Consequences and incentives for EU politicization in the domestic parliamentary arena: new quest for democracy in times of economic crisis?

Sabrina Cavatorto (Università di Siena) sabrina.cavatorto@unisi.it

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1. Introduction

This paper examines the relationship between the economic crisis and the politicization of the EU at the domestic level in the parliamentary arena, the main institutional connection to decision-making that most European countries provide their citizens with.

In consideration of the traditional and quite diffuse lack of attention devoted by national parliamentarians to EU affairs, especially in the most pro-Europe countries (Hooghe and Marks 2009; Green-Pedersen 2012), the research is aimed at investigating incentives for parliamentary party actors activation towards Brussels in times of economic crisis, being considered crises - as referendum - important opportunity structures for politicising the EU (De Wilde & Zürn 2012).

Concentrating on a country like Italy well known for its identity Europeanism, which corresponds to a strong a priori support for European integration both among elites and public opinion, the paper explores if the Euro crisis and the regulatory remedies associated with it have acted as catalyst factors of an increased involvement of members of the national Parliament (MPs) in EU affairs. Has this process occurred and to what extent? If, on the contrary, the profile of attention has remained low, which incentives are additionally required to further activate Italian MPs vis-à-vis EU issues?

When conceptualizing politicization, I agree with Zürn (2016) that a multi-dimensional space can be used on the operational level. Different components may be analysed in the parliamentary arena: 1) issue-salience; 2) participation of MPs in policy decisions; 3) disagreement among party actors and polarization of policy preferences (on the point see also De Wilde, Leupold & Schmidtke 2016).

Accordingly, main analytical dimensions of politicisation are observed here over time through the study of parliamentary behaviour and discourse during the approval of fundamental legislative and non legislative decisions in the context of the multilevel economic policy coordination.
The research focused on the period 2008-2014, which has been crucial for a number of reasons:

- as regards the external context, we observe especially from winter 2009-2010 onwards the escalation of the financial crisis to a sovereign debt crisis in the euro zone, with repercussions on member states with a debt/GDP ratio higher (Dinan 2012; Cotta 2014); consequently, the approval of the European semester as a new working method for coordinating national fiscal policies so as to ensure, together with other sets of binding measures introduced gradually and subsequently, more consistency between national budgets and EU regulations;

- regarding the internal context, since 2009 important reforms have been adopted to increase the compliance of the Italian system of accounting and public finances with the European Monetary Union (EMU) requirements. Moreover, from summer 2011, the negative impact from the euro crisis became more visible and affected deeply parliamentary-government dynamics as well as the practices in the relationship between majority and opposition were strongly influenced by the transition to the technical government led by Professor Mario Monti - former European Commissioner, then Italian Senator (Marangoni and Verzichelli 2015) and, in 2013, by the passage from 16th to 17th legislature.

The implementation of the European economic semester at the domestic level and the involvement of MPs in this procedure are examined while concentrating empirical attention on crucial decision making processes chosen as case-studies.

On the one hand, before and after the entering into force of the new EU economic governance tools, in the period 2008-2014 parliamentary proceedings related to Italian draft budgets and financial laws have been considered. In this first case-study we opted for a diachronic investigation, which has allowed to compare data over time and by cabinets. Economic and financial programming documents, together with budget and financial laws are solid and well-structured components of Italian budgetary decision making since the ‘80s, after which they have been progressively adapted to ensure compliance with EU rules. As a consequence, the yearly recurrence of this programmed process of “ordinary” but strategic decision making allows us to observe possible changes in parliamentary dynamics over time.

On the other hand, the Constitutionalisation and the implementation of the balanced-budget amendment and the ratification of the international treaties regulating and disciplining the Euro zone governance are also included. This second case-study identifies “meta-decisions”, which are non-programmed but constitutive decisions, taken as anti-crisis remedies in the EU first, then processed (and incorporated) at the domestic level.

Additionally, as a cross-sectoral comparison with the macroeconomic policy area, some other crucial topics exposed to similar or different degrees of EU authority have been measured in the same period 2008-2014 through the indicator of MPs’ attendance.

Plenary meetings have been especially analysed because of their communicative potential towards a larger audience beyond the Parliament (Auel and Raunio 2014).

Main assumption is that European policy pressures - as it happens in the areas of budget and finance - matter in politicizing EU domestically, but only to the extent to which these pressures are incorporated within the priorities of national parties (as usual, electoral consensus, office positions and/or policy goals) and can motivate a considerable number of MPs acting as policy.

\[\text{\footnotesize Note: Voting behaviour has been also measured but not systematically reported here.} \]
activists/entrepreneurs. The conditions under which this process occurs distinguish between government and opposition parties.

Thereupon, focusing on party competition and parliamentarians’ policy activism, the general purpose of this research - in its seminal steps here - is contributing with a single case-study to the theory of politicization of the EU at the domestic level. Moreover, the implications these processes may have for EU democratic legitimacy and standards should be further unfolded.

