliamentary behaviour: MPs not only need institutional opportunities, but also incentives to invest limited resources in the scrutiny of European Affairs. In addition,
given that we are analysing behaviour in a very specific area of EU politics, i.e. the management of the eurozone crisis, we add a hypothesis on macro-economic factors.

**Parliamentary Capacities – Institutional Strength**

Although formal prerogatives in EU affairs do not necessarily equate actual activities (see for instance Auel 2007; Pollak and Slominski 2003), they must be regarded as an important precondition for activity. They define instruments and establish procedures, which can also impact executive legislative relations more indirectly (Winzen 2012: 662): The Danish government, for example, cooperates closely with the Folketing in EU affairs to avoid receiving narrow mandates or even no mandate at all (see also Auel and Benz 2005b).

H1a: Institutional strength: *The greater the institutional strength of national parliaments in EU affairs, the greater their level of crisis-related activity.*

Second, in line with the literature outlined above, we expect the overall balance of power between government and parliament to affect the level of parliamentary activities. According to Lijphart’s (1999) conceptualisation, majoritarian systems are – inter alia – characterised by a greater dominance of the executive within the political system. In consensus systems, in turn, executive-legislative relationships are more balanced, and coalition governments provide opportunities and incentives for MPs to ‘police the bargain’ (Martin and Vanberg 2004, see also Saalfeld 2005), i.e. to control whether ministers from other coalition partners respect parliamentary positions. Minority governments finally, cannot rely on their own parliamentary majority, providing (at least part of) the opposition with direct policy influence.

H1b: Institutional strength II: *The lesser the dominance of the executive within the political system, the greater the parliamentary level of crisis-related activity.*
Political Motivation

Incentives for Scrutiny I: Euroscepticism

The literature presented above suggests that institutional capacities are not the only factors explaining parliamentary involvement, but that political motivation also matters. MPs in member states where public opinion is generally more critical of EU integration are considered to have a greater electoral incentive to become active in EU affairs due to the potential electoral impact of EU politics. This is even more relevant since European issues gained more salience and public attention with the outbreak of the crisis (Serrichio et al. 2013: 57). The greater the level of public Euroscepticism, the more MPs and their parties have an incentive to scrutinise crisis affairs to assure their voters that they will defend their interests at the European level.

H2a: EU-scepticism in public opinion: The stronger EU-scepticism in public opinion, the greater the parliamentary level of crisis-related activity.

In addition, the literature has suggested that the presence of Eurosceptic parliamentary party groups or party factions within parliament has a positive impact on the development of tighter scrutiny procedures (e.g. Raunio and Wiberg 2000). Accordingly, we assume that they also have an incentive to make use of these institutional capacities, both for electoral reasons and to gain policy influence. We expect this electoral incentive to be greatest for anti-EU parties, many of who gained electoral successes since the beginning of the eurozone crisis. Where these parties are represented in parliament, they can publicly pressure the government on EU issues to sharpen their profile by politicising the crisis (De Vries and Edwards 2009).
H2b: Share of Anti-EU parties: The greater the share of anti-EU parties in parliament, the higher the level of parliamentary crisis-related activity.

However, anti-EU parties are often found on the fringes of the political spectrum and too small to exert significant influence within parliament. Mainstream parties, in contrast, usually publicly support European integration – but they are rarely perfectly united on this issue. Indeed, many mainstream parties experience medium to high levels of party dissent over European integration issues (Edwards 2009; Bakker et al. 2012). Intra-party dissent can be expected to have a negative impact on parliamentary activities, as party leaders will try to avoid issues on which the party is divided (De Vries 2010, see also Auel and Raunio 2014). We therefore expect that parliaments with an overall greater share of dissenting Eurosceptic MPs scrutinise EU (crisis) affairs less actively (H2c).

H2c: Level of parliamentary Euroscepticism: The greater the share of dissenting Eurosceptic MPs in parliament, the lower the level of parliamentary crisis-related activity.

