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Citizen Satisfaction with Democracy in the European Union*

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Abstract
The debate about the democratic deficit of the European Union has preoccupied scholars for decades. This article examines democracy in the Union from the perspective of citizens by asking what determines satisfaction with EU democracy? Two key models of regime support are applied to the European Union: the output-oriented performance model and the input-oriented procedural model. Contrary to previous work, it is argued here that there is a positive spillover effect from confidence in national institutions to the European level. These propositions are tested using survey data from 27 EU Member States. Using multi-level modelling, it is found that both performance and procedural factors matter, and that confidence in EU institutions matters more to citizens who are knowledgeable about the EU.

Democracy was not a primary concern for the founders of the European Union (EU). When originally established in the 1950s, the European Community was conceived as a largely elite-driven project, where the influence of the ‘peoples of Europe’ was limited to the indirect election of national governments, and the European Assembly – as the European Parliament (EP) was first known – only had a consultative role in the decision-making processes. ‘Permissive consensus’ was the phrase coined by Lindberg and Scheingold (1970) to describe the largely passive role of citizens in the integration process. However, as integration has deepened, institutions have also been reformed to give citizens more of a say in EU decision-making processes. Today, European citizens have more avenues of influence in the European Union than ever before. The EP has been directly elected since 1979 and successive treaty amendments have expanded its powers (Hix et al., 2007; Rittberger, 2005; Welge and Rittberger, in this issue). Moreover, in excess of 50 referendums have taken place, giving citizens a direct vote on the future of European integration (Hobolt, 2009).

Despite these developments, scholars and commentators continue to talk about the ‘democratic deficit’ in the EU, pointing to declining turnout in EP elections, lacklustre campaigns with no real ‘European’ content and flawed institutions that do not allow for accountable government at the European level (Hix, 2008; Mair and Thomassen, 2010; Hobolt and Franklin, 2011). While academics and politicians debate how to design institutions to strengthen European democracy, and whether this is even desirable, less is known about citizens’ views of European democracy. Despite the burgeoning literature on public attitudes towards European integration, few studies have analyzed satisfaction with democracy at the European level (exceptions include: Norris, 1999a; Rohrschneider,

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This article builds on and extends the literature on the EU’s democratic deficit by examining what shapes citizens’ opinions on democracy in the EU. To address this question this article draws on two classic models of regime support: the output-oriented model, which is focused on government performance; and the procedural model, which is focused on confidence in democratic institutions and processes (Dahl, 1989; Norris, 1999b, c; Scharpf, 1999). It is argued here that satisfaction with EU democracy cannot be studied in isolation from attitudes towards national democratic institutions, but that it is necessary to consider the interplay between the national and the European levels. Studies of support for European integration have come to divergent conclusions about this relationship, with some scholars arguing that citizens take cues from the national level when forming opinions about the EU (Anderson, 1998) and others that there is a negative relationship between evaluations of institutions at the two levels (Sanchez-Cuenca, 2000; Rohrschneider, 2002). This article posits that while the quality of national institutions functions as a benchmark for public evaluations of EU institutions, that does not imply a negative relationship between citizen opinions of democracy at the two levels. In contrast, positive evaluations of national institutions at the individual level spill over into greater satisfaction with EU democracy. Moreover, as citizens become more aware of the functioning of EU institutions, their evaluations of these carry greater weight as they form opinions on EU democracy.

To test this two-level model of regime support, the article relies on the survey data from 27 Member States contained in the European Elections Studies (EES) 2009. Using multi-level modelling allows us to consider the impact of both individual-level and context-level factors on citizens’ evaluation of national and European democracy. The findings show that while both performance and institutional confidence matter to satisfaction with democracy, procedural factors are the most important. There is also an evident positive spillover effect between the two levels of governance. This article concludes by discussing the implications of these findings for the debate on the democratic deficit in the EU and for the wider literature on the legitimacy of international institutions.

