ECSA-C – 10th biennial conference "Europe and Peace" Montréal May 8-10th 2014

Economic crisis, crisis of support? How macro-economic performance shapes citizens' support for the EU (1973-2013).

Céline Belot & Isabelle Guinaudeau PACTE / Sciences-Po Grenoble

First draft – do not quote

Citizens' support is nowadays considered as a necessary condition for the deepening of regional integrations.¹ This need for legitimacy is reinforced given the growing competences of regional institutions, and is acutely palpable in periods of crises. This is particularly true regarding economic crises, which challenge regional integrations in their original functions and require coordinated responses. Yet, a dominant stream of analysis of EU support stresses the role of economic factors: as soon as the end of the 1970s, Inglehart and Rabier had unveiled the link between citizens' support for European integration and economic performances (1978), and their work has been taken up since by numerous authors. Under some circumstances at least, citizens appeared to consider the EC responsible for economic concerns and supported it more when these conditions improved – and less when they deteriorated. Public support for the EU may therefore be altered precisely when most acutely needed, in times of economic recession, rising inflation and/or unemployment, or when financial solidarity among member states is required in order to cope with a crisis.

Understanding the effect of economic conditions, in particular crises, on citizens' support therefore appears crucial. This question has become even more relevant in the context of the economic and debt crisis that affects the EU since 2008. This crisis of historical amplitude makes it necessary to explore how far public support for the EU draws on economic performances, in order to assess the consequences of the crisis – fading growth or even recession, rising unemployment, growing deficits and public debts and the need for bailouts with historic amounts – on support for the EU and on the future course of integration. More specifically, this chapter departs from the identification of two challenges.

- (1) As we will argue in more detail below, the available literature provides only mixed-results about the impact of economic conditions on EU support, with variable conclusions depending on the countries, period, (dependent and independent) variables and model specifications of the study, so that we have no clear picture of how precisely these variables interplay.
- (2) In addition, this literature is well developed, but contributions stem mainly from the 1990s and only few of them cover the recent years, so that they require an update. This is all the more important that the context, the process and the level of integration have evolved a lot over time, and are barely comparable to those of, for instance, the 1973-1974 economic crisis, in particular with respect to the end of the "permissive consensus" and to the rise of Euroscepticism.

1

¹ The authors would like to thank Raul Magni-Berton for his precious help in defining and implementing the regression models.

We seek to address these challenges with an analysis of how economic performance impact citizens' support, both on the short-term context of the economic crisis opened in 2008 and on the longer run, from 1973 onwards. We first provide an overview of the literature and of the mixed findings available (section 1). After having described trends in diffuse and specific EU-support over time (sections 2 and 3), we then take a step back and seek to shed light on the contrasted evidence of an impact of economic conditions on EU support, by explaining variations (section 4). More specifically, we ask whether this impact is bigger than before, due to member states' citizens becoming more aware of EU policies and attributing them more responsibility over time, or whether the deepening of integration and the growing identification with the EU tend to moderate the effects of the economy on support. Studying the links between economic conditions and EU support over a period of 39 years covering several economic crises allows evaluating if these effects are as significant over this period that has seen an acceleration of the process of integration, as they were in the 1970s and 1980s.

Economic conditions, regional integration and citizens' support for this process

The link between citizens' support towards European integration and economic conditions has been under scrutiny since the end of the 1970's. In their pioneer work on this topic, Inglehart and Rabier reported, with respect to the decline in support in the mid-1970s: "the recession and inflation of the 1970's (...) were worldwide phenomena that probably were affected only marginally by any actions taken by the European Community institutions. However, the publics concerned here did seem to attribute prevailing economic conditions to their membership in the European Community" (Inglehart & Rabier, 1978, 75). This effect seems plausible, as economic development, growth and welfare belonged initially – with peace – to the core motivations for European integration and have emerged, as war among member states becomes less and less likely, as one of, if not the main expectation towards the EU.

This idea has been taken up and further developed in numerous publications. With the new downturn of support in the context of the economic crisis of early 1990's, the economic approach of support even became "the dominant approach for explaining public opinion toward European integration" (Anderson, 1995, 114). Using aggregate data, both at the European and national levels, researchers observe effects of growth, unemployment and inflation (Anderson & Kaltenthaler, 1996), sectorial gains and losses (Smith and Wanke, 1993), the extent of commercial exchange inside the EC and national EC budget's costs and benefits (Eichenberg & Dalton, 1993) on citizens' support. Support appears not only affected by bad economic performances as measured by all these indicators but as well by subjective perceptions of economic performances (Gabel & Whitten, 1997; Marsh, 1999).