Incentives for Scrutiny II: macro-economic conditions

In addition, we need to take into account that the motivations to engage in the scrutiny of EU affairs may also be affected by the distinct macro-economic conditions that parliaments faced in the 2010-2012 period (see among others Buti and Carnot 2012; De Grauwe and Ji 2012). While Northern European countries could, for instance, easily refinance their government expenditures at record low prices, many Southern European countries experienced significant increases on the interest rates of their long-term government bonds which put the sustainability of their debt levels at risk (see for instance Drudi et al. 2012: 888). Some of them were forced to implement austerity programs in exchange for financial assistance, while ‘countries such as Germany, Netherlands and Finland fear[ed] that a bailout would create a
lasting relationship of dependency of the debtor nations on their more creditworthy neighbours’ (Hopkin 2012: 36).

Without question, member states drawing on financial EU-IMF assistance have been severely constrained by the commitment to implement economic and adjustment programmes that were ‘designed in discussions between the national authorities and the so-called Troika, consisting of the European Commission, the European Central Bank and the International Monetary Fund’ (European Commission 2014: 7). Parliaments, as well as other national authorities of programme countries, have hardly exercised any influence during these negotiations. As Scharpf puts it: “In the euro crisis, debtor states have completely lost fiscal autonomy, and the exercise of wide ranges of their economic, social and labor-market competences has been subjected to direct European control” (Scharpf 2012: 27). However, not only debtor countries were affected. As of 2012, 23 EU member states were under the excessive deficit procedure for exceeding – to varying degrees – the limit to either the annual government deficit (3% of annual GDP) or the government debt (exceeding 60% as the ratio of gross government debt to GDP).³ Financial predicament therefore increases the odds that a country must follow recommendations by European actors to correct economic imbalances. We assume that these economic and financial constraints altered the motivation of parliaments to engage in the scrutiny of the crisis management.

H3: ‘Relevance’ of crisis: Parliaments of economically weak member states show lower levels of crisis-related parliamentary activities.

Finally, we added the level of participation in different treaties of the Economic and Monetary Union (EMU) as a control variable. This takes into account that participation in different EMU treaties (TSCG, EUPP) varies within non-eurozone countries, while eurozone countries can be distinguished according to donor and debtor status.
Data

Dependent variable

The empirical analysis is based on a data set generated by a broader study within the OPAL project (see also Auel et al. 2015b). It provides, for the first time, detailed comparative empirical data on parliamentary activities in EU affairs between 2010 and 2012 across all 40 parliamentary chambers of the EU. The data covers (some of) the most important means of national parliaments to get involved in and take ownership of EU politics: resolutions/mandates providing parliaments with the opportunity to give their opinion on EU documents and the government’s negotiation position (policy-influencing function), plenary debates serving public deliberation and control (communication function), and reasoned opinions within the EWS as well as opinions within the Political Dialogue (policy influence directly at the EU level). For the purpose of this paper, we selected all crisis-related activities from the larger data set and focus on lower chambers only. In financial and economic affairs, the competences of lower chambers are usually more pronounced; furthermore, data for some of the independent variables was available for lower chambers only. The final data set on crisis-related activities consists of 993 parliamentary activities and therefore represents roughly 19 per cent of the overall EU activities of the lower chambers (5124 activities).

Our dependent variable is a score for the level of activity based on the three types of activities (mandates/resolutions, debates, opinions) calculated for each parliament and year. The indicators for the crisis-related activity score are presented in table 2. The values for the indicators were first normalised on a scale from 0 to 1, added up to an overall score and divided by three.

[Table 2 about here]

Two caveats need to be mentioned. First, the data does omit other activities, especially committee activities as well as more informal means of influence and control. This omission
is due to unavailable data. While much of the EU activity takes place in the European Affairs Committees\textsuperscript{8} as well as – depending on the scrutiny system - within the standing committees, it is impossible to obtain data on the share of committee time spent on scrutinising and debating crisis issues compared to other (EU) issues. The omission of more informal means of influence and control is, unfortunately, part of the trade-off between large and small N studies. Investigating informal strategies not only relies on qualitative data sources, but is also difficult to quantify.

Second, simply measuring the level of activity reveals little about the \textit{impact} of parliamentary involvement, i.e. whether more active parliaments succeed in controlling and influencing their governments effectively. Since the actual impact of parliamentary activity in terms of influence is extremely difficult to measure, we can only capture what parliaments do, but not whether they are actually successful.