I. The European Union’s Democratic Deficit: Much Ado about Nothing?

For the past decades, scholars and politicians alike have debated whether the EU suffers from a democratic deficit, and if so, how to fix it (see, for example, Habermas, 1992; Weiler et al., 1995; Majone, 1998; Schmitter, 2000; Moravcsik, 2002; Lord and Magnette, 2004; Føllesdal and Hix, 2006; Kohler-Koch and Rittberger, 2007). In the first decades after the European Community was established, European integration was regarded as an exclusively elite-driven project, but as the Union has expanded to encompass more policy domains, including monetary union, human rights and foreign policy, the institutions of the EU have also been reformed to give more influence to the peoples of Europe. With the aim of strengthening democracy at the European level, successive treaty reforms have transformed the European Parliament from a weak consultative assembly into a genuine directly elected parliament with co-legislative powers in the policy-making process (Rittberger, in this issue; Héritier, in this issue). Yet despite these efforts to strengthen the Parliament, scholars and commentators alike have avowed that Europe suffers from a ‘democratic deficit’.
The classic argument is that the Union suffers from a democratic deficit because powers are transferred from the national to the European level, but without the establishment of corresponding democratic control at the European level (Føllesdal and Hix, 2006). This affects democratic outcomes in two ways: first, the lack of ability of parties at the European level to control the governing bodies of the EU; and second, the inability of the EP to represent the will of the citizens of Europe (Mair and Thomassen, 2010). European integration has resulted in an increase in executive power and a decrease in national parliamentary control. Yet, the European Parliament has not succeeded in offering citizens the same democratic control as national parliaments. This is not only because the EP is weak compared to the governments in the Council (Hix et al., 2007; Føllesdal and Hix, 2006), but because the European parliamentarians do not have a proper European mandate due to the nature of EP elections.

Studies have shown that there is only a weak connection between voter preferences expressed in EP elections and EP decision-making. A key problem is the second-order nature of EP elections, which fails to motivate public interest in the elections themselves, or in politics at the European level more broadly (Reif and Schmitt, 1980; Van der Eijk and Franklin, 1996; Marsh, 1998; De Vreese et al., 2006). The result is a low turnout at these elections and vote choices based on domestic, rather than European, policy concerns, which means that EU citizens’ preferences on issues on the EU policy agenda have no direct influence on policy outcomes at the EU level (Van der Eijk and Franklin, 1996). It has been argued that the EU may be simply too distant from voters, and that citizens are unable to understand, or even less, identify with, democratic processes at the EU level. Proposals to alleviate this deficit have often focused on institutional reform to provide for more public participation and influence by, for example, strengthening the EP’s role in the election of an EU government or by introducing pan-European referendums or direct elections for the European Commission (see, for example, Schmitter, 2000; Hix, 2008).

Not all scholars agree, however, that this so-called ‘democratic deficit’ exists. Some have argued that the Union is already as democratic as it needs to be or even that it is undesirable for the Union to seek to become democratic (Majone, 1998; Moravcsik, 2002; Crombez, 2003). According to Moravcsik (2002, 2003), the democratic deficit is a myth: the EU already meets the democratic standards of its Member States, and reforms to increase direct political participation would only be counterproductive. Others have gone further and argued that given the nature of the EU, it would even be detrimental to seek to democratize it further. Majone (1998, 2000) has posited that as a ‘regulatory state’ the EU should not seek to imitate the democratic processes of nation-states. Similarly, it has been argued that the EU lacks the structural preconditions to become a democratic polity: without a single European demos, a single European political community, majoritarian democratic institutions are neither possible nor desirable (Weiler et al., 1995; Scharpf, 1999; Schmitt and Thomassen, 1999). As pointed out in the contribution of Fligstein et al. in this issue, this discussion of a European demos is also closely tied to the debate on whether a shared European identity is necessary for a well-functioning democracy at the European level and if so, whether such a collective political identity can be constructed.

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1 See Hobolt et al. (2009) and De Vries et al. (2010) for evidence that attitudes towards Europe do have an impact on vote choice in EP elections.
though shared constitutional norms and institutions (Habermas, 1992) or if it requires a pre-existing cultural nation (Smith, 1992).

While the notion of ‘the people’ is at the very heart of these debates on democracy in the EU, it is noticeable that few scholars on either side of the debate have systematically examined how European citizens view democratic institutions in the EU. It is frequently remarked that few citizens identify with Europe, or the EU, but less attention has been given to whether citizens perceive that the transfer of powers to the EU has led to a ‘democratic deficit’. The public rejection of successive treaties – first the Maastricht Treaty (Denmark), and subsequently the Nice Treaty (Ireland), the Constitutional Treaty (France and the Netherlands) and the Lisbon Treaty (Ireland) – are sometimes interpreted as a protest against lack of democracy in the EU. However, we also know that voting behaviour in these referendums is shaped by many factors other than a call for more democracy in the EU (Franklin et al., 1995; Hobolt, 2009). To understand democratic legitimacy in the Union, a crucial question is how the public views ‘the state of democracy’. As Kohler-Koch and Rittberger (2007, p. 13) note: ‘[W]hat democracy requires is [that] people are convinced that they are truly governing themselves’. Hence, to contribute to the important and ongoing debate on the democratic deficit, this article examines the issue from the perspective of citizens by asking what shapes their satisfaction with democracy in the EU.