This paper presents hence exploratory findings and is structured as follows: first, the adaptation of the budget cycle to EU rules and the implications for national parliaments in debtor member states are discussed, together with the main research questions about EU politicization and the domestic parliamentary arena; second, empirical data from the Italian Parliament about selected decisions are described and interpreted; third, as a preliminary conclusion on the Italian case, a more detailed presentation of the relations among different components of politicization is elaborated, together with initial explanatory reasoning about which incentives are required for Italian MPs to engage at a greater extent in EU-related affairs, thus becoming conducive of EU politicization.

2. The adaptation of budget policy cycle to EU rules: risks and challenges for national parliaments

In the context of the “executive-dominated federalism” (Puettter 2012; Crum 2013) operating in the euro crisis for the management of EU monetary policy, a serious risk for a “democratic default” has been largely envisaged (Majone 2014). This risk has been distributed asymmetrically within the EU: “practically all the costs of rescuing the common currency are borne by the debtor states and their citizens” (Scharpf 2014: 13). Particularly diminished by this “dictat imposed by creditor governments” (Scharpf 2014: 4) resulted the parliaments, especially at the national level.

National Parliaments (NPs) generally experienced their budgetary authority reduced (Crum 2013; Fossum 2014) and suffered in amplified way the imbalance between governments of creditor countries and governments of debtor countries. Notably, NPs in stronger member states (creditors) are less weakened than NPs in more compromised countries (debtors), because of the fact that the former has determined much of the conditions under which the latter are pushed to act (Benz 2013). So far as that is concerned, especially in those countries more in trouble because of the crisis, NPs are asked to pass decisions already taken by the executives of the EU member states, basically without appropriate scrutiny and discussion at the domestic level. Simply, they have been mainly asked to justify in front of the electorate the sacrifices derived from the adoption of restrictive economic policies (Puntscher Riekmann & Wydra 2013).

At present, the implementation of the European semester requires that it is “the Commission - not the national parliament - the first institution where the proposed budget of a country in financial difficulties is examined” (Majone 2014b: 6).

The policy cycle - that begins around November each year with the publication of the Annual Growth Survey (AGS)\(^2\) and the Alert Mechanism Report (AMP)\(^3\) by the Commission – ends when the member states submit to the Commission their draft budgetary plans (DBP) for the following

\(^2\) The AGS sets out general economic priorities for the EU and provides member states with policy guidance for the following year.

\(^3\) The AMP is an early warning report for detecting and addressing economic trends or imbalances.
year (no later than mid October). In the meanwhile, the Commission assesses the plans and makes a series of country-specific recommendation to each of them, as well as euro area recommendations, to be discussed and then formally adopted by the Council of the EU. If a draft budgetary plans does not comply with the requirements under the Stability and Growth Pact, the Commission issues an opinion (before 30 November).

At that point, the member states have (little) time left, by the end of the year, to reformulate and approve by law the final budget (the Stability law) accordingly to the Commission’s opinion and the Ecofin recommendations, previously endorsed by the European Council.

In the articulation of the entire policy process, the role of the European Parliament - although strengthened from 2011 - it is only advisory, as part of the so-called “Economic dialogue”.

As a consequence, in order to prevent severe risk of legitimacy contestation and to take growing euro-scepticism of public opinion seriously into account, the Commission started advising member states to maximize NPs involvement, together with all other relevant social parties and territorial actors. The declared purpose has been “to create a shared sense of ownership and steer progress as part of wider EU efforts to exit from the crisis” (European Commission 2012: 14) and “to secure public understanding and acceptance of the necessary reforms” (European Commission 2013: 5). An active engagement of NPs is to a great degree suggested well sooner than both the national reform programmes and the stability or convergence programmes are going to be presented to the institutions of the EU6.

In the passage of the European legislature at the end of 2014, risks of contestation have been pointed out by the Commission Junker itself, intervened to propose a revision of the whole system with “possible areas for improvement concerning transparency and complexity of policy making” (European Commission 2014a: 12). “A proper involvement of national Parliaments” is considered “crucial in ensuring the legitimacy of member states’ action” (Idibem) and in so doing strengthen the support for structural reforms at member state level (European Commission 2014b). The general purpose is “combining stability with fairness and democratic accountability”5.

Against this backdrop, what can we expect happened in Italy, a member state experiencing imbalances in the period 2012–2014, with high public debt and modest level of competitiveness and economic growth, which also led to the opening of an excessive deficit procedure by the European Commission6?

It is no wonder that to effectively comply with the reinforced constraints deriving from supranational financial programming and economic policy coordination, Italy quite rapidly adjusted its internal rules about public finances and accounting (Law 39/2011 amending previous Law 196/2009). Then, in anticipation of the entry into force of the Fiscal compact from 1 January 2013, in the heart of the euro crisis, two other important meta-decisions were adopted as anti-crisis remedies to adhere to EU requirements: the constitutionalisation and subsequent implementation of the balanced-budget amendment, the so-called “golden rule” (Constitutional Law 1/2012 and Law 243/2012 respectively), together with the ratification of the intergovernmental Treaties - examined as a unique package by the Parliament - about the euro governance: the Fiscal Compact (Law 114/2012) and the European Stability Mechanism (ESM) – additionally requiring a Treaty amendment to article 136 TFEU.

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4 These programmes, to be submitted by 15 April, and by the end of April at the latest, outline MSs’ medium-term budgetary strategy and structural reform plans.