Despite the number of available analyses, this literature provides only mixed-evidence for an impact of economic performance on EU support. While authors converge in assessing a degradation of the climate of support for integration in the context of the 1973-1974 crisis, the fall of support at the beginning of the 1990's has been analyzed as resulting mostly from identity problems due to the end of the Soviet bloc (Gamble, 1995) and the spectacular rise in Euroscepticism as a "post-Maastricht blues", induced by considerations of rather political nature. As Anderson puts it, "the relationships between national economic performance and support for integration are overwhelmingly positive but by no means breathtaking" (Anderson, 1995: 125; see also Bosch and Newton, 1995). Results are more generally much contrasted, depending on the country and years covered, the dependent and independent variables selected for analysis, as well as the model specification. Anderson and Reichert (1995) observe, for instance, stronger impact of budget return than of trade among member

states on EU support. Eichenberg and Dalton's observation (1993) of a stronger effect of inflation, while unemployment and GDP did not seem to matter (see Mahler et al. 2000:441 for a similar finding), has been contradicted in a subsequent study by Anderson and Kaltenthaler in which unemployment matters most (1996), and in Eichenberg and Dalton's later study, that indicates a fading impact of all economic factors (2007). In a study published two years later, Gabel even observes a reverse effect, with better performances – less unemployment and inflation and more growth – being associated with less EU support (Gabel 1998:86). A more recent account established a (negative) effect of unemployment and inflation, but no effect of growth and trade (Çiftçi, 2005).

Against this background, and as the EU has evolved towards a political Union with growing powers that has been increasingly perceived, politicized and contested, scholars have turned to alternative factors, in particular related to identity, and some studies have concluded that EU support is more affected by the strength and the exclusive character of national identities than by economic considerations (e.g. Citrin and Sides, 2004; Hooghe and Marks, 2005). More recently, nonetheless, the economic concerns of the 2000s and the Great recession contributed to trigger attention to economic factors but again, conclusions are of mixed nature. On the one hand, many studies observe no strong effect of macro-economic factors on citizens' support for the EU. Analyzing Eurobarometer data from 2007 to 2011, Armingeon and Ceka conclude that the effects of macro-economic factors are weaker than those of the national economy subjective evaluation at the individual level and confirm the powerful role of political cues such as citizens' support for national government (Armingeon & Ceka, 2014). Using the same dataset, Serricchio et al. conclude that when explaining variations in level of support for the EU "the economic explanation has very limited analytical leverage. The crisis has not brought economics back in as the most important source of Euroscepticism" (Serricchio et al., 2013, 61; see also Roth et al. 2014). Their results indicate that the crisis has rather reinforced the effect of national identity and national political cues on citizens' support.

On the other hand, however, further authors reaffirm the importance of macro-economic factors on citizens' support for the EU: Balestrini et al. (2011) observe, over the 1990-2007 period, economic considerations (related to unemployment, but not to inflation, growth and total tax burden) to have more explanatory power than considerations related to national identity (see also Balestrini et al. 2010). Other authors acknowledge an effect, but conceive it as an indirect one. In particular, Garry and Tilley consider the economical situation alters the magnitude of identity effects on citizen support. To say it otherwise, when the economy performs badly, people tend to refer more to their national identity when evaluating European integration than when the economy performs better (Garry & Tilley, 2009). Similarly, in Central and Eastern European countries, economic conditions shape the effect of individual attitudes towards economic and democratic reforms on EU support: they matter only when economic conditions are good, while bad national performance tends to nourish support for the EU which is expected to improve the situation (Christin 2005).

Faced with this contrasted evidence, two research perspectives seem particularly promising. First, the Great recession that has brought back economic problems at the core of European politics since 2008 constitutes a critical moment in which it is possible to update previous findings and scrutinize the effects of a dramatic degradation of economic conditions on different dimensions of support: it is important to assess whether all of them, or only some of them are affected, as well as to put these dynamics of EU support into perspective with respect to longer-term trends. Second, rather than seeking to assess whether economics matter for EU support, a challenging line of research consists in explaining when and under which

conditions they matter. Several interesting hypotheses have been put forward in the literature, but they have not been tested over the recent period.