II. Satisfaction with Democracy in Europe

When examining attitudes towards democratic governance, the most commonly used measure is a survey question on satisfaction with the way democracy works. This measure has been used widely to examine regime support cross-nationally (see, for example, Anderson and Guillory, 1997; Norris, 1999b, c) and has also been applied to the EU (see, for example, Norris, 1999a; Rohrschneider, 2002; Karp et al., 2003). It focuses on the functioning of democracy in a specific system, rather than support for democratic norms as such. This measure has the further advantage that it allows comparison between national and European levels of governance since surveys such as the Eurobarometer (EB) and the European Election Studies (EES) include questions on both levels of governance. This is important since this article argues that citizens use their opinions of national democratic institutions as a cue when evaluating European institutions. Hence, the first question to address empirically is how citizens’ satisfaction with the EU compares to the national political systems. Using the EES 2009 survey data (EES, 2009; Van Egmond et al., 2010), Table 1 shows levels of satisfaction across all 27 Member States.

The first thing to note when looking at Table 1 is that when comparing citizen satisfaction at the two levels of government, there appears to be a democratic surplus in the EU rather than a deficit. We find that, on average, 56 per cent of citizens are satisfied with democracy compared to 53 per cent who are satisfied with how democracy works at the

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2 Studies examining the construct validity of this measure have shown that it is a valid indicator of actual system support and attitudes toward the political system on the legitimacy dimension (see, for example, Kornberg and Clarke, 1992; Anderson and Guillory, 1997).

3 The voter study was fielded during the four weeks immediately following the EP elections of June 2009, with independently drawn samples of 1,000 respondents in each of the EU’s 27 Member States.

4 The two questions were asked separately in the survey and the question on the EU was asked prior to the question on national democracy.
national level. However, the table also shows considerable variation across countries: 79 per cent of citizens in Poland are satisfied with democracy in the EU, compared to only 40 per cent in Austria. The difference between perceptions at the EU and national levels also varies from 36 points higher levels of satisfaction with the EU in Bulgaria to 37 points lower in Sweden. This variation in satisfaction with democracy, both across and within nations, raises the questions of what shapes positive attitudes towards the functioning of democracy in the EU, and how national institutions shape citizen opinion of the European level.

III. Theorizing Regime Support

In a famous phrase coined by Abraham Lincoln, democratic legitimacy depends on ‘government by the people, of the people, and for the people’. This highlights the distinction between ‘input’ democracy – government by the people, focused on the procedures that allow for citizen participation and input in the democratic process – and
‘output’ democracy – government for the people, focused on government effectiveness and performance (Scharpf, 1999). As Dahl (1989, Chapter 2) put it, political representation contains both a procedural and a substantive component. Equally, the primary explanations of citizen support for a democratic regime can be summarized by two models. First, there is the procedural-input-based model, where support is based on trust in democratic institutions as well as participation in the democratic process. Second, there is an output-based model, where citizen support is based on the performance of the government (Scharpf, 1999; Norris, 1999b). Indeed, much of the debate on how to ‘fix’ the democratic deficit in the EU has focused on whether to strengthen the procedural (input) aspects of democracy by, say, giving more powers to the EP (see, for example, Lord and Magnette, 2004; Hix, 2008), or by enhancing the output legitimacy by, say, improving the effectiveness of institutions and procedures (see, for example, Scharpf, 1999; Majone, 2000).

To examine what shapes citizen satisfaction with democracy in the EU, we therefore take a starting point in these two central models of regime support: an input-based procedural model and an output-based performance model. Importantly, however, we must also extend these models to incorporate both levels of government. Since the democratic processes in the nation-states provide the primary ‘democratic experience’ for citizens, we expect that these institutions provide a benchmark against which the EU will be judged.

**The Procedural Model of Regime Support**

‘Government by the people’ is based on the notion that the outcomes of democratic processes are legitimate to the extent that they can be said to reflect the ‘will of the people’ (Schumpeter, 1942). Regime support therefore depends on the procedures in place to ensure that people’s preferences are translated into democratic outcomes, and crucially that people trust that these institutions provide a fair articulation of each person’s interest (Dahl, 1989). Trust in the fairness and responsiveness of democratic institutions is thus a key factor in the procedural model. Moreover, there is a participatory element to this approach since participation in electoral processes provides input legitimacy: individuals who participate in the democratic processes are more likely to be supportive of them (Lord and Magnette, 2004). Of course, the direction of the causal arrow is difficult to determine: participation may lead to satisfaction or vice versa.