\textit{Independent variables}

To test the hypotheses on the institutional strength (H1), we draw on the OPAL score of institutional strength (Auel \textit{et al.} 2015a), which measures parliamentary strength in EU affairs along three dimensions: access to information, the parliamentary infrastructure and oversight powers. To take the special character of the crisis measures into account, we expanded the original OPAL score by adding a fourth indicator (with double weight to account for its importance) capturing the specific parliamentary prerogatives within the EFSF\textsuperscript{9}: whether parliaments are only informed about payouts through the EFSF, whether they have the right to vote on them or whether they are not involved at all. The data was provided by an often cited study of the Deutsche Bank in 2011 (Deutsche Bank 2011) and cross-checked with the relevant parliamentary committees. For the measurement of the dominance of the executive we use two alternative variables. First, we draw on an updated indicator of Lijphart’s (1999) dimension ‘Executives-parties’ developed by Armingeon \textit{et al.} (2013), which focuses on the key elements that characterise executive-legislative relations and the power balance between
government and parliament. As this is a highly aggregated indicator, we use the percentage of minority governments in 2010-2012, based on the ParlGov database (Döring and Manow 2014) as an alternative variable.

For the Euroscepticism hypotheses, we draw on three different indicators measuring public and party Euroscepticism. Public Euroscepticism (H2a) measures the percentage of citizens that stated having ‘a negative image of the EU’ per year (annual average of the Eurobarometer Surveys 73-7810). The indicator reflects a more nuanced form of Euroscepticism in contrast to, for instance, whether EU membership is generally perceived as ‘a bad thing’. Parliamentary Euroscepticism was measured with two variables: the strength of anti-EU parties within parliaments based on the seat share of all Eurosceptic parties for each parliament using the Chapel Hill 2010 data set (Bakker et al. 2012)11 (H2b); and dissenting Eurosceptic MPs by the share of no-votes and abstentions regarding the parliamentary ratification of the ESM Treaty (H2c).12

For the macro-economic hypothesis (H3), we use two variables. First, we calculated the average sovereign credit rating per year by the three largest rating agencies (Moody’s, Standard and Poor’s and Fitch Ratings) between 2010 and 2012 with data provided by Rogers et al. (2013). Based on the 16 highest classifications used by all three rating agencies, we assigned numbers from 16 (‘prime rating’, ‘triple A’) to 0 (‘substantial risk’ or ‘default’) and calculated averages for each country by year. Credit ratings combine a number of economic indicators and contain future expectations of a country’s economic development. Second, we used data on the yearly government deficit in per cent of GDP 2010-2012 (European Central Bank 2014: 45) to capture the economic condition a country faced specifically in the period under investigation.

EMU involvement, finally, is captured by a variable that assigns the value 1 for participation in the Fiscal Compact, the Euro Plus Pact, the eurozone as well as for EFSF/ESM donor status. Values thus range from 0 to 4.
Table 3 provides an overview over our dependent and independent variables.

**Dealing With the Crisis From the Backbenches**

As table 4 shows, the crisis did indeed play a significant role for national parliaments. Between 2010 and 2012 national parliaments spent nearly one thousand hours debating crisis issues in 454 debates in the plenary and issued close to 440 mandates or resolutions on crisis-related issues. In contrast, the Political Dialogue with the European Commission, and especially the Early Warning System, were less important with regard to crisis legislation.

To some extent, the crisis has been business as usual for national parliaments (see also Auel and Höing 2014). When it comes to mandates/resolutions or the two types of opinions (Political Dialogue and EWS) - and thus to activities where parliaments mainly react to documents sent by the European Commission (both legislative proposals and other preparatory documents) - the share of crisis-related activities out of all EU activities is fairly similar (around 14 and 11,1 per cent). This roughly reflects the ratio of crisis related documents out of all documents published by the Commission in 2010 – 2012 (ibid.: 6). The crisis did, however, have a greater impact on the debating activity of national parliaments. Over 40 per cent of the EU debates, and almost half of the plenary time spent on EU issues were focused on the crisis.

The aggregate numbers do, however, obscure vast differences in the level of activity by individual parliaments. Figure 1 therefore provides an overview over the activity scores per year.
To test the hypotheses developed above, we ran a multiple linear regression analysis using STATA 13.1. Since we have data for three years for each parliament, we used a regression with clustered standard errors (N = 78, groups = 26) (table 5). We omitted the Portuguese Assembleia from the analysis of the overall activity level because the extremely large number of inconsequential opinions sent within the Political Dialogue led to an inflated activity score not comparable to the other parliaments. Given the relatively small number of cases, we interpret the regression coefficients as broad rather than highly precise indicators for the influence of different variables.