- (1) The impact of macroeconomic conditions on EU support may be conditioned, or at least shaped, by the **length of membership** and the socialization effect membership produces. Following a spill-over logic, as member states' citizens become socialized into the European community and aware of the related benefits, and get exposed to the pro-European discourses of their elites, they may develop a diffuse, and even affective, attachment to it and support European integration more independently from economic performance. Already Inglehart and Rabier (1978) noticed support to be more affected in the three countries which rejoined the EC in 1973 than in the older members, which made them conclude that support was better anchored and attitudes towards European integration more structured in older members states than in newer members. Numerous analyses indeed find a marked distinction between newer member states, in which economic performance seems to have more effect than in older member states (Anderson & Reichert, 1995; Bosch and Newton, 1995; Anderson &Kaltenthaler, 1996).
- (2) Over a longer period of study, Eichenberg and Dalton (2007) observe growing cross-national convergence in public support for integration, which could indicate that fixed differences across countries, in particular the ones linked to different timings of adhesion to the EU, were decreasing. While this could be explained by the decreasing marginal effect of the length of membership over time, with all countries tending to the same level of support, this could also reflect the impact of a further variable, the more aggregate-level **degree of institutional regional integration**. ²Two contradictory hypotheses may be defended regarding this factor. Some authors argue that the effect of economic conditions on EU support are likely to fade, because they expect the EU to be less judged on economic performance only given the extension of its competences (Marsh, 1999) or because in economic hard times, citizens may feel the need for closer EU cooperation or solidarity, and consider a deeply integrated EU as the relevant actor to tackle the origins and consequences of economic crises (Christin 2005; see Kuhn and Stoeckel 2014:619, for a similar argumentation). By contrast, other scholars expect citizens' support to be increasingly determined by economic performances over time, again with several lines of argumentation: alternative explanations, including notably the socialization effect, are expected to weaken to the benefit of economic factors (Anderson & Kaltenthaler, 1996; Balestrini et al. 2010) and most importantly, as more and more competences are delegated to the EU, citizens are likely to attribute it more responsibility for economic outcomes (Gabel & Whitten 1997; Hobolt & Tilley 2014, chapter 2). It seems, in particular, plausible that citizens attribute partial responsibility to the EU for the economic concerns deriving from the crisis, as this crisis has been primarily tackled at the European level, with direct interventions of European institutions in domestic reforms and politics (Armingeon and Baccaro, 2012).
- (3) Further explanations have been considered and need to be tested systematically in order to account for variations in the effect of economic considerations on EU support, in particular country-specific factors. Roth et al. (2014) for instance argue that high rates of unemployment exert a negative influence on trust in the ECB only in what they call the "**peripheral countries**", Spain, Portugal, Greece and Ireland (Roth et al., 2014). Furthermore, Rohrschneider and Loveless (2010) contend that citizens assess

² This factor has to be distinguished from the country-specific variable of the length of membership, as Austria in 1995 and Ireland in 1973 may not be comparable, although both were in their first year of membership, because the overall degree of institutionalization of the European community was very different.

the macro-economic performances of the EU against the background of the **most pressing issues in a nation**, as well as of their individual country's performance: economic factors matter to EU support when the country performs badly, while political factors matter more to citizens living in well-functioning democracies. In this perspective, citizen support appears a function of both economical and political performances. Following them, as older member states are all quite affluent, economical effects tend to decrease at the beginning of the years 2000, but with the membership of the former East European States, mostly poorer states, its effects reappear at the EU level.

In this paper, we make a step toward an understanding of when macroeconomic conditions matter for public support for the EU, by testing systematically, over the 1973-2011 period, for the effect of length of membership and the degree of regional integration. It would be interesting and relevant to test for further variables, including the peripheral character of nations, but in this preliminary analysis, we privileged a long period of study over the inclusion of numerous explanatory variables.

Citizen support through the recent economic crisis

The economic crisis that started at the end of the years 2000 is a critical case, which allows studying the effect of economical factors on support for the EU with particular clarity. According to the literature, we might expect support to go down during that period [H1]. Following Easton's seminal work on political support (Easton, 1965, 1975) we propose to distinguish different kinds of supports. Easton identified two kinds of support for a political system, specific and diffuse support. The former is based on evaluation of policy performances: when the system performs well, support is high; when it performs badly support is weak. The latter is based on an attachment to the norms and values backed up by the political system. Such an attachment is a strong legitimizing source for a political system as it produces support even when the system produces unpopular outputs (see also Scharpf, 1999:10-12 for a definition of the 'output-oriented legitimation'). Considering that economic conditions are seen, at least partly, as an output of European politics we would predict that the economic crisis produces more effects on specific support than on diffuse support [H2].

To measure support for the EU political system, we use trend indicators from Eurobarometer data. We first examine data covering the months of the crisis, from Autumn 2007 to Spring 2013. Perceived economic performances are traditionally measured, at the European level, through the "country benefit" indicator³. Unfortunately, this question has not been asked anymore since Spring 2011. We therefore added another indicator on respondents' judgement of the situation of the European economy⁴. When considering diffuse support, Easton distinguished three "recipients" of support: the political regime, the political authorities and the political community. Satisfaction with the way the democracy works at the European level⁵ would have been a good indicator to measure support for the political regime but the question was asked for the last time in Autumn 2009. Similarly, measuring support for the political community appears difficult as the question concerning identification with

³"Taking everything into consideration, would you say that (your country) has on balance benefited or not from being a member of the European Community (Common Market)? Benefitted / not benefitted"

^{4 &}quot;How would you judge the situation of the European economy? Very good /rather good/ rather bad / very bad"

⁵"On the whole, are you very satisfied, fairly satisfied, not very satisfied, not satisfied at all by the way democracy works in the European Union?"

Europe was asked only very sporadically between 2007 and 2013⁶. When considering support for authorities, Easton thought in particular of support for incumbent political elites – a dimension unfortunately not covered by the Eurobarometers. However they offer the possibility to evaluate support for all EU institutions⁷. We thus consider the indicators of trust in the Commission, in the European Parliament, in the Council of the EU and in the European Central Bank as proxies to measure both trust in the authorities and trust in the regime. Moreover, an indicator relative to the image of the EU offers us a measure of generalized EU support⁸.