5 The Five Presidents’ Report published in 2015 has been the first result in that direction (http://ec.europa.eu/priorities/sites/beta-political/files/5-presidents-report_en.pdf).

6 Decision 2010/286/UE of the Council, then abrogated in June 2013 (Decision 2013/314/EU).
An outline of Italian legislative adjustments is summarized in Fig. 1.

**Fig. 1 – The adjustment in Italy of domestic rules to EU regime**

<table>
<thead>
<tr>
<th>Changes to SGP: the ‘prudent’ fiscal policy making</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Six pack</strong> (Nov 2011)</td>
</tr>
<tr>
<td>Budget balance, fiscal consolidation, sanctions</td>
</tr>
<tr>
<td><strong>Two pack</strong> (May 2013)</td>
</tr>
<tr>
<td>rafforzamento sorveglianza econ/bilancio;</td>
</tr>
<tr>
<td>monitoraggio e valutazione progetti di bilancio;</td>
</tr>
<tr>
<td>correzione disavanzi eccessivi</td>
</tr>
<tr>
<td><strong>Europlus Pact</strong> (March 2011)</td>
</tr>
<tr>
<td>&amp;</td>
</tr>
<tr>
<td><strong>Fiscal Compact</strong> (Jan 2013)</td>
</tr>
<tr>
<td>Budget policy coordination</td>
</tr>
<tr>
<td><strong>European Stability Mechanism</strong> (Sept 2012)</td>
</tr>
</tbody>
</table>

- **L. 196/2009** then **L. 39/2011** accounting system and public finances reform
- **Ratified by L. 114/2012** (together with **L. 115 e 116/2012** Euro governance Treaties)
- **Constitutional Law 1/2012** set up the balance budget NEW art. 81 (entered into force since 1 Jan 2014)
- **L. 243/2012** executes the budget balance & sets up the PBO as an IA

As a consequence, at the domestic level, the coordinated planning cycle starts now every year with the submission by mid of April of the Economic and Financial Document (DEF)\(^7\), which includes sections containing the Update of the Stability Programme (PS) and the National Reform Programme (PNR). The policy making calendar is showed in Fig. 2.

After Cabinet approval, the DEF is sent by the executive to the European Commission and to the parliament. Within the parliament, it is first examined by the relevant committees in the Senate and at the Chamber of Deputies, then sent to the plenary for general discussion. The two houses approve the DEF through resolutions, that are binding acts on the government. Once the DEF has been considered by parliament (adoption of resolutions), the PS and the PNR are sent to the institutions of the EU by end of April for proper evaluation and possible adoption of country-specific recommendations.

Later on, in September, the government sends to parliament the Update Note of the DEF (Nota di aggiornamento) which contains an update of macroeconomic and public finances forecasts as well as planning targets integrating any comments by the Council of the EU (Ecofin). The updating is mandatory.

As far as the other steps of the budgetary cycle are concerned, the reform did not change the policy objective implementation phase, which must take place in autumn, by laying before parliament the Stability Bill (Legge di stabilità) and the State Budget Bill representing the three-year budget package, by no later than mid-October each year. Simultaneously, the Draft budgetary

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\(^7\) The DEF superseded the Public Finance Decision (DFP, Decisione di finanza pubblica) - a planning tool based on a three-year period introduced by Law 196/2009 - that had previously superseded the Economic and Financial Planning Document (DPEF, Documento di programmazione economico-finanziaria), set up by Law 362/1988.
plan (DBP) is sent by the government to the EU institutions for monitoring and assessment of its consistency with the stability programme.

Fig. 2 – Multilevel economic policy coordination cycle

<table>
<thead>
<tr>
<th></th>
<th>UE</th>
<th>Italia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nov</td>
<td>COM_Analisi crescita/ Meccanismo allerta</td>
<td></td>
</tr>
<tr>
<td>Mar</td>
<td>CONS EUR_Orientamenti</td>
<td></td>
</tr>
<tr>
<td>Apr</td>
<td>COM_valutazione PS e PNR/ proposta Raccomandazioni</td>
<td>DEF (con PS e PNR)</td>
</tr>
<tr>
<td>Magg</td>
<td>CONS UE&amp;CONS EUR_adozione Raccomandazioni</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nota aggiorn DEF</td>
</tr>
<tr>
<td></td>
<td></td>
<td>DPB</td>
</tr>
<tr>
<td>Oct</td>
<td>COM_parere su DPB</td>
<td>Approvazione</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Legge stabilità e Legge di bilancio</td>
</tr>
</tbody>
</table>

For the prudential arrangement of the European semester framework, the Italian reform of the public accounting made the parliamentary scrutiny of the economic and budgetary policy more fitting with the EU rules in terms of timing and coordination\(^8\). The beginning of the cycle has been brought forward to the first half of the year, while the public finances package (the Stability Law and the Budget Law\(^9\)) is drafted in the month of October. These changes were aimed at achieving full integration of the national planning cycle in the new European semester.

In consideration of the profound increasing level of interdependence within the new EU economic governance architecture, we wonder how the new rules impacted on domestic institutions and actors of political representation. Has the stricter regulatory framework adopted to remedy the euro crisis acted as a catalyst of politicization of the EU within the domestic parliamentary arena?

