

The loss of trust in the European Union during the great recession since 2007: The role of heuristics from the national political system

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Abstract

How can we explain the decline in support for the European Union (EU) and the idea of European integration after the onset of the great recession in the fall of 2007? Did the economic crisis and the austerity policies that the EU imposed—in tandem with the IMF—on several member countries help cause this drop? While there is some evidence for this direct effect of EU policies, we find that the most significant determinant of trust and support for the EU remains the level of trust in national governments. Based on cue theory and using concepts of diffuse and specific support, we find that support for the EU is derived from evaluations of national politics and policy, which Europeans know far better than the remote political system of the EU. This effect, however, is somewhat muted for those sophisticated Europeans that are more knowledgeable about the EU and are able to form opinions about it independently of the national contexts in which they live. We also find that the recent economic crisis has led to a discernible increase in the number of those who are disillusioned with politics both at the national and the supranational level. We analyze 133 national surveys from 27 EU countries by estimating a series of cross-classified multilevel logistic regression models.

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*Both authors have made a significant and independent contribution to this article.

Keywords

Diffuse support, economic crisis, European Union, trust

Introduction

The recent ‘great recession’ started in 2007 as a financial crisis, which then turned into a crisis of the real economy and became a sovereign debt crisis in many European countries. The effect of this recession on support for the European integration project has been profound. In the spring of 2007, immediately before the outbreak of this economic crisis, 32% of Europeans said that they did not trust the European Union (EU). Four years later, this number had risen to 47%. The decline of trust in the EU has been the most pronounced in Greece: in the spring of 2005, 37% of Greeks had no trust in the EU. Six years later, this number had risen to 67%. The same trend can be observed if one looks at the share of those who think that their nation’s membership in the EU is a good thing. The EU average went from 58% in the fall of 2007 to 47% in the spring of 2011. The decline was more pronounced in Greece than the EU average, going down from 62% to 38%.¹

How can we explain this decline in support for the EU and the idea of European integration? Did the economic crisis and the austerity policies that the EU imposed—in tandem with the International Monetary Fund (IMF)—on several member countries help cause this drop? The purpose of this article is to understand the sources of diffuse support for the EU, and the impact of the economic crisis on this support. We rely on trust in the EU and on evaluations of whether membership in the EU is a good thing as indicators of affective support for the EU. We advance three main arguments. First, we argue that the steepest drop in support for the EU has taken place in those countries that have been hit the hardest by the recent great recession and the consequent EU and IMF imposed austerity measures. Second, we argue that the most significant determinant of trust and support for the EU remains the level of trust in national governments. In other words, support for the EU is derived from evaluations of national politics and policy, which Europeans know far better than the remote political system of the EU. While it is true that many Europeans blame the EU for all sorts of ills, if one digs deeper, one finds that a frustration with and a lack of basic political trust in national governments is at the root of this discontentment with the EU. This effect, however, is somewhat muted for those sophisticated Europeans that are more knowledgeable about the EU and are able to form opinions about it independently of the national contexts in which they live. Third, the recent recession has led to a discernible increase in the number of those who are disillusioned with politics, both at the national and the supranational level. Such respondents express a lack of trust in their national governments and in the EU.

There is an implicit truism underlying newspaper reports and standard arguments about the end of the permissive consensus on European integration or arguments that link socio-economic positions to levels of EU support (for an overview see Hix and Hoyland, 2011: 107–124). According to this truism, citizens judge the

EU on the basis of what it is doing to them. However, we show that the building of trust in the EU is a much more complicated process in which trust in national institutions is of central importance. Our analysis makes a contribution to the institutional trust theory by showing that support for the EU is a result of the interaction between supranational and domestic performance.

Explaining the decline in support for the EU

Our theoretical framework builds on a large body of work that has studied public support for the EU. However, these are no ordinary times and our theorizing of diffuse support for the EU needs to tackle head-on the context of the extraordinary economic crisis in the EU. Thus, we draw on conceptual insights from the literature on institutional support as well as crucial insights from cue theory to explain the decline in support for the EU (Anderson, 1998; Hobolt, 2007, 2012; Rohrschneider, 2002; Steenbergen et al., 2007).