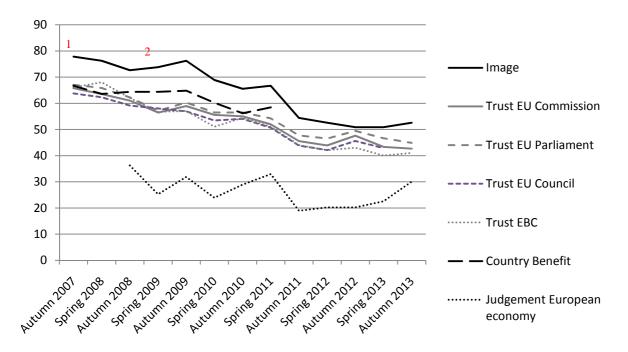


Figure 1: Ratio of EU support (2007-2013 / EU)

1 = subprime crisis (March 2007) / 2 = beginning of the Eurozone crisis

Looking at Figure 1, our first hypothesis is confirmed: both general EU support and all different measures of specific and diffuse support decline between 2007 and 2013. The economic crisis seems to have altered EU support. We can observe two periods: from the subprime crisis in March 2007 to Spring 2011, the decline of support remains very limited, we even observe a small return of support at the end of 2009, when the new Pasok Greek government acknowledged that its predecessor had been underreporting Greek budget deficits. In a second period though, from Spring 2011 to Autumn 2012, support decreases a little more but less than could have been expected.

It is likely that during the first period national citizens mainly blame governments for bad economic results, with the EU even appearing as a possible rescue of failing governments such as Greece. In the second period, by contrast, citizens develop distrust in the EU as a reaction to Greece's bailout and to the negotiations relative to the European Stability

⁶ The question "In the near future do you see yourself as (national) only, (national) and European, European and (national), European only?" has been asked only in 2010 and 2013.

⁷ "For each of the following institutions, tell me if you tend to trust it or tend not to trust it: the European Commission, the European Parliament, the Council of the EU and the European Central Bank"

⁸ "In general, does the European Union conjure up for you a very positive, fairly positive, neutral, fairly negative or very negative image?"

⁹ Ratio = Positive opinions divided by the sum of positive + negative opinions, multiplied by 100.

Mechanism. Whereas H1 is thus confirmed, this is not the case with our second hypothesis. Indeed, diffuse support appears more affected by the economic crisis than specific support. Support for the EU on the evaluation of economic performances decrease only marginally as compared with support for EU institutions and above all EU image. These results are puzzling and would require further investigations. At this stage, enough is to underline that the judgment on the European economy is already quite low at the beginning of the period due to the stagnation of growth since the adoption of the euro, which could explain why specific economic support decrease less than other kinds of support, as if it would reach a threshold. Thus the crisis did not significantly alter judgments on EU's economic performances, but on its ability to resolve its problems, as shown by the fall of EU's image throughout the period.

Citizens' support: a long-term perspective

We could suspect that part of our puzzling results derives from the fact that we observe change on EU support on a too short-term perspective and at an EU aggregated level. Obviously, studying all indicators of support on the long run in each member state would be beyond the scope of this paper, and would be complicated by numerous interruptions in data series. We thus propose to observe generalized support, as measured by the membership indicator¹⁰, from 1973 onwards for all nine countries that were member of the European Community at that time. This allows observing both general trends and country specific features.

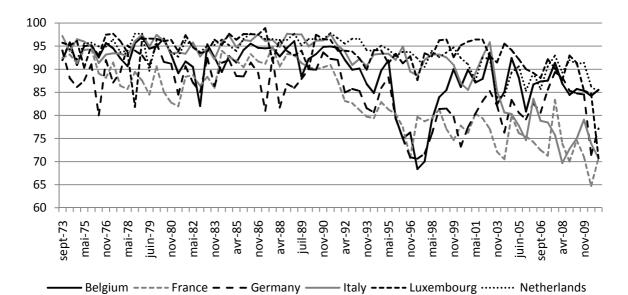


Figure 2: Ratio of membership support in older member states (1973-2011)

In the six older member states [Figure 2], three periods can be distinguished. In the first one, from 1973 to the early 1990s, support is high in all countries and variations of support are rather low, even if some dramatic drops of support occasionally occur for very short period of time in some countries (Germany in 1976, Luxembourg in 1979, Belgium in 1982). Support then fell at the beginning of the second period, from the Maastricht treaty to

¹⁰ "Generally speaking, do you think that [your country's] membership of the European Community [Common Market] is a good thing, a bad thing, neither good nor bad?"

7

1996, in all countries and then "stabilized" from 1996 to the mid 2000. Countries differ however as far as the magnitude of the fall is concerned, with support stabilizing at still very high scores in the Netherlands, Luxembourg and Italy and at a lower but still rather high level in France and Germany. Belgium's support navigated between the two, touched both by the most dramatic fall and the most spectacular rise. A third period opened up recently with a new drop of support in all countries in the second half of the years 2000¹¹.