Given the multi-level nature of the EU, the question is whether these factors affect regime support at both levels equally, and how the confidence in institutions at one level affects confidence in institutions at the other. We expect trust in representative institutions to shape regime support at both levels of government. Importantly, we also expect a positive spillover effect from the national level to the European level: people who trust their national institutions are more likely to be satisfied with EU democracy. In a study of EB data from 1994, Rohrschneider (2002) shows that satisfaction with national democracy is positively associated with satisfaction with EU democracy. One reason for this relationship between domestic politics and satisfaction with EU democracy may be that the national institutions form part of the democratic processes at the European level as national parliaments elect the governments that form part of the legislative and executive powers of the Union. Another reason is that since citizens will often have less information about European democracy, they use their attitudes towards national democratic
institutions as a ‘proxy’ when forming opinions about EU democracy. Previous studies have shown that support for integration depends on the legitimacy and efficiency of the nation-state (Anderson, 1998; Janssen, 1991) and voters in EU referendums often rely on cues from national governments (Franklin et al., 1995; Hobolt, 2009). As Anderson (1998, pp. 574–5) explains in his study of support for integration: ‘[G]iven the generally low levels of awareness about the EU among citizens of member states, attitudes about the advantages and disadvantages of integration may essentially reflect other, more firmly held and extensively developed political beliefs that are the result of citizens’ experiences with the domestic political reality’.

We therefore expect a positive relationship between an individual’s trust in national institutions and satisfaction with EU democracy. This expectation, however, runs counter to a well-known study by Sanchez-Cuenca (2000), which argues that the relationship between perceptions of the two levels is inverse: the better the opinions of national institutions, the worse the opinion of the EU and vice versa. According to Sanchez-Cuenca (2000, p. 147), ‘this is so because the worse the opinion of the national political system, the lower the opportunity cost of transferring sovereignty’. On the contrary, it is posited here that negative opinions of national institutions will translate into lower rather than higher satisfaction with democracy in the EU. However, it is also acknowledged that national institutions are likely to form the yardstick for how a country’s citizenry evaluate EU institutions since they are more familiar with national democratic processes (Sanchez-Cuenca, 2000; Rohrschneider, 2002). As a consequence, one would expect that, in countries with high-quality national institutions, satisfaction with EU democracy will generally be lower since the national experience sets a higher bar for what is ‘satisfactory’ in a political system.5 However, within countries, those individuals who have greater confidence in their national institutions will also be more satisfied with the EU. In other words, while the quality of national institutions helps to explain ‘intercept’ differences in EU democracy satisfaction between countries, individual-level perceptions of national institutions explain heterogeneity in satisfaction with EU democracy within countries.

This discussion of the procedural model leads to the following hypotheses:

**H1:** Individuals who take part in EP elections are more likely to be satisfied with democracy in the EU.

**H2:** Individuals who have confidence in the EP are more likely to be satisfied with EU democracy. Confidence in national parliaments also has a positive effect on satisfaction with democracy in the EU.

**H3:** In countries with higher-quality national institutions, citizens are, on average, less likely to be satisfied with democracy in the EU.

The Performance Model of Regime Support

‘Government for the people’ assumes that democracies derive their legitimacy from their capacity to solve problems requiring collective solutions. According to this approach, it is the output of the democratic process that matters rather than the input. Regime support

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5 Rohrschneider (2002) shows that the quality of national institutions mediates the effect of the perceived democratic deficit on EU support: higher-quality institutions make evaluations of EU representation a more important predictor of EU support. However, he does not examine the effect of institutional quality on satisfaction with EU democracy.
depends on evaluations of government performance, particularly economic performance (Citrin, 1974; Weatherford, 1991). Support for a political regime is therefore likely to fluctuate according to government performance, but when successive governments have succeeded in meeting public expectations of peace and security, this generates diffuse support for the political regime (Easton, 1975). In the EU context, scholars have argued that whereas input-oriented and output-oriented legitimacy coexist in democratic nation-states, support for democracy in the EU must rely solely on output-based legitimacy (see, for example, Majone, 1998, 2000). As Scharpf (1999, p. 12) notes: ‘[T]he legitimacy of [the EU’s] institutional practices [...] is almost automatically judged, and found wanting, by reference to the conglomerate of input- and output-oriented criteria familiar from national debates’. In other words, the argument is that since the EU lacks a single demos with a collective identity, the legitimacy of the Union hinges almost exclusively on its performance (Scharpf, 1999; Majone, 2000). Majone (1993) has suggested that the EU institutions are best legitimated through their ability to offer Pareto improving institutions.6

The economy has been shown to be an important determinant for general EU support, both in terms of individuals’ economic position and perceptions of economic benefits (Gabel, 1998; Gabel and Palmer, 1995; Anderson and Reichert, 1996) and national economic conditions (Eichenberg and Dalton, 1993). There are more mixed results concerning the effect of net EU transfers on support (Eichenberg and Dalton, 1993; Carruba, 1997). Moreover, Karp et al. (2003) and Rohrschneider (2002) find no effect of positive evaluations of the economy on satisfaction with democracy in the EU. Karp et al.’s bivariate analysis of satisfaction with EU democracy in 15 countries does, however, suggest that net financial transfers have an impact on satisfaction with EU democracy.