A key goal of this article is to understand how the great recession has affected broad public support for the EU. Here David Easton's seminal work on institutional support, which has been successfully applied to the EU by many other studies as well (e.g. Inglehart and Rabier, 1978; Shepherd, 1975; Lindberg and Scheingold, 1970), provides some of the most useful analytical tools to analyze the effects of the great recession on EU support. Easton (1979, 1975) identified two kinds of support for a political system: affective (diffuse) and utilitarian (specific) support. The former is based on an ideological, sociological, or cultural attachment, which, as Easton (1975: 444) puts it, provides a basic 'reservoir of favorable attitudes or good will that helps members to accept or tolerate outputs to which they are opposed or the effects of which they see as damaging to their wants.' The utilitarian support is based on a rational calculation of costs and benefits that one derives from evaluations of performance, and thus tends to fluctuate with perceived benefits or satisfaction. The utilitarian or specific support conditions the basic 'reservoir of support' for a given institution, and is thus intimately related to affective or diffuse support. It is important to note that utilitarian support is inherently unstable while affective support, representing cultural attachment and loyalty, is a source of stability in public support. It provides the necessary 'political capital' to governing elites to shield them from the fallout of unpopular policies. This seems to be the case with diffuse support for the EU as well. As Hix (2008: 52) has shown, public support for the EU has remained stable since the mid-1990s. But, as we show later, this is no longer the case.

According to Easton (1975: 444), diffuse support is less volatile than specific support, because it is '...more difficult to strengthen, once it is weak and to weaken, once it is strong.' This does not mean that diffuse support is hyperstable. It may change due to shocks or due to continued bad experiences with the system. In fact, as Easton (1975: 445) states, 'there may be instances, not so rare as they might seem, in which the sudden frustration of expectations can so jolt the deeper loyalties of the members of a system that their diffuse support falls into a

precipitous decline.’ We believe that the economic crisis starting in 2007 is one of the instances that produced a ‘sudden frustration of expectation’ that led to a drop in affective or diffuse support for the EU.

We argue that the policies of the EU were partly responsible for the erosion of diffuse support among its citizens. The harshest policies, coordinated with the IMF, involved direct intervention in domestic politics to impose tough austerity measures in exchange for financial assistance. Demonstrations and strikes in Athens, Lisbon, or Madrid were clearly directed against this imposition of the austerity programs from outside. Hence, we argue that the EU lost ground in those countries where it forced national governments and parliaments to shrink welfare states and liberalize their economies (cf. Armingeon and Baccaro, 2012). From this perspective, the loss of support should be much more muted in countries that were not asked by the EU to implement unpopular austerity reforms. In countries that witnessed their sovereignty being diminished by the EU, loss of support should be more pronounced.

HI: The great recession has significantly eroded trust in the EU, with the effect being most pronounced in those countries that have been hit the hardest by the crisis and that have needed help from the EU/IMF.

This decline in diffuse support may be a greater danger to the project of European integration than short-term dissatisfaction with what the EU is doing or not doing. However, it would be heroic to assume that citizens derive their diffuse and specific support directly and solely from EU institutions and policies. Thus, we still need to account for the determinants of diffuse support for the EU and determine the extent to which the national context matters for such support. Here we draw on cue theory, the basic premise of which is that citizens use cues to simplify the world around them and thus their decision-making. When applied to political attitudes, this directs attention to cognitive short-cuts, contextual factors, and elite cues, each of which help a person respond to a survey question about an issue that is seldom on his or her mind. Previous research has convincingly shown that Europeans—particularly those who are poorly informed about the EU level—rely on cues. (Anderson, 1998; Hobolt, 2007, 2012; Rohrschneider, 2002; Steenbergen et al., 2007). Cues that appear to be most relevant to European integration arise in member states (Hooghe and Marks, 2005: 424–425). This is so because, most of the time, people have only a limited understanding of EU level policies and their effects.