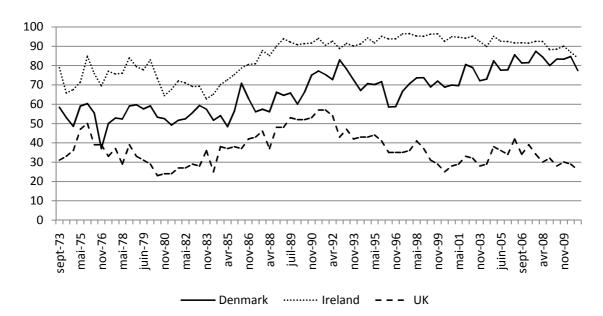


Figure 3: Ratio of membership support in member states which joined in 1973 (1973-2011)

Observing support in the three countries which joined the EC in 1973 [Figure 3], four periods are noticeable. During the first period, from 1973 to 1983, support stabilized in the three countries at different levels, rather high in Ireland; rather low and affected by a small decrease tendency in Britain, while Denmark presented an intermediary pattern. From 1983 to the adoption of the Maastricht treaty, support tended to grow significantly in all three countries. From the years 1992-1993 to very recent times, trends in support diverged across countries. While it stabilized at a very high level in Ireland during the whole period, it decreased in Britain during all the 1990s and tended to stabilize at the end of the period at a low level. In Denmark, support decreased from the Maastricht Treaty to 1996 and then grew regularly till the end of the years 2000. In all three countries a fall of support occurred recently, which seemed to open up a fourth period in EU support.

As a whole, what do we learn when observing variations of support by country from 1973 to nowadays? Looking backward, the drop of support in the 1970s did not appear as remarkable as was noticed at the time. The two biggest fall of support occurred first in the aftermath of the Maastricht treaty and second more recently in the context of the economic and debt crisis. Moreover, while the general trends in support tend to be about the same from country to country, there are big differences across countries regarding the level of support. In some cases, support even appears to follow a diverging path from the general pattern. Thus the general frame offered both by the state of the art and by short term and long-term descriptive analyses on the influence of economic factors on EU supports appears slightly out of focus. Recent descriptive analyses would incline us to deduce that economy plays a big

_

¹¹It started even earlier in Italy.

influence on support, maybe more than ever. At the same time, many results and observations - relative to the differences between countries, the respective variations of diffuse and specific economic support, etc. - suggest that we should not make too hasty conclusions.

A significant impact of the economy

The literature reviewed above provides mixed evidence regarding the impact of several dimensions of macro-economic performance on EU support and several authors hypothesize that this impact tends to fade over time. However, most studies focus on the period up to 2000s and it seems necessary to replicate them over a longer period of time covering the most recent years, marked by growing Europeanization of macro-economic policy and high salience of economic considerations.

In order to test for the effect of the economy on EU support, we have collected the available data on the aggregate-level of EU support in each member state, as measured by the question asking whether membership in the EU is a "good thing", "neither good nor bad", or a "bad thing", and we have calculated the ratio of support described above for all EU-15 member states from 1973 to 2011. We have also collected yearly data of economic growth, inflation and unemployment which are the most common proxies for the economic situation. This database allows us to test for how support for EU membership varies depending on the economic context, using a cross-sectional panel-data regression, with country and time fixedeffects. 13

Our model can be summarized as follows:

$$Y_{ct} = \beta_0 + \beta_1 X_{1ct} + \beta_2 X_{2ct} + \beta_3 X_{3ct} + \gamma_2 C_2 + \ldots + \gamma_n C_n + \delta_2 T_2 + \ldots + \delta_n T_n + u_{it}$$

where:

Y_{ct}: ratio of support for EU membership

X_{ct}: yearly growth in country c

X_{2ct}: yearly unemployment in country c

X_{3ct}: yearly inflation in country c

C_n: country n $\delta_n T_n$: year n

uit: error term

The detailed results of the analysis, presented in Table 1, clearly indicate that growth, unemployment and inflation all significantly affect public support for the EU.¹⁴ An increase in economic growth of 1% appears to be associated with an average increase in EU support of

¹² As this item has often been included more than once a year in Eurobarometer surveys, this allows us to have between 30 and 75 data points for each country – depending on the country's date of accession to membership. The panel is thus unbalanced.

¹³ In order to avoid bias associated to the effect of particular years or nations, we decided to use fixed effects. A Hausman test confirmed that variations across entities are uncorrelated with the independent variable (p<.001). Fixed effects capture time-invariant national idiosyncracies, or specific events affecting all individuals in a given year, which may alter the baseline values for the citizens of a particular country or during a particular year. Such national or temporal effects may include the type of events described by Çiftçi (2005), and contrasts linked to country's position in the international system, national context, culture and memory (Diez-Medrano 2003) and to the timing and circumstances surrounding the country's adhesion to the EU (Anderson and Kaltenthaler 1996).

¹⁴ As illustrated by the correlation matrix in appendix, these indicators are not correlated in a way that could foster suspicions of multicollinearity and they could thus be treated in a single analysis.