In line with the reasoning presented above, one would expect a positive spillover effect from the national to the EU level – that is, the hypothesis that positive evaluations of both government performance and the economy will positively affect satisfaction with democracy in the EU. The reasons are twofold. First, the EU has an increasingly direct impact on economic policies, especially in eurozone countries, and hence economic outcomes are at least partly the result of EU policies. Second, as discussed above, voters use the national level as a proxy when evaluating how the EU functions. It is also expected that actual economic conditions will affect satisfaction with democracy. Better economic conditions (for example, higher growth) and higher transfers from the EU to the national level should increase satisfaction with democracy in the EU. This leads to the following hypotheses:

\[ H4: \] Individuals who think that economic conditions have improved are more likely to be satisfied with democracy in the EU.

\[ H5: \] Individuals who are satisfied with the national government are more likely to be satisfied with democracy in the EU.

\[ H6: \] In countries with economic growth, individuals are more likely to be satisfied with democracy in the EU.

\[ H7: \] In countries that receive large transfers from the EU, individuals are more likely to be satisfied with the democracy in the EU.

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6 A Pareto improvement is an increase in Pareto efficiency: through reallocation, improvements to at least one individual’s or country’s well-being can be made without reducing any other individual’s or country’s well-being.
In a system of multi-level governance, it is by no means clear-cut to citizens which policy responsibilities pertain to different levels of government (Rudolph, 2003; Cutler, 2004). However, evaluations of European democracy are likely to depend on the extent to which citizens assign responsibility to the EU institutions. If citizens attribute greater responsibility to the EU, then they are also likely to have higher expectations of the quality of EU governance and the legitimacy of decisions taken by EU institutions. As a consequence, the hypothesis is that the more responsibility citizens assign to the EU, the lower their level of satisfaction with EU democracy:

**H8**: Individuals who assign more responsibility to the EU are less likely to be satisfied with democracy in the EU.

Finally, since the expectation of citizens using the national level as a ‘proxy’ for their EU evaluations is based on the assumption that people generally have limited knowledge about the European level, one would expect this to be conditioned by an individual’s political awareness. Citizens who are very knowledgeable about this level of government are likely to rely more on their trust in European institutions, rather than national institutions and national government performance, when forming opinions about the EU. A similar proposition was tested in a study of satisfaction with democracy in the EU by Karp et al. (2003, p. 276), who argue that ‘as knowledge grows, then summary evaluations of the EU should be more strongly rooted in evaluations of the EU rather than evaluations of national actors and institutions’. They find support for this argument in their analysis of EB data from 1999, and despite increasing politicization of the EU since then (Zürn and de Wilde, in this issue), one should still expect to find that knowledge conditions the extent to which citizens rely on trust in EU institutions when forming opinions about the EU. This leads to the final hypothesis:

**H9**: The more knowledgeable about the EU individuals are, the more their satisfaction with democracy in the EU depends on their evaluation of EU institutions and less on their evaluation of national institutions and national government performance.

**IV. Analyzing Satisfaction with European Union Democracy**

To test these theoretical propositions, satisfaction with democracy is analyzed at the national and EU levels using the European Elections Study 2009 data, described above (EES, 2009; Van Egmond et al., 2010). This voter survey was conducted in all 27 Member States simultaneously, and it allows us to analyze which factors shape variation both between individuals and across countries. The dependent variable is ‘satisfaction with democracy in the EU level’, and there is a four-point scale from ‘not at all satisfied’ to ‘very satisfied’.