Under the constraints of the reinforced economic governance, hence, our research questions deal with effects produced on the domestic politics by the redefined architecture of the euro zone. As regards macroeconomic and budget decisions, how has parliamentary attention been articulated over time in terms of: (a) participation of deputies and senators in the discussion and (b) vote in plenary sessions; c) policy preferences and attitudes as expressed through parliamentary discourse about anti-crisis measures and values? Additionally, had the implementation of the European

\(^8\) A new law revising this calendar has just been approved by the parliament: Law 163/2016 (adopted 4/8/2016). The analysis of these very recent changes is not included in the present paper.

\(^9\) They will be merged into a single bill for the budget 2017, to be presented to the European Commission but simultaneously to the national parliament too (Law 163/2016).
Semester had implications on parliamentary practices and majority-opposition relations? If any, what kind of implications have been observable?

The empirical analysis has investigated the main analytical dimensions of politicization - i.e. the salience of EU-related issues, MPs participation in parliamentary decisions, disagreement among party groups and the polarization of policy preferences, seeking answers in the study of the mentioned key-decisions approved in the period 2008-2014, before and after the outbreak of the economic crisis and its major developments.

3. Parliamentary attention in Italy to public finances decisions

3.1 Ordinary decisions

The parliamentary debate on economic and financial documents (DEF) represents a very significant point of intersection between the domestic and the EU level, as expressed in the European economic semester. As Ferreri described analysing the parliamentary debate about Italian economic and financial documents in the years 2008-2013 (Cavatorto and Ferreri 2015), the trend concerning Italian MPs’ participation to the macroeconomic and budgetary decisions denoted a “good appeal of the process”, notwithstanding the non-legislative character of such parliamentary passage (the result being a resolution not a law).

Actually the DEF is not the only significant policy output in the context of supranational economic coordination, since the structural reforms country-recommended by the Commission and the effects they potentially arrange at the national level through a variety of other policy measures (about pensions, labour market, public administration, etc.) have also to be taken into consideration. For comparative purposes, this paper accounts on a number of these other measures too, but the analysis is focused here on the annual cycle of economic programming.

If we compare data about DEF with the % of MPs attending sessions of vote in the case of financial and – since 2010 – stability laws, we find that this trend of parliamentary attention is confirmed (Fig. 3).

Fig. 3 - % of MPs attending voting sessions

(mean values between Chamber and Senate, 2nd reading included)

Author’s calculation from www.parlamento.it
In the years 2008-2010 MPs’ participation in the plenary debates and voting sessions at first reading is never lower than 80%, with peaks exceeding 90%. The second reading attracts always less interest, even less at the Chamber than at the Senate. However, when to the second reading, in 2008 and 2009 MPs’ participation to the plenary sessions fluctuated between 71% of deputies and 89% of senators out of the total MPs (respectively 630 at the Camber and 315 at the Senate). The parliamentary attention showed therefore highly significant values, as indeed it could be expected for one of the most important annual legislative decisions.

During the Berlusconi IV cabinet, the transformation of the financial bill in the new format of the “stability” bill, adopted as a result of the EU-related incremental reform of the Italian system of accounting and public finances, marked in 2010 and 2011 a severe curtailing in the number of parliamentary readings (Fig. 4).

Nonetheless, if still in 2010 data about MPs’ attention in the plenary sessions remained at quite high values, they conversely suffered in 2011 a tough diminishing (Fig. 3). However, the fall of MPs participation in voting the stability law in November 2011 - which was not so big as for the DEF in April of the same year – is explained by the fact that PD’s deputies decided not to take part in the final voting and abandoned the plenary as a signal of strong opposition to a very shaky government, at that time in a profound credibility crisis. Indeed, Prime Minister Berlusconi resigned after the approval of the stability law because of the worsening of tensions within the majority, which were concomitant to the sovereign debt crisis intensification, together with the chain reactions they triggered and the widespread perception in public opinion of their negative effects on the national system\textsuperscript{10}.

\textbf{Fig. 4 – Duration of the legislative process in the case of financial and stability laws}

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{chart.png}
\caption{N. sedute (media fra Camera e Senato, anche 2\textsuperscript{a} lettura) \hspace{2cm} N. letture}
\end{figure}

The most negative peak is therefore moved to 2012, when the technocratic government led by (appointed just before) senator for life (and former EU Commissioner) Professor Mario Monti committed himself for saving Italy from economic emergency and consolidating the public

\textsuperscript{10} About the fall of Berlusconi IV government and the sovereign debt crisis, see Jones (2012).
The large-scale majority in support of the Monti “national unity executive” reduced MPs’ perception about the importance that parliamentary passage should have. Actually, also in the case of the Monti executive, the stability law was the last decision voted, after which the 16th legislature ended. Already campaigning for the next general election, MPs significantly reduced their presence in voting sessions both during the DEF and the stability law approval (on average between the Chamber and the Senate, second reading included, data respectively described 72% and 68% of MPs present for the final vote, see Fig. 3).