In fact, there are a number of studies that show that support for the EU is determined to a great extent by support for national institutions. For example, Sánchez-Cuenca’s (2000) paradigmatic analysis shows that lower opinions of the functioning of national systems are associated with higher levels of support for European integration. Some scholars have argued that low levels of support for the EU merely reflect how citizens evaluate the performance of domestic governments or even their distrust of national elites (see Leconte, 2010). Others have gone as far as to argue that there is no genuine public opinion on European integration

because trust in the EU is a proxy for trust in national governments (Anderson, 1998). According to this perspective, attitudes toward the EU are derived from attitudes toward other levels of government, such as the national government, because citizens know much more about their domestic politics than they do about EU level politics. Likewise Munoz et al. (2011) show that, at the individual level, trust in national institutions is strongly and positively correlated with trust in European institutions. This does not preclude the possibility that country level trust in national institutions is negatively correlated with trust in the EU. In fact, as Munoz et al. (2011: 555) put it, 'living in a country with mistrusted (and untrustworthy) institutions adds incentives to place more trust in the European institutions, whereas citizens living in countries with highly trusted institutions will, on average, be more reluctant to trust European institutions.' What all these studies have in common is their emphasis on the importance of domestic cues for the formation of public attitudes on the EU at the individual level.

When theorizing about the great recession as a specific phenomenon, it is arguably the case that most citizens do not discern much difference between the policies of the EU and of their national government. And in countries under IMF/EU conditionality, citizens are particularly critical of the national government. If citizens perceive the economic and social conditions of their country to be good, they are more likely to trust their national government, and, by association, the EU. In contrast, if the economy does not thrive citizens blame the government, be it at the national or supranational level. In this sense, the great recession has only reinforced the tendency to use the national context in evaluating the EU because of the severity of the financial pain and the belt-tightening involved. For example, as the welfare state suffers cuts, those who identify with the political left might say that there is little reason to trust any government.

Similarly, people might be convinced that something went wrong with policy-making during the crisis; whether that happened at the EU or at the national level is less important. The two levels of government will tend to be jumbled together, and neither will remain unscathed. The end result is that people lose trust in both the EU and their national government. Thus, we argue that affective or diffuse support for national governments translates into affective or diffuse support for the EU. Similarly, positive evaluations of the national economic situation should increase support for the EU. The attitudes toward national governments and the national economy prime the attitudes toward the EU.

At this point, a note of clarification is due with respect to the separate effects of national economic conditions and trust in government. While we believe that positive evaluations of the national economy are clearly related to higher levels of trust in the national government, the two factors are analytically distinct and should be treated as such in the analysis. That said, they are not competing explanations but rather add to the aggregate explanatory power of cue theory.

H2: Higher levels of individual trust in the national government are related to more support for the EU.

H3: More positive individual evaluations of the national economy are related to more support for the EU.

While it might be true that most Europeans rely on heuristics from the national context when evaluating support for the EU, more sophisticated people with finer understanding of the intricacies of the EU rely less on such heuristics (Hobolt, 2007, 2012; Karp et al., 2003). This is precisely what Hobolt (2012) found in a recent study of the determinants of satisfaction with democracy in the EU. Despite the increased politicization of the EU, more knowledgeable Europeans rely more on direct evaluations of EU institutions when making up their minds about the EU. Thus, we expect to see an interaction effect between support for national government and sophistication in EU matters in determining support for the EU—with more sophisticated or knowledgeable Europeans being less prone to use national proxies.

H4: The more sophisticated the respondents are about the EU, the less likely they are to use national proxies when expressing diffuse support for the EU.

If evaluation of national governments determines support for the EU and if thus the decline in EU support is a function of the decline of trust in national governments, the question arises as to why national governments have lost support. Arguably this could be the result of the lackluster record of governments in dealing with the crisis. From Greek politicians to French candidates for the presidency, from British conservatives to political parties of all stripes, all have claimed to be able to efficiently steer the economy and society in these treacherous times of economic crisis. They have promised growth, declining unemployment and alternative budgetary and social policies. However, the crisis has made it painfully clear that leeway for