The first three models test the association between parliamentary activity and the three sets of indicators plus the control variable according to our sets of hypotheses (model 1: institutional capacity; model 2: Incentives for Scrutiny I - Euroscepticism; model 3: Incentives for Scrutiny II - macro-economic conditions). In model 1 we also varied the measure of executive dominance between the Lijphart index (Model 1a), and minority governments (Model 1b). Model 4 then includes the full set of variables, using again once the Lijphart index (model 4a) and once the minority government variable (model 4b).

[Table 5 about here]

As all variants of the model show, institutional strength in EU affairs is the most important predictor for parliamentary activity. The findings support assumptions in the literature that formal prerogatives are a vital precondition for activity. The formal prerogatives include, among others, the access to information as well as a well-functioning parliamentary infrastructure. Both help overcoming information deficits as a precondition for tighter control of the ‘agents’. This is particularly important in times of crisis, when decisions are taken quickly and national executives can more easily circumvent democratically elected chambers. It is therefore not surprising that the ‘Northern European’ parliaments with a well-functioning
parliamentary infrastructure – such as Denmark, Finland, Germany, Netherlands or Sweden – are in the group of countries with the highest crisis-related activity levels. Exceptions, however, are the Czech Republic, Estonia, Lithuania and Slovenia, all rather powerful parliaments with little activity.

The assumption that executive dominance impacts on the activity levels is, in contrast, not confirmed. The specific advantages of consensus systems, i.e. the greater balance of power between the executive and the legislature as well as the incentives to control the coalition partner, did not influence the use of formal parliamentary instruments of control. One reason could be that under the conditions of crisis governing parties were under greater pressure to support their governments, reducing the possibilities of ‘policing the bargain’ and making them more similar to majoritarian systems. In addition, we are measuring formal activities and cannot capture more informal negotiations and agreements between governing parties and the executive. Similarly, the simple fact of having a minority government also does not increase parliamentary activity. Indeed, among the parliaments with minority governments we find both, parliaments both powerful and active in EU affairs (Sweden, Denmark, The Netherlands) and weaker and much less active ones (Belgium, Bulgaria, or Spain).

Surprisingly, and contrary to findings in the literature, public Euroscepticism did not spur parliaments into greater activity regarding the crisis. One explanation is that MPs felt compelled to scrutinise, and especially to communicate, crisis related matters to their citizens irrespective of their citizens’ attitude towards the EU – and possibly precisely to avoid (further) increases in public Euroscepticism. This is underlined by the fact that the crisis accounts for more than 40 per cent of all debates on EU issues in the period under investigation. Thus, parliaments seem to have been generally more willing to poke the famous ‘sleeping giant’ (van der Eijk and Franklin 2004) when it comes to the crisis, but this was not a reaction to public demands.
Our hypothesis on elite Euroscepticism was also not confirmed. Although a greater share of dissenting Eurosceptic MPs decreased the level of parliamentary activity, the result is not significant at the 95% level. Similarly, the hypothesis on the share of anti-EU parties is also clearly disconfirmed: anti-EU parties have either been unable or unwilling to exploit the crisis via activities in parliament. Thus while parliamentary Euroscepticism is a factor explaining the institutional adaptation of national parliaments, the same is not true for the actual use of scrutiny provision. The reason could well be that parliamentary instruments, such as resolutions and opinions, require support by a majority and can thus not be used by - often small - anti-EU parties on their own. In addition, resolutions or opinions usually gain little public attention. They are therefore simply not attractive instruments for anti-EU parties aiming at politicising the EU via the crisis. Plenary debates, in contrast, do indeed serve such a purpose, but here the impact of anti-EU parties is possibly cancelled out by the fact that a) smaller parties are also often constrained in their ability to put issues on the plenary agenda on their own and b) mainstream parties also seem to have felt compelled to communicate crisis related matters to their citizens. Within this result for the EU 26 we do find exceptions, however. For Finland, for example, Raunio (2014) shows that the True Finns - after their electoral success in 2011 - were able to use the eurozone crisis to trigger a major domestic politicisation of Europe in the Eduskunta, which led, inter alia, to a stark increase in plenary debates.