0.86%, while a decrease of 1% in unemployment and in inflation respectively lead to an average decrease of 0.84% and 0.33%. Citizens tend to attribute the responsibility for economic performance, at least partly, to the EU – blaming it when the economy does bad, rewarding it in times of growth, rising employment and low inflation. These effects are highly significant, but seem rather modest, which is partly reflecting the relatively stability of support for EU membership in comparison to economic indicators. However, it is also likely that these effects are underestimated because of the inclusion of fixed effects for time (year), which partly overlaps with differences in economic conjuncture.

Table 1: Impact of economic conditions on support for EU membership (1973-2011)

	Model 1
Growth	.86**
	(.16)
Unemployment	84***
	(.13)
Inflation	33**
	(.11)
Constant	31.39*** (3.3)
Adj. R2	.74

N=921. OLS panel regression, with country and time fixed-effects (represented in appendix); standard errors in parentheses. *** p<.001; ** p<.01

These findings contradict the numerous studies that observe or speculate about a decreasing role of economic considerations when it comes to explaining citizen support for European integration. As we have used similar indicators to those studies, this diverging conclusion can only be explained with respect to our longer time-span, which does not corroborate the idea of a fading influence of the economic context. The final section deals more systematically with this trend, based on an analysis of the mediating effect of EU institutionalization on how economics shape public support for EU membership.

The moderating effect of institutionalization

We have established that EU citizens tend to blame the EU for bad economic performance, and thus to consider their country's EU membership more critically during crises. However, membership and European integration cannot be reduced to macro-economic policy, and we have hypothesized that as the institutionalization of the EU is deepened, citizens will less easily put EU membership into question. This hypothesis is often referred to by authors assuming a decreasing relevance of economic conditions for explaining EU support, but it has never been tested.

We have filled this gap by estimating how far residuals (the u_{it} term in the equation above) can be explained by both the level of institutional integration of each individual country, and of the EC/EU as a whole. In other words, we have analyzed how far the model's capacity to approximate EU support based on macro-economic indicators relates to the degree of integration. A positive effect indicates that integration goes hand in hand with high residuals – or, put differently, with a lower effect of economic considerations on support –

while a negative effect reflects that stronger integration is associated to a stronger effect of these considerations.

The country' degree of integration, or anchorage, into the European community, is approximated by a variable on the number of years since which this country has been a member. The overall level of institutional integration of the EC/EU has been estimated using a variable on the number of policy domains covered over time by European treaties (see Biesenbender 2011 for a detailed presentation of how this variable has been computed). It is important to distinguish these two dimensions: some countries are, at some point, recent members, but in an already strongly integrated EU. This is in particular the case of Austria, Finland and Sweden in 1995. By contrast, founding members were already members since several decades in 1973, but the EU was far less integrated by that time.

The results of our regression testing for these two variables' joint impact on how growth shapes EU support are presented in Table 2.

<u>Table 2: How the length of membership and the degree of EU institutionalization shape the relation between economic conditions and support for EU membership (EU-15, 1973-2011)</u>

·	Model 2
Length of membership	.53***
	(.03)
EU institutionalization	-1.21***
	(.09)
Constant	69.95***
	(1.68)
Adj. R2	.31

N=921. Linear OLS regressions, standard errors in parentheses. ***p<.0001

Results are surprising, at first sight, because the degree of institutionalization seems to condition the impact of economic conditions of mass support for the EU in two reverse ways. The effect of economic conditions on support for EU membership appears to decrease (and residuals in Model 1 to increase) the more ancient the membership to the EC: this is congruent with the idea that citizens of EU member states get socialized into the European community over time, as years expire since the time of accession. At a certain point in time, the more time has gone by since accession, the less prompt citizens are to call the principle of EU membership into question in times of economic crisis.

However, this observation is based on an analysis all things being equal and long-term trends in EU support are also shaped by another effect with contradictory implications. The more policies are integrated at the European level, the more EU citizens tend to adjust their support for EU membership depending on the economic context – a relation that probably reflects the growing attribution of responsibility to the EU, as it becomes more institutionalized and gets more competences.

In a weak integrated European political system, bad economic performances altered European support but only up to a certain point. Economic prosperity was already the main objective of European integration, and citizens thus blamed European institutions when prosperity declined, but they did not consider them as the only responsible for bad economic performances. In the course of the integration process and of the delegation of growing

powers to European institutions, in particular macro-economic competences, the link between economic performances and support has tightened: in a more integrated European political system, the EU is considered as increasingly responsible for economic performance, and may be blamed in economic hard times. The length of membership only moderates this trend: at a given point in time characterized by a certain degree of institutionalization, the climate of opinion is more sensitive to economic conditions in 'older' member states than in 'newer' ones.

Conclusions

The second half of the years 2000 has seen a drop in EU support in all member states and this drop is noticed not only when looking at economic specific support, but as well when looking at more diffuse forms of support, such as trust in EU institutions. This observation reactivated analyses of EU support through a macro-economic lens.