To model the effect of ‘procedural’ and ‘performance’ factors, variables at both the individual and the country levels are included. First, individual-level procedural factors are operationalized by including a dummy that indicates whether the respondent participated in the last EP election and two variables that capture confidence in both national and EU representative institutions, using the five-point answers to the questions of whether respondents agree with the following statement: ‘The European Parliament/<country>parliament takes into consideration the concerns of European/<country>citizens’.
To test the impact of performance-based evaluations, two individual-level variables are used. First, economic evaluations are measured with a standard ‘retrospective evaluations of the economy’ question, where higher scores indicate a more positive evaluation. Second, a dummy variable indicating approval of the government’s record to date is included as are a number of control variables in the model. Socio-demographic variables of sex, age, class and education are included since previous studies have shown that such variables shape EU support and satisfaction (see, for example, Gabel, 1998; Rohrschneider, 2002). To ensure that satisfaction with EU democracy rather than general support for the European integration is captured, EU support is controlled for using the standard measure of support for European unification. European identity is also controlled for since studies have shown that in-group identity is a strong predictor of EU support (Carey, 2002; McLaren, 2006; Hooghe and Marks, 2004, 2005). Assignment of responsibility to the EU is captured by a scale based on five ‘functional attribution of responsibility’ questions that ask respondents how responsible the EU is for the economy, interest rates, health care, climate change and immigration. The scale runs from 0 to 1, where 1 is maximum responsibility assigned to the EU. Finally, a variable for knowledge about the EU is included since ‘cognitive mobilization’ and knowledge have been shown to be positively correlated with regime support (Inglehart, 1970; Anderson, 1998; Karp et al., 2003). Four objective knowledge questions about institutions and processes in the EU are used to construct a knowledge scale, which is country-mean-centred (see Van Egmond et al., 2010 for exact EES question wording).

To account for variation in regime support between countries, country-level variables are included. The procedural hypothesis relates to the quality of national institutions, which is measured using the World Bank’s governance indicators on voice and accountability, government effectiveness, regulatory quality, rule of law and control of corruption (see Kaufmann et al., 2009). An additive scale of these five indicators (Cronbach’s alpha 0.96), which runs from 0 to 10, has been created. To test the effect of performance variables, a variable of economic growth (first quarter 2009 figures, Eurostat) is included, as well as net transfers to/from the EU as a percentage of gross national income (GNI) (2008 figures, Eurostat). Finally, ‘age of democracy’ is controlled for.

To explain the variation in satisfaction with EU democracy both within and across countries, multi-level analysis is used since neglecting the hierarchical structure of the EES data would lead to an underestimation of standard errors and the likelihood of

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7 ‘What do you think about the economy? Compared to 12 months ago, do you think that the general economic situation in Britain is “a lot better”, “a little better”, “stayed the same”, “a little worse” or “a lot worse”?'
8 Dummy indicating ‘middle class’ based on subjective evaluation of social class.
9 Age at which respondent left full-time education.
10 ‘Some say European unification should be pushed further. Others say it already has gone too far. What is your opinion?’
11 Dummy variable indicating respondents who see themselves as either ‘European and <country>’ or ‘European only’ as opposed to ‘<country only>’ or ‘<country>and European’. Unfortunately, the survey data do not allow us to distinguish between different types of identification (for example, civic versus cultural).
12 For example: ‘First, thinking about the economy, how responsible is the European Union for economic conditions in your country? Please indicate your view using any number on a scale from 0 to 10, where 0 means “no responsibility” and 10 means “full responsibility”:’.
13 In previous model specification, we also included a control variable for the post-communist countries that entered the EU in 2004 and 2007, but this was not significant.
14 The models were estimated as linear multi-level models, but the results are substantively similar if we estimate them as ordered logit models instead.

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A multi-level approach corrects for dependence of observations within countries (intra-class correlation) and makes adjustments to both within and between parameter estimates for the clustered nature of the data (Snijders and Bosker, 1999). Moreover, a random-effects approach allows us to explicitly model differences in regime support according to the specific political and economic context, which would not be possible with a fixed effects model.

Three models are presented: one with individual-level variables, one with individual-level and context variables, and one that also includes interaction with political knowledge. The results are shown in Table 2. The models presented in the table show strong empirical support for both the procedural and performance approaches to regime support. Looking at Model 1, one can see that the individual-level indicators of input legitimacy have the expected effect on satisfaction with democracy: participating in EP elections and