Macro-economic factors, finally, explain about 20 per cent % of the variation, and credit rating is an important predictor in all models, while the government deficit has no impact. The latter suggests that the current fiscal condition of a member state made little difference with regard to the parliamentary scrutiny of crisis issues. A high credit rating, in contrast - which also takes expectations about the future economic outlook into account – does impact parliamentary activity levels positively. Rating agencies can downgrade countries if they believe the government is not pursuing a certain economic policy rigorously enough. Credit
ratings can thus influence the political credibility of a country to implement prudent economic policies; they also have a highly symbolic value for policy-makers. The fear of being downgraded, hence losing credit worthiness and possibly future foreign investors, does seem to provide incentives for greater activity regarding crisis issues.

That the level of EMU integration, finally, does not have an impact at all seems to be a somewhat contradictory result. A rather straightforward expectation would have been that deeper EMU integration has a positive impact on activity levels. Our data shows, however, that this assumption is too simplistic: Member states outside the eurozone were clearly affected by the crisis as well. Indeed, we find parliaments with high levels of activity both within the Eurozone (such as Austria, Finland, Germany, Italy or the Netherlands) as well as outside: Sweden (TSGC participation), Denmark (both TSGC and EUPP) or the UK (no participation). Among the parliaments with less than average activity levels within the eurozone are those of Belgium, Estonia, France, Slovakia (donor status) or Greece (debtor status); outside of the eurozone we find those of the Czech Republic (no participation), Bulgaria, Latvia, or Poland (all TSGC and EUPP). One reason why the predictor is negative (albeit not significant at the 95% level) could be that most of the less active parliaments in the eurozone are also among the least powerful in terms of formal institutional strength. Especially economically weak parliaments depending on current financial aid through the EFSF/ESM – or under threat to depend on such assistance possibly in the future (Cyprus and Spain) - were under great pressure to agree to crisis decisions without much delay through parliamentary scrutiny.

Conclusion

Unsurprisingly, our data reveals that there is no simple answer to the question how parliaments responded to the European crisis management. As in EU politics in general, we
can find both, rather active parliaments and scrutiny ‘laggards’ – and a large field in between. Thus, at least regarding the scrutiny of the management of the crisis, to speak of a general ‘de-parliamentarisation’ is too simplistic. So far, there is no indication that the crisis generally shocked parliaments into inertia.

As expected, formal institutional capacities do provide parliaments with the necessary prerequisites for parliamentary engagement in scrutiny, as demonstrated by the strong Northern European Parliaments. Institutional opportunities are, however, not always neatly translated into actual activity. Some of the more powerful parliaments, such as those of Estonia, Lithuania or Slovenia have been far less active as would have been expected, while the opposite is true for some of the weaker parliaments, most notably the Irish Dail. This supports the expectation that MPs need additional incentives to become involved. Surprisingly, and this is a second important finding, neither public nor parliamentary Euroscepticism provided such incentives with regard to the crisis. Potential future threats related to the crisis, however, and especially the threat to lose a symbolically important credit rating, does seem to be an incentive for MPs to become active. Thus, the more member states have potentially to lose in case of a failure of the crisis management, the more active they are. Where this outlook is bleaker to start with, in contrast, MPs seem to lose incentives to scrutinise the crisis measures closely. Quite worryingly, it is therefore harder for weak parliaments of financially troubled member states to take national ownership of the crisis management.

Notes

1 During our period of investigation (2010-2012), only Greece, Ireland, Portugal and Spain (late 2012) received financial assistance. Cyprus followed in early 2013.
Due to space limitations, this article cannot present a comprehensive overview of the literature, but Goetz and Meyer-Sahling (2008), Raunio (2009), Winzen (2010) and Rozenberg and Hefftler (2015) provide excellent reviews.

Data was collected from parliamentary websites and the European Commission website for the Political Dialogue (http://ec.europa.eu/dgs/secretariat_general/relations/relations_other/npo/index_en.htm) and cross-checked through the Interparliamentary EU Information Exchange (IPEX) database. Coders also requested and confirmed data from parliamentary information offices. In addition, a questionnaire sent to national parliaments provided data on the average length of EU plenary debates as well as the overall debate time in the plenary. After a third reminder, the return rate was 100 per cent, although some specific data was missing in a few cases which was added through the authors’ own calculations.