Moreover, it is worthy of consideration the use of the vote of confidence. In the perspective of the government, the vote of confidence is aimed at limiting the transformative potential of the parliamentary arena. This practice occurred very often in 2012 and it was extensively used during both the Letta and Renzi governments (Table 1).

<table>
<thead>
<tr>
<th>Year</th>
<th>Executive</th>
<th>N.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>Berlusconi IV</td>
<td>7</td>
</tr>
<tr>
<td>2009</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>Monti</td>
<td>31</td>
</tr>
<tr>
<td>2013</td>
<td>Letta</td>
<td>5</td>
</tr>
<tr>
<td>2014</td>
<td>Renzi</td>
<td>18</td>
</tr>
</tbody>
</table>

The fact that the vote of confidence was so largely used, does not correspond per sé to a reduction in the number of parliamentary readings. Nonetheless, when the stability laws were adopted in the years 2012-2014, a strict downsizing in the duration of parliamentary debates conformed, thus a decreasing in the number of sessions if compared to the duration of financial and stability legislative processes during the Berlusconi IV government (Fig. 4), as it was in 2009 when a confidence vote was also asked by the executive.

This condensation of parliamentary discussion and political confrontation among MPs was accompanied, along with the escalation of the crisis, by a more consensual orientation among political groups expressed through their voting (Fig. 5).

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11 Depth analysis on the formation of the Monti government and its relationship with the Parliament respectively in Giannetti (2013) and Pedrazzani and Pinto (2013).
12 Only the Northern League (LN) voted against the confidence. A month later, however, Italy of Values (IdV) withdrew its support too. Marangoni & Verzichelli (2015) describe in detail the political scenario that evolved in Italy between 2008 and 2012 and the transition to the technocratic, mainly “inclusive”, solution.
13 Cotta and Marangoni (2015) describe, in the long term, the propensity of Italian executives to ask for votes of confidence to approve legislative decisions.
14 On a total of 32 roll-call votes, the Monti cabinet asked for a vote of confidence 31 times.
The percentage of votes in favour, on the total of expressed votes, expanded during the technical government and, although less significantly, it remained at higher values during the initial part of the 17th legislature if compared with the phase of the Berlusconi IV government (I remember that the peak in 2011 of votes in favour on the stability law in December, not given in the case of DEF in April, was caused by the intentional lack of participation at the voting session by PD’s deputies, see supra). Following Pedrazzani and Pinto (2013) in their analysis of the legislative process in the age of the Monti cabinet, when compared to the first 13 months of the Berlusconi IV government, they observed that in the first case (Ibidem: 172) “the approved acts received major consent, a smaller presence of MPs in the floor and were adopted with a greater degree of agreement” (author’s translation). Particularly, in the case of macroeconomic decisions, the emergency profile of the national unity government diminished the potential for contentious dynamics among political groups, which are more typical of majority-opposition relations. These appeared to remain altered in the subsequent “political” governments as well, due to the continuing state of flux and political uncertainty in times of economic crisis, well evident in the aftermath of the 2013 general elections.15

Since average annual values about MPs’ participation to the roll-call votes are not available from parliamentary websites16, for comparative purposes we selected a number of most important reforming laws per year and per government, taking into consideration their centrality to various governments’ agendas. Because of this factor and the possible structural effects of such decisions on the national system, a different trend of parliamentary attention could be supposed in these cases. In fact, some of these acts coincided with the recommended structural reforms asked within the context of the European economic semester (simplification, reform of both the labour market and of justice). Nevertheless, they were made object of greater MPs’ attention. The emerging trend is that of a significant difference between these cases and the economic and financial laws (especially the stability laws in 2011 and 2012), much more significant when the reforming issue is at the core of the executive agenda (Tab. 2).

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15 A single issue was devoted to examine this situation of political uncertainty by Contemporary Italian Politics (2013), 5(1).
16 Some information for the Chamber has appeared from 15 March 2015 onwards (www.camera.it/leg17/357).
We found that the more an issue is central in the government’s agenda, the more it attracts MPs’ attention, oppositions included.

Tab. 2 - MPs attending voting sessions in some major reform laws

<table>
<thead>
<tr>
<th>Year</th>
<th>Executive</th>
<th>Reform Laws</th>
<th>% MPs attending voting sessions</th>
<th>Difference compared to economic and financial laws</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>Berlusconi IV</td>
<td>Suspension of court cases against top State-officials</td>
<td>94</td>
<td>+14</td>
</tr>
<tr>
<td>2009</td>
<td></td>
<td>Security</td>
<td>88</td>
<td>-1</td>
</tr>
<tr>
<td>2010</td>
<td></td>
<td>Legitimate impediment</td>
<td>95</td>
<td>+5</td>
</tr>
<tr>
<td>2011</td>
<td></td>
<td>Simplification</td>
<td>82</td>
<td>+23</td>
</tr>
<tr>
<td>2012</td>
<td>Monti</td>
<td>Labour market reform</td>
<td>84</td>
<td>+12</td>
</tr>
<tr>
<td>2013</td>
<td>Letta</td>
<td>Antimafia Commission</td>
<td>81</td>
<td>0</td>
</tr>
<tr>
<td>2014</td>
<td>Renzi</td>
<td>Mafia-politics vote buying</td>
<td>73</td>
<td>+7</td>
</tr>
</tbody>
</table>

Author’s calculation from www.parlamento.it

Last, the content analysis of parliamentary discourse in the occasion of the annual presentation of DEFs by the executives, developed by Ferreri (Cavatorto e Ferreri 2015), demonstrated an inverse link between EU-saliency and participation of MPs in the voting sessions - that we consider an indicator of MPs’ mobilization.