<table>
<thead>
<tr>
<th>Table 2: Multi-level Model of Satisfaction with EU Democracy</th>
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<tr>
<td><strong>Model 1</strong></td>
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<td>Intercept</td>
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<td><strong>Individual-level</strong></td>
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<td>Female (0-1)</td>
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<td>Age</td>
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<td>European identity (0-1)</td>
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<td>Support for European unification (0-10)</td>
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<td>Knowledge scale</td>
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<td>Confidence in national parliament (NP) (1-5)</td>
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<td>Election participation (0-1)</td>
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<td>Confidence in European Parliament (1-5)</td>
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<td>Assignment of EU responsibility (0-1)</td>
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<td>Economic evaluations (1-5)</td>
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<td>Government approval (0-1)</td>
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<td><strong>Country-level</strong></td>
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<td>Age of democracy</td>
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<td>Quality of governing institutions</td>
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<td>Net EU transfers (% of GNI)</td>
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<td>Growth</td>
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<td><strong>Interactions</strong></td>
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<td>Knowledge* EP confidence</td>
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<td>Knowledge* NP confidence</td>
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<td>Knowledge*Government approval</td>
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<td>Political system variance</td>
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<td>AIC</td>
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<td>N (system, individual)</td>
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Source: EES (2009).
Note: Dependent variable is satisfaction with democracy in the EU (4-point scale; EES, 2009). Standard errors are in parentheses. *** p < .01; ** p < .05; * p < .10, two-tailed test.
having confidence in the responsiveness of legislative institutions lead to higher satisfaction with democracy, as anticipated by $H1$ and $H2$. Equally, performance indicators have the hypothesized effect: positive economic evaluations and government approval lead to greater democratic satisfaction ($H4$ and $H5$). As expected, and in contrast to some findings in the extant literature (Sanchez-Cuenca, 2000; Rohrschneider, 2002), there is also a positive spillover effect from the national to the EU level in terms of both procedural and performance factors. These differences may be due to the fact that the dependent variable in this study is satisfaction with democracy rather than general EU support.

When studying satisfaction with EU democracy, one finds that greater confidence in the national parliament and in the national government also leads to greater satisfaction with the EU. As expected, the results also show that people who assign greater responsibility to the EU are more critical of EU democracy ($H8$). In terms of size of effects, confidence in the EP has the largest effect on satisfaction with EU democracy, all other things being equal. Moving from no confidence to full confidence in the EP increases satisfaction with EU democracy by 0.75 on a four-point satisfaction scale, while in comparison, government approval shifts democracy satisfaction by only 0.2. In line with the extant literature, the control variables show that citizens who are middle class, better educated and more knowledgeable about politics are more satisfied with democracy in general. Support for European unification and European identity also have a significant impact on EU democracy satisfaction, as one would expect.

Turning to the country-level effects in Model 2, we see that only one of the variables is significant – namely the quality of national institutions. This variable has the hypothesized effect ($H3$), demonstrating that average satisfaction with democracy in the EU is lower in countries with high-quality national institutions. Moving from the minimum to the maximum on this institutional quality 10-point scale lowers average EU satisfaction in a country by 0.3 on a 4-point scale. It was argued above that this may be due to the fact that citizens use national institutions as a benchmark when evaluating EU democracy. Hence, the quality of national institutions explains country intercept (mean) differences in EU democracy satisfaction. There is no evidence, however, that there is a trade-off at the individual level between the perceived quality of national institutions and the perceived quality of the EU, as Sanchez-Cuenca (2000) has suggested. Although the coefficients of net EU transfers and growth are in the expected direction (positive), they are statistically insignificant. This may be because citizens are largely unaware of these transfers (Carruba, 1997; Gabel, 1998). Karp et al. (2003) did find some evidence that transfers had a positive effect on satisfaction with EU democracy in their bivariate analysis. The same bivariate relationship is found here; however, this effect of transfers disappears when one controls for quality of national institutions.

The final model examines whether evaluations of European institutions matter more to citizens who are more knowledgeable about the EU than national proxies such as confidence in the national parliament and satisfaction with the national government ($H9$). To test this, three interaction terms have been included: EU knowledge x EP confidence, EU knowledge x National parliament confidence, and EU knowledge x Government satisfaction. All three interaction terms are statistically significant in the expected direction. This means that people who are knowledgeable about the EU are more likely to rely on their evaluation of the EP when forming opinions on EU democracy, and less likely to take cues from their evaluation of national executive and legislative institutions. To illustrate this
conditioning effect of EU knowledge, Figure 1 plots the effect of confidence in the EP on EU democracy satisfaction for a high-knowledge individual (score = 4) and a low-knowledge individual (score = 1).

In sum, the findings indicate that both procedural and performance factors influence individuals’ satisfaction with EU democracy. While the quality of national institutions explains cross-national differences in satisfaction with EU democracy, objective economic conditions appear to have no effect on regime support. There is a positive spill-over effect of confidence in national institutions to satisfaction with EU democracy, but such ‘domestic cue-taking’ is less pronounced for people who are knowledgeable about the EU.

Conclusions

Public evaluations of democratic processes are increasingly important to the integration process. Gone are the days where national leaders could decide Europe’s future behind closed doors without worrying about public opinion. Zürn and de Wilde highlight in their contribution to this issue that as the integration process has deepened, the debate concerning the EU has also become increasingly politicized and national governments can no longer rely on a ‘permissive consensus’ (see also Hooghe and Marks, 2009). This process has also intensified debates on the Union’s democratic deficit among scholars and politicians alike. Yet, only few scholars have linked their discussion of how to ‘fix the deficit’ to a study of public perceptions of democracy in the Union. Hence, to contribute to this ongoing and important debate, this article has examined what drives citizens’ evaluations of democracy in the EU.