For details on the Early Warning System - the parliamentary subsidiarity check introduced with the Lisbon Treaty – see the introduction as well as Gattermann and Hefftler in this volume. On the political Dialogue with the European Commission, introduced with the Barroso initiative in 2006, see Jančić 2012.

This included all activities on (1) crisis-related EU legislative proposals and pre-legislative documents, (2) all intergovernmental measures initiated outside the legal EU framework, and (3) all activities where the content showed sufficient relation to the crisis. The latter is based on a qualitative assessment and included, for instance, general debates on the crisis or parliamentary resolutions dealing with the crisis independent of specific EU proposals.

Unity based normalisation: \[ X_{i, 0 \text{ to } 1} = \frac{X_i - X_{\text{Min}}}{X_{\text{Max}} - X_{\text{Min}}} \] where \( X_i \) = each data point I, \( X_{\text{Min}} \) = the minima among all the data points, \( X_{\text{Max}} \) = the maxima among all the data points, \( X_{i, 0 \text{ to } 1} \) = the data point i normalised between 0 and 1.

For an analysis of the factors explaining, inter alia, time spent in EAC meetings in EU affairs in general see Auel et al. 2015b. We have also tested whether the ability of the committees to take decisions on behalf of the plenary has an impact on the number of debates. We assigned 0 = committees can decide on behalf of the plenary, 1 = committees can in some cases decide, and 2 = plenary has to decide. There is no statistically significant correlation with the number of plenary debates on crisis issues during our period of analysis (Pearson’s \( r = .171, p = .391 \)).
Given that the ESM entered into force only in October 2012, EFSF participation rights are more pertinent for our period under investigation. We included the non-eurozone countries, assigning them the lowest score (0 = not involved). The fact that they do not provide financial guarantees in the framework of the EFSF could be a reason to exclude them from this indicator. However, the functioning of the EFSF (and later the ESM) is vitally important for the whole EU and not just for the eurozone. We therefore regarded the fact that non-eurozone countries have no say over decisions regarding some of the main measures to combat the crisis as an institutional constraint.

The data was retrieved through the Eurobarometer Interactive Search System, online at: http://ec.europa.eu/public_opinion/cf/index.cfm?lang=en

The Chapel Hill data is based on expert surveys; respondents were asked to assess ‘the general position on European integration that the party leadership took over the course of 2010’ on a scale from 1 = strongly opposed to 7 = strongly in favour. Parties with a score of 3.5 or lower were considered Eurosceptic. Where the Chapel Hill data does not provide data (for Cyprus, Luxembourg and Malta or data for new parties that entered parliaments after 2010), national experts provided additional data upon request.

The ESM treaty is one of the most far-reaching changes to the EU institutional architecture in recent years. All parliaments had to ratify the modification of article 136 TFEU; parliaments in the Eurozone additionally ratified the ESM treaty. The share of votes not supporting the treaty allows capturing potential divisions within political parties and not only between them. In most cases, the share of non-supporters also differs substantially from the share of anti-EU parties.

The Portuguese Assembleia adopts opinions within the Political Dialogue on virtually all documents sent by the European Commission. However, most of these opinions do not include any comments on the document other than a statement that the Assembleia has not found a breach of the subsidiarity principle. The Commission no longer replies to these supportive opinions (http://ec.europa.eu/dgs/secretariat_general/relations/relations_other/npo/index_en.htm).
References


Pisani-Ferry, Jean, Sapir, André and Guntram Wolff (2013): EU-IMF assistance to euro-area countries: an early assessment, Brussels: Bruegel Blue Print Series.


Winzen, Thomas (2010), Political Integration and National Parliaments in Europe’, Living Reviews in Democracy 2, online: http://www.livingreviews.org/lrd-2010-5.

**TABLE 1**

CRISIS MANAGEMENT AND ECONOMIC GOVERNANCE REFORM 2010-2012
(MAIN INSTRUMENTS)