According to Ferreri (Ibidem: 82-83), if on the one hand when macroeconomic policy are decided, the intensifying of the euro crisis corresponded in Italy to a contraction of the space for parliamentary framing, on the other hand this trend has been accompanied since 2010 to an increasing of explicit mentioning of EU-related issues, which were for sure less crucial in the economic and financial parliamentary discussion in the previous two years (Ibidem: 82-83).

On average, during the Berlusconi IV cabinet, the opposition (especially the PD) appeared as more inclined to mention EU-related matters than the parliamentary majority. Comparatively to the People of Freedom party (Popolo della Libertà, PdL) and - since 2013 - to Forza Italia, the PD confirmed itself as the most active party for what EU issues are concerned: this is also true once it has become parliamentary majority (Ibidem: 83-85).

Furthermore, looking at policy preferences, Ferreri noted a turnaround: up to 2010 the left-right and the majority-opposition dimensions could give account of more positive or viceversa more negative attitudes towards neo-liberal economic policies. In the worst phase of the crisis a bipartisan support prevailed and as for re-launching in Italy the aggregate demand, the two major parties started to support a “national interest” option, which was oriented to claim within the EU the application of flexibility clauses which - already allowed by the SGP - in turn would have favoured the revival of public investments. The lowest values on the neoliberal index measured by Ferreri have been in fact recorded during the discussion of both DEF 2012 and 2013 (Ibidem: 85-87).
The government Letta, supported by the "large-coalition" in the very uncertain post-electoral phase which started in March 2013 the 17th legislature, obtained the confidence from the parliament with the mandate to contribute at the European level for reframing economic policies supporting a more expansive and flexible approach in the interpretation of the SGP. However, at that time, the room of *manoevre* for the executive was very tight and the stability law 2014 did not give “the shock required”.  

It is the next Renzi government – reinforced at the EU level by the great success in the European elections in May 2014 – to ask, with the stability law 2015 and pledge to keep the deficit below 3%, for a post-position of the achievement of the structural budget balance. Anyhow, the party context in which the Renzi government moves is more complex than that of previous governments Monti and Letta, and this let us hypothesize an increasing of revamped adversarial dynamics with respect to the past. As a consequence, we also expect a higher degree of polarization from 2015 onwards, whose connection to the European dimension of the policy making must be empirically verified.

### 3.2 Meta-decisions

The politicization of the EU at the domestic level related to the sovereign debt crisis has been also examined through the study of those legislative decisions which modified national economic and financial rules according to EU regulation and discipline. Due to substantial authority transfers in these cases, the potential for developing public debate at the domestic level is expected to be significant. All decisions were approved domestically under the Monti government, but earlier agreed in the supranational arena by the Berlusconi IV cabinet.

The case-studies at hand are the authorization by law of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union, the so-called Fiscal compact, which was scrutinised by both the parliamentary chambers jointly with the other two procedures related to the renewal of EU economic governance framework, i.e. the Treaty amendment article 136 TFEU and the European Stability Mechanism (ESM). Besides, we have also concentrated the analysis on the incorporation under the constitution of the balanced-budget amendment and its execution (Constitutional Law 1/2012 and Law 243/2012 respectively).

Even not considering the “reinforced majority” required for constitutional amendments in Italy (i.e. the absolute majority of MPs in both Chambers, which is needed to approve any constitutional revisions on the second reading), data about MPs’ attendance and voting behaviour describe an inverse relationship between these two indicators (Fig. 6): the % of votes in favour increases when MPs’ participation in debates and voting sessions diminishes, with the very slight exception of the Fiscal compact, which gained - in absolute terms - the highest number of votes against. It is no wonder, as a proof, the tendency to reduce the level of support to decisions expressed in the parliamentary arena. Also the duration of the entire process was much more...
shorter than other treaty ratifications (Cavatorto 2012), moreover conducted through joint scrutiny.\(^{21}\)

**Fig. 6 - % of MPs attending voting sessions AND % of votes in favour (2012)**

*(mean values between Chamber and Senate, 2\(^{nd}\) reading included)*

Comparatively, the ESM recorded a narrower parliamentarians’ participation in the plenary sessions, but it is worth noting that to this measure – that was designed to allow a (quite large) financial contribution by Italy - were dedicated a greater number of meetings at committee level, both in a reporting capacity (the Foreign affairs Committee was engaged) and in advisory capacity (the EU policies, the Budget/Finance and the Constitutional affairs Committees discussed more extensively). The committees addressed opinions expressing prudential attitudes too.