Looking at both effects of macro-economic factors and institutional ones such as the length of membership and the level of integration, our analyses deliver two important results. First, the time-honored observation of a socialization effect of citizens leading them to develop an affective support for European integration as time goes by since the date of accession of their country still holds: they are less prompt to call their support for integration into question in economic hard times, the more time has expired.

However, this result holds only all things being equal, and it does therefore not imply growing support over time: if, at a point in time, public support is less conditioned to economic performance in older member states, they tend to hold the EU more responsible for this performance over time, as it becomes more institutionalized and is delegated a growing number of powers. In other words, when the economy degrades, citizens tend to blame the EU stronger than in the past. The recent drop in support accounts for this perception of the EU sharing a growing responsibility of political outputs.

Contrary to what the literature of the 1990s and 2000s proposed, our findings suggest that economic considerations are not fading as determinants of EU support but, on the contrary, that they become increasingly relevant. One could have assumed that the impact of economic conditions was diluted over time because of the interference of further relevant policies that have been delegated to the EU. Given the overall limited public knowledge of the Europeanization of public policies and given the increasing weight of the EU in economic policy, it is after all not so surprising that economic considerations tend to matter more over time. Put differently, the high degree of institutionalization achieved did not generate an encompassing diffuse support for European integration and EU policies, but incited citizens to hold the EU responsible for the economic situation in their country. In this context, the amplitude of the current crisis may result from a vicious circle: the economic crisis calls for a closer EU and for concerted responses, but it also undermines the public support that would be necessary to implement those.

Bibliography:

- Anderson, Christopher (1995) "Economic Uncertainty and European Solidarity Revisited: Trends in Public Support for European Integration", *in*: Carolyn Rhodes, Sonia Mazey (eds), *The State of the European Union*, Boulder: Lynne Rienner, vol.3, p.111-133.
- Anderson, Christopher, Kaltenthaler, Karl (1996) "The Dynamics of Public Opinion toward European Integration, 1973-93", *European Journal of International Relations*, vol.2 n°2, p.175-199.
- Anderson, Christopher, Reichert, Shawn (1995) "Economic Benefits and Support for Membership in the EU: A Cross-National Analysis", *Journal of Public Policy*, vol.15 n°3, p. 231-249.
- Armingeon, Klaus, Baccaro, Lucio (2012) "The Sorrows of Yound Euro. Policy Responses to the Sovereign Debt Crisis", in: Bermeo, Nancy, Pontusson, Jonas (eds.) Coping with Crisis. Government Reactions to the Great Recession, New York: Russell Sage, p. 162-197.
- Armingeon, Klaus, Ceka, Besir (2014) "The loss of trust in the European Union during the great recession since 2007: The role of heuristics from the national political system", *European Union Politics*, vol.15 n°1, p.82-117.
- Balestrini, Pierre P., Flood, Christopher, Flockton, Christopher (2010) "National Public Opinion and the EU in the Post-Maastricht Era: Is the Socialisation Theory Actually Dead?", *Journal of Contemporary European Studies*, vol. 18, n°3, p. 377-400.
- Balestrini, Pierre P., Flood, Christopher, Flockton, Christopher (2011) "How Identity Interacts with Economic and Societal Rationality to Drive Public Opinion on the European Union. The Role of Crime, Unemployment and Immigration", *Perspectives on European Politics and Society*, vol. 12 n°2, p. 121-138.
- Biesenbender, Jan (2011) "The Dynamics of Treaty Change: Measuring the Distribution of Power in the European Union?", European Integration Online Papers, vol. 15, art. 5.
- Bosch, Agusti, Newton, Kenneth (1995) "Economic Calculus or Familiarity Breeds Content?", in: Oskar Niedermayer, Richard Sinnott, Public Opinion and Internationalized Governance, Oxford: Oxford University Press.
- Christin, Thomas (2005) "Economic and Political Basis of Attitudes towards the EU in Central and East European Countries in the 1990s", *European Union Politics*, vol. 6, n°1, p. 29-57.
- Çiftçi, Sabri (2005) "Treaties, Collective Responses and the Determinants of Aggregate Support for European Integration", *European Union Politics*, vol. 6 n°4, p. 469-492.
- Citrin Jack, Sides, John (2004) "More than nationals: How identity choice matters in the new Europe", *in:* Herrmann, Richard K., Risse, Thomas, Brewer, Marilynn B. (eds.) *Transnational Identities: Becoming Europen in the EU*, Lanham, MD: Rowman& Littlefield, p. 161-185.
- Easton, David (1965) A Systems Analysis of Political Life, New York: John Wiley and Sons.
- Easton, David (1975) "A Re-assessment of the Concept of Political Support", *British Journal of Political Science*, vol.5, p.435-457.
- Eichenberg, Richard, Dalton, Russell (1993) "European and the European Community: the dynamics of public support for European integration", *International Organization*, vol.47 n°4, p.507-534.
- Eichenberg, Richard, Dalton, Russell (2007) "Post- Maastricht Blues: The Transformation of Citizen Support for European Integration, 1973-2004", *ActaPolitica* vol.42, p.128-152.
- Gabel, Matthew, Whitten, Guy (1997) "Economic conditions, economic perceptions, and public support for European integration", *Political Behavior*, vol.19 n°1, p.81–96.