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Within EU legislative framework</th>
<th>Role of NPs</th>
</tr>
</thead>
<tbody>
<tr>
<td>European Financial Supervision: European Systemic Risk Board (ESRB) and European System of Financial Supervisors (ESFS)</td>
<td>Based on EU secondary legislation. Participants: EU Member States</td>
<td>Domestic scrutiny procedures and subsidiarity check by NPs apply.</td>
</tr>
<tr>
<td>European Financial Stabilisation Mechanism (EFSM)</td>
<td>Commission involved in defining general EU-wide policy goals regarding National Reform as well as Stability and Convergence Programmes</td>
<td></td>
</tr>
<tr>
<td>European Economic Policy Coordination: European semester; Six-Pack; Two-Pack</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Outside EU legislative framework</th>
<th>Role of NPs</th>
</tr>
</thead>
<tbody>
<tr>
<td>European Financial Stability Facility (EFSF)</td>
<td>Private company owned by the eurozone members. European Commission involved in implementation (conditionality)</td>
<td></td>
</tr>
<tr>
<td>European Stability Mechanism (ESM)</td>
<td>Intergovernmental organisation owned by the eurozone members. Its establishment required a limited change of the EU treaties by all MS. European Commission involved in implementation (conditionality).</td>
<td>NPs had to ratify all new treaties outside the EU legal framework, but involvement in the decision-making depends on specific procedures; general scrutiny procedures do not necessarily apply.</td>
</tr>
<tr>
<td>Euro-Plus-Pact</td>
<td>Intergovernmental agreement. Adopted by the eurozone members as well as Bulgaria, Denmark, Latvia, Lithuania, Poland and Romania. European Commission involved in monitoring.</td>
<td></td>
</tr>
<tr>
<td>Treaty on Stability,</td>
<td>Intergovernmental treaty</td>
<td></td>
</tr>
</tbody>
</table>
Coordination and Governance (TSCG) signed by all EU MS except the Czech Republic and the UK. European Commission involved in monitoring. Obligation to introduce national debt brake subject to jurisdiction of the ECJ.

Source: Kunstein and Wessels (2012), with modifications.
<table>
<thead>
<tr>
<th>Indicator</th>
<th>Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandates/resolutions</td>
<td>Number of crisis-related mandates/resolutions by year</td>
</tr>
<tr>
<td>Debates</td>
<td>Two indicators combined: number of crisis-related debates and percentage of plenary time spent on crisis issues by year</td>
</tr>
<tr>
<td>Opinions</td>
<td>Absolute number of reasoned opinions (EWS) x 2, plus absolute number of Political Dialogue opinions on crisis-related documents by year</td>
</tr>
</tbody>
</table>

Note: reasoned opinions were given double weight because they are not only more important in terms of potential impact, but also require parliaments to focus on a highly specific argumentation.
### TABLE 3

OVERVIEW OVER THE DEPENDENT AND INDEPENDENT VARIABLES

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Min</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>Score parl. activity</td>
<td>18.62</td>
<td>13.77013</td>
<td>0</td>
<td>62</td>
</tr>
<tr>
<td>OPAL score inst. strength</td>
<td>48.35</td>
<td>17.79681</td>
<td>20</td>
<td>88</td>
</tr>
<tr>
<td>Lijphart Index</td>
<td>-0.00077</td>
<td>.93392</td>
<td>-2.28</td>
<td>1.9</td>
</tr>
<tr>
<td>Minority governments</td>
<td>33.83</td>
<td>39.90</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Public Euroscepticism</td>
<td>24.24</td>
<td>8.64</td>
<td>9</td>
<td>46.5</td>
</tr>
<tr>
<td>Strength of anti-EU parties</td>
<td>13.93</td>
<td>14.09</td>
<td>0</td>
<td>48.58</td>
</tr>
<tr>
<td>Elite Euroscepticism</td>
<td>20.46</td>
<td>13.93</td>
<td>09</td>
<td>47.74</td>
</tr>
<tr>
<td>Credit Rating by year</td>
<td>11.84</td>
<td>4.10</td>
<td>0</td>
<td>16</td>
</tr>
<tr>
<td>Gov’t deficit (% of GDP)</td>
<td>-4.59</td>
<td>4.35</td>
<td>-30.6</td>
<td>4.3</td>
</tr>
<tr>
<td>EMU Involvement</td>
<td>2.92</td>
<td>1.34</td>
<td>0</td>
<td>4</td>
</tr>
</tbody>
</table>
TABLE 4
COMPARISON OF PARLIAMENTARY ACTIVITIES CONCERNING THE CRISIS AND OTHER EU ISSUES