The first thing to note is that, on average, satisfaction with democracy in the EU among Europeans is actually relatively high: over half of them are fairly or very satisfied with how democracy works in the EU – slightly more than the proportion of citizens who are satisfied with democracy in their own country. When examining what drives
satisfaction with EU democracy, there are also some findings that appear promising from the perspective of the debate on the democratic deficit. First, the results indicate that procedural and performance factors both contribute to people’s support for EU democracy. Hence, it seems that procedural and performance elements can coexist in the EU despite a ‘thin’ collective identity.

Second, while citizens take cues from the national level when forming opinions about European democracy, there appears to be a positive relationship between regime support at the two levels of government. High-quality national institutions may, on average, set the bar slightly higher for citizen evaluations of EU institutions in a country, but a person’s confidence in national democracy also breeds confidence in EU democracy. Hence, satisfaction with EU democracy is not the result of frustration with how the nation-state is governed (Sanchez-Cuenca, 2000).

Third, in line with the findings of Rohrschneider (2002) and Karp et al. (2003), it seems that confidence in European institutions is more important to evaluations of EU democracy than evaluations of national institutions. Moreover, this seems particularly to be the case for individuals who know more about the EU: as knowledge increases, procedural European factors become more important to citizen evaluations of EU democracy.

These findings have implications for the debate on the Union’s democratic deficit. They suggest that citizens do care about the Union’s democratic procedures and institutions. Hence, focusing solely on the effectiveness of the EU and its performance may not be sufficient to satisfy citizens. Indeed, no evidence is found that economic growth or financial transfers boost satisfaction with EU democracy. Moreover, as the EU issue becomes more politicized and citizens learn more about the EU, the findings suggest that they will care more about the procedural aspects of the Union when evaluating EU democracy. This does not necessarily imply that they will be more satisfied with democracy in the EU. In contrast, as they learn more, they may also become more critical and set higher standards for the representational linkages. The analyses also demonstrate that citizens who ascribe greater responsibility to the EU are generally less satisfied with EU democracy. This suggests that as more powers are transferred to the EU level, citizens may become more critical and demanding of EU institutions. For the EU, the continuing challenge is therefore not only to deliver economic prosperity and stability, but also to breed confidence in its democratic institutions.

These conclusions relate to broader debates about the democratic legitimacy of international and global institutions and organizations. Indeed, the issue of how to establish international institutions that can provide collective solutions to supranational problems, but also remain democratically legitimate and accountable, is at the heart of the debates on global governance. Keohane (2001) has referred to this as the international ‘governance dilemma’, where collectively we stand to benefit from a world governed by rules and institutions, yet the increased power of international institutions may also pose a threat to our liberty and undermine the legitimacy of these international organizations. Similarly, Slaughter (2004) presents the ‘globalization paradox’: the need for more government yet the fear of its anti-democratic and unaccountable concentration of power. She argues that the solution is not a single global government, but global government networks where national agencies and courts work with their international counterparts to deal with a wide variety of global concerns. This implies a form of indirect legitimacy of global governance through domestic institutions.
Compared to practices of global governance, EU governance is more limited but also more ambitious: more limited in its geographical reach, but more ambitious in the extensive transfers of powers from sovereign nation-states to a complex system of supranational governance. Yet, the EU faces the same dilemma of interdependence and collective advantages of supranational policy solutions coupled with the threat to the democratic legitimacy of governance as power is centralized at the European level. The EU is thus an apposite ‘living laboratory’ that can shed light on this broader governance dilemma.

The findings in this article suggest that effective solutions to collective problems provided by supranational institutions are not sufficient to make such transfers of powers legitimate in the eyes of citizens. Moreover, although trust in national institutions has a positive effect on satisfaction with EU democracy, indirect legitimacy of the EU through its component states and their institutions is also inadequate. Instead, the analyses suggest that trust in supranational institutions and procedures is crucial to people’s satisfaction with democracy in the EU. The findings also demonstrate that as people attribute more power to the EU level and become more knowledgeable, they become more demanding of the quality of democratic institutions beyond the nation-state. This does not imply that a single ‘global government’, modelled on the nation-state, is the solution to the dilemma of global governance. However, it does highlight that instilling a sense of public ownership is essential regardless of the level and location of decision-making. This study of public satisfaction with democracy in the EU suggests that such a sense of ownership can be based on a plurality of sources, rather than a single legitimating principle.

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