- Gabel, Matthew (1998) *Interests and Integration: Market Liberalization, Public Opinion and European Union.* Ann Arbor: University of Michigan Press.
- Gamble, Andrew (1995) "Economic Recession and Disenchantment with Europe", West European Politics, vol.8 n°3, p.158-174.
- Garry, John, Tilley, James (2009) "The Macroeconomic Factors Conditioning the Impact of Identity on Attitudes towards the EU", *European Union Politics*, vol.10 n°3, p.361-379.
- Hobolt, Sara B., Tilley, James (2014)"Who is Responsible?", in: Hobolt, Sara B., Tilley, James, Blaming Europe? Responsibility without Accountability in the European Union, Oxford: Oxford University Press, p. 8-28.
- HoogheLiesbet, Marks Gary (2005) "Calculation, Community and Cues. Public Opinion on European Integration", *European Union Politics*, vol. 6, n°4, p. 419-443.
- Inglehart, Ronald, Rabier, Jacques-René (1978) "Economic uncertainty and European solidarity: Public opinion trends", *Annals of the American Academy of Political and Social Science*, n°440, p.66-87.
- Kuhn, Theresa, Stoeckel, Florian (2014) "When European integration becomes costly: the euro crisis and public support for European economic governance", *Journal of European Public Policy*, published online in March 2014.
- Mahler, Vincent A., Taylor, Bruce J., Wozniak, Jennifer R. (2000) "Economics and Public Support for the European Union: An Analysis at the National, Regional, and Individual Levels", *Polity*, vol. 32, n°3, p. 429-453.
- Marsh, Michael (1999) "Policy Performance", in: Hermann Schmitt, Jacques Thomassen, *Political Representation and Legitimacy in the European Union*, Oxford: Oxford University Press, p.91-106.
- Rohrschneider, Robert, Loveless, Matthew (2010) "Macro Salience: How Economic and Political Contexts Mediate Popular Evaluation of the Democracy Deficit in the European Union", *Journal of Politics*, vol.72 n°4, p.1029-1045.
- Roth, Felix, Gros, Daniel, Nowak-Lehmann, Felicitas (2014) "Crisis and Citizens' Trust in the European Central Bank Panel Data Evidence for the Euro Area, 1999-2012", *Journal of European Integration*, on-line, p.1-26.
- Scharpf, Fritz (1999) *Governing in Europe: Effective and Democratic?* Oxford: Oxford University Press.
- Serricchio, Fabio, Tsakatika, Myrto, Quaglia, Lucia (2013) "Euroscepticism and the Global Financial Crisis", *Journal of Common Market Studies*, vol.51 n°1, p.51-64.
- Smith, Dale L., Wanke, Jürgen (1993) "Completing the Single European Market: An Analysis of the Impact on the Member States", *American Journal of Political Science*, vol. 37 n°2, pp. 529-554.

Appendix: Correlation matrix between the independent variables (Pearson's ${\bf R}$)

	growth	unemployment	inflation
growth	1		
unemployemnt	-0,05	1	
inflation	-0,04	-0,09	1

Model 1 with fixed effects

Wiodel 1 with	Coefficient	Std. Er.
Adjust. $R2 = 0$.	74	
Belgium	27.45***	15.32
Denmark	12.47***	7.29
Finland	10.31***	4.88
France	21.60***	12.38
Germany	19.97***	11.59
Greece	25.25***	12.48
Ireland	31.94***	16.42
Italy	34.83***	18.85
Luxembourg	34.53***	19.72
Netherlands	39.27***	22.98
Portugal	22.00***	11.94
Spain	32.67***	13.5
Sweden	7.55***	3.74
United Kingdom		1.29
1974	7.12*	3.03
1975	12.52***	3.15
1976	3.52	3.00
1977	8.52**	3.04
1978	5.87	3.01
1979	7.36**	2.86
1980	6.26	3.06
1981	6.26	3.07
1982	5.46	3.03
1983	9.14**	3.02
1984	7.75*	2.97
1985	10.42**	2.98
1986	13.16***	2.90
1987	14.26***	2.91
1988	12.00***	2.88
1989	14.40***	2.75
1990	18.28***	2.89
1991	23.29***	2.91
1992	18.62***	2.94
1993	16.36***	2.99
1994	11.60***	2.90
1995	11.13**	3.13
1996	5.45	2.73
1997	3.33	2.81
1998	6.59*	2.81
1999	4.55	2.81
2000	3.66	3.10
2001	5.68	2.75
2002	8.48*	3.16
2003	4.92	3.17
2004	8.28**	2.83
2005	7.17*	2.84
2006	6.77*	2.82
2007	9.88**	2.82
2008	8.93**	2.93
2009	15.03***	3.21
2010	6.45	3.17
2011	3.84	3.19

 $\overline{\text{N=922 (references for fixed effects: 1973; Austria). *** p}} < .001; *** p < .01; *p < .05$