<table>
<thead>
<tr>
<th>Type of activities</th>
<th>Number of plenary debates</th>
<th>Hours of plenary debates</th>
<th>Mandates/resolutions</th>
<th>Reasoned opinions on subsidiarity</th>
<th>Political dialogue opinions</th>
</tr>
</thead>
<tbody>
<tr>
<td>crisis activities</td>
<td>454 (17)</td>
<td>998 (37)</td>
<td>438 (16)</td>
<td>12 (0.4)</td>
<td>89 (3.3)</td>
</tr>
<tr>
<td>abs. (av.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>other EU activ.</td>
<td>625 (23)</td>
<td>1106 (41)</td>
<td>2697 (100)</td>
<td>96 (3.6)</td>
<td>713 (26)</td>
</tr>
<tr>
<td>abs. (av.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>all EU activities</td>
<td>1079 (40)</td>
<td>2104 (78)</td>
<td>3153 (117)</td>
<td>108 (4)</td>
<td>802 (30)</td>
</tr>
<tr>
<td>abs. (av.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% crisis out of all EU activities</td>
<td>42.1%</td>
<td>47.4%</td>
<td>14%</td>
<td>11.1%</td>
<td>11.1%</td>
</tr>
<tr>
<td>Source: Author’s data. Note: For all activities, the table provides the absolute number of all observations for 2010 to 2012, and the averages in the parentheses.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
FIGURE 1

CRISIS-RELATED ACTIVITY SCORES 2010-2012

Source: Authors’ data.
TABLE 5
REGRESSION MODELS

<table>
<thead>
<tr>
<th>Variables</th>
<th>Model 1</th>
<th>Model 1a</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4a</th>
<th>Model 4b</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPAL score inst. strength</td>
<td>0.480***</td>
<td>0.503***</td>
<td>0.479***</td>
<td>0.512***</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(.110)</td>
<td>(.122)</td>
<td>(.126)</td>
<td>(.117)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lijphart Index</td>
<td>0.243</td>
<td>1.528</td>
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<tr>
<td></td>
<td>(1.437)</td>
<td>(1.615)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minority governments</td>
<td>0.051</td>
<td>0.057</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>(0.049)</td>
<td>(0.035)</td>
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<tr>
<td>Public Euroscepticism</td>
<td>0.134</td>
<td>0.160</td>
<td>0.248</td>
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<tr>
<td></td>
<td>(.290)</td>
<td>(.190)</td>
<td>(.143)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strength of anti-EU parties</td>
<td>0.088</td>
<td>0.044</td>
<td>0.064</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(.250)</td>
<td>(.148)</td>
<td>(.151)</td>
<td></td>
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</tr>
<tr>
<td>Elite Euroscepticism</td>
<td>-0.023</td>
<td>-0.310</td>
<td>-0.294</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>(.268)</td>
<td>(.193)</td>
<td>(.195)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit Rating by year</td>
<td>1.452**</td>
<td>0.269*</td>
<td>0.852*</td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>(.465)</td>
<td>(.380)</td>
<td>(.368)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gov’t deficit (% of GDP)</td>
<td>0.248</td>
<td>-0.216</td>
<td>-0.221</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(.483)</td>
<td>(.367)</td>
<td>(.395)</td>
<td></td>
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</tr>
<tr>
<td>EMU Involvement</td>
<td>-1.668</td>
<td>-1.733</td>
<td>0.194</td>
<td>-0.495</td>
<td>-2.009</td>
<td>-1.876</td>
</tr>
<tr>
<td></td>
<td>(1.879)</td>
<td>(1.736)</td>
<td>(2.126)</td>
<td>(1.847)</td>
<td>(2.013)</td>
<td>(1.810)</td>
</tr>
<tr>
<td>Constant</td>
<td>0.284</td>
<td>-2.358</td>
<td>11.121</td>
<td>4.008</td>
<td>-10.957</td>
<td>-14.563</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>0.345</td>
<td>0.364</td>
<td>0.019</td>
<td>0.203</td>
<td>0.462</td>
<td>0.478</td>
</tr>
<tr>
<td>N/groups</td>
<td>78/26</td>
<td>78/26</td>
<td>78/26</td>
<td>78/26</td>
<td>78/26</td>
<td>78/26</td>
</tr>
</tbody>
</table>

Notes: Dependent variable: Score of parliamentary activity in crisis-related EU affairs. Entries are coefficients with standard errors in parentheses. * p < .05, ** p < .01, *** p < .001. All Models exclude Portugal.