For instance, at the Senate, the Finance and Treasury Committee took note of the necessity to reduce the public debt, but in a framework within which “prominence to the structural recovery in economic growth might be given, through the adoption of differentiated clauses aimed at promoting public investments and appropriate measure of stimulus”\(^{22}\). In the same direction, the Budget Committee was persuaded that – clearly thinking to Italy - the ESM should be “a tool intended to moderate high sovereign spreads in the euro zone, especially for those countries that, suffering because of the general euro crisis, have in any case embarked in a serious path of economic and fiscal recovery”\(^{23}\). Support for this position was also expressed by the *Lega Nord*, notwithstanding its abstention from the committee final vote.\(^{24}\)

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\(^{21}\) At the Senate, the joint scrutiny of the Fiscal compact and the ESM lasted 100 days (3/4-12/7/2012); the scrutiny of the Treaty amendment article 136 TFEU started earlier (19/9/2012) and it was later jointed to the other two ratifications (298 days in total). Once the Senate approved the decisions, the scrutiny at the Chamber only lasted 6 days (13-19/7/2012). In the comparative analysis by Maatsch (2015), the diffusion in the NPs of fast-track procedures (joint scrutiny included) for the approval of EU anti-crisis tools is described. These practices were especially in use in debtors countries’ parliaments of Southern Europe. Italy would have been moving within this context, even if it deserves attention that in the Italian parliamentary joint scrutiny system a vote is provided for each decision to be taken.

\(^{22}\) Final opinion approved at the Senate by the Finance and Treasury Committee on the law-proposals n. 2914, 3239, 3240.

\(^{23}\) Final opinion approved at the Senate by the Budget Committee on the law-proposal n. 3240.

\(^{24}\) Intervention of MP Garavaglia (LN) at the Senate, Budget Committee, 28/6/2012.
Conversely, at the Chamber, all the parliamentary committees’ opinions were broadly in favour of the ratification, without any reserve: these positions mainly sustained as a justification that EU principles and guidelines were highly overlapping with the politics of the Monti cabinet and therefore should be passed. In addition, the MPs supporting the executive considered noteworthy the intention to negotiate in the meantime at the EU level - thanks to Prime Minister Monti’ good reputation – an agreement for temporarily derogating from the Stability and Growth Pact. Italy would therefore have benefitted. This opportunity was considered strategically important in order to strictly link a concrete possibility for Italy to reach the public finances targets according to the European semester perspective, but compliance with EU rules was considered to be a requisite\(^\text{25}\).

With regard to the vote, as it has been for the DEF and Stability Law in 2012, the opposition parties denied their agreement to the ratification of the intergovernmental treaties.

The *Lega Nord* (LN) was in favour of “sound public finances” (indeed, it cohesively voted for the introduction of the balanced budget in the Italian Constitution a few months earlier, which was agreed quite unanimously), but it strongly argued against further delegation of national sovereignty to the EU (together with disagreement of the euro as profitable currency), and for these reasons voted against this additional ratification\(^\text{26}\). The *Italia dei Valori* (IdV) – which initially had trusted the Monti executive - opposed the “straitjacket” in recession and abstained\(^\text{27}\).

Differently from other parliamentary groups supporting Prime Minister Monti, the PdL did not express itself in a cohesive way and, especially at the Chamber, recorded a high degree of non attendance among its MPs, with 28\% of abstentions and 3,3\% of votes against. The majority of MPs previously member of the former Prime Minister Berlusconi’s *Forza Italia* party recalled to the floor the important responsibility the Berlusconi IV cabinet had for having contributed at the EU level in 2011 in the framing of anti-crisis measures\(^\text{28}\) and supported - with the PD - the implementation of the new EU economic governance, claiming the paternity of the Fiscal Compact. Despite this, even within the PdL, a critical minority counteracted emphasizing its political – but also party – disengagement\(^\text{29}\): “we are taking a commitment to future generations that we know cannot be met”\(^\text{30}\).

Among the parliamentary majority, declaration of votes completely in favour of the Fiscal compact primarily came from the centrist traditionally pro-European UdC and the PD. However, they pushed for urging at the EU level the adoption and the more effective implementation of anti-crisis remedies that should have driven anti-cyclic and more expansive fiscal policies. Actually, the centrist and centre-left MPs approved the Fiscal compact but asked for the “Growth Pact”, only drafted by the European Council\(^\text{31}\).

\(^{25}\) Opinions approved at the Chamber by the Budget & Treasury Committee during the joint scrutiny of the law proposals n. 5357, 5358, 5359.

\(^{26}\) Declaration of vote by MP Giorgetti (LN), Chamber, 19/7/2012.

\(^{27}\) Declaraletion of vote by MP Evangelisti (IdV), Chamber, 19/7/ 2012.

\(^{28}\) “This Treaty is a merit of Berlusconi government, that has worked for it”, MP Gottardo (PdL) at the Chamber, 19/7/2012.

\(^{29}\) Some of these “rebels” constituted then the nationalist-conservative Brothers of Italy party (*Fratelli d’Italia*, FdI).

\(^{30}\) Intervention of MP Crosetto (PdL), dissenting from his parliamentary group (Chamber 19 July 2012).

\(^{31}\) Interventions of MPs Tonini (PD) and Gozi (PD), respectively at the Senate, 12/7/2012, and the Chamber, 18/7/2012. The European Council actually concluded, in the meeting of 28-29/6/2012, together with the endorsement of the countries-specific recommendations in the framework of the European economic semester for 2012, a new “Compact for Growth and Jobs” which mobilized resources from the EU budget for “fast-acting” growth measures (Conclusion of the European Council, EU CO 76/12).
The analysis of vote declarations and voting behaviour showed here with more evidence a pro-anti Europe variable. All in all, distributing MPs' claims with mentions to principles of action for possible solutions overcoming the euro crisis along a continuum between “austerity and solidarity”, we found the following: in the MPs' final declarations of vote at the floor, before the ratifications passed, those attitudes in favour of “cohesion” (among member states), “financial solidarity” (between countries with budget surpluses and debtors) and “supranational regulation” (the banking union; a common fiscal policy) were largely prevalent.

**Fig. 7 – Discourse during the ratification of EU measures:**

**MPs' attitudes about anti-crisis values and actions** (% of mentions at Chamber and Senate – v.a. 132

Nonetheless, the conditionality to which EU financial assistance was subjected (the ESM first), seemed to have influenced MPs' perceptions about the necessity of activating the principle of national responsibility in order to reduce the public debt, for instance through the spending review. The consolidation of public finances, even through deeper liberalization processes, was unanimously identified as a much needed duty for the political elites. Thus, “solidarity (across Europe) but (national) responsibility”, as an alternative to barren austerity, became in the discourse of parliamentary majority two sides of the same coin.

The priority of “a social pact for the structural reforms” (PD) reinforced by the legacy of “a long history of continuity witnessed by all Italian executives in their support for Europe” (PdL) was confirmed as a shared bi-partisan perspective. At that point of the economic crisis management, MPs of the large majority outlined that main anti-crisis remedies should be found in institutional instead of monetary measures. Moreover, new institutional tools should have been set up at the supranational not intergovernmental level of governance.

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32 Preliminary findings, data analysis is still in progress.
33 Motions to the floor instructing the government on how to implement the laws have been analysed. They were all approved by the Monti executive during the plenary sessions.
From that fact, policy orientations of MPs fluctuated between, on the one hand, the perspective of a cooperative participation of Italy to EU membership and, on the other hand, the assumption of a pro-active domestic adjustment to EU external constraints. This variegated policy attitudes, even better referred toward future policy agenda for Italy to overcome the crisis, seemed to be partially detached in the period examined from the composition of the parliamentary majority and governments.

After a few months from the approval of these important decisions, the challenge of policy change will be entrusted to the new legislature. Because of the political stalemate following the 2013 elections, amplified by the recessionary effects on the internal front, difficulties and uncertainties will be even more harder. The transformation of the party context in the 17th legislature will feature tighter and more adversarial parliamentary confrontation between government and opposition (with the entrance of the 5-Stars-Movement among the opposition benches), but also within the parliamentary majority and the same PD.

4. Conclusive remarks: crisis and low degree of politicization of the EU in Italy

The research shows that, at least until the peak of the euro crisis, the strengthening of the external constraint did not produce in the Italian parliamentary arena a greater politicization of the EU. Therefore, the hypothesis according to which the architecture of the new economic governance adopted in response to the economic crisis might have acted in Italy as a catalyst of enhanced parliamentary attention towards EU-related issues, influencing the structuring of space for contestation and political conflict at the domestic level vis-à-vis Brussels, is not confirmed by the examined data.

In fact, on the one hand, in the period 2008-2014 the parliamentary discourse on “ordinary” economic and public finances decisions registered an increasing salience of EU-related issues. Nevertheless, on the other hand, this trend corresponded to a decreasing in the participation of deputies and senators in the debates and voting, as well as to a contraction of adversarial dynamics among political parties and within executive-parliament relations.

Proportionally, compared to annual financial decisions, even if in the full implementation of the European Semester, the ratification of the Fiscal Compact conceived as a “meta-decision” showed with more clarity a pro-anti Europe variable. The latter influenced MPs’ preferences about anti-crisis solutions and their voting behaviour. On the contrary, this did not happen when the balanced budget amendment - a history-making decision as each treaty ratification is - was introduced into the Italian Constitution and subsequently received legislative execution: in this case the measures were voted almost unanimously by those MPs present.

Overall, therefore, apart from an increased salience of EU-related issues, a significant level of parliamentary activation on the other two main dimensions of the politicization process has not been given: the participation of MPs in decisions, disagreement among party actors and the polarization of policy preferences remained low.

Accordingly, the strengthening of supranational coordination of economic governance and the dominance within the EU regulatory framework of austerity measures as anti-crisis remedies seem to have produced, if not an actual de-politicization of the parliamentary arena, a very low degree of MPs’ activation, with a substantial flattening of the government-parliament dynamics. This trend coincides with the most dramatic years of the EU sovereign debt crisis (2011-2013) and is
congruent with large majorities and the *Grand coalition* supporting in those years so-called of “national unity” or “emergency” governments.

However, the overcoming of political deadlock after the general elections in 2013, the success of the PD in the European election in 2014 and, not least, a very evolving scenario at the EU level, let us predict that during the Renzi government a re-articulation of the political space and party conflict should be possible, with a stronger polarization of European issues, finally “domesticated” and not just in the while of electoral campaigning.

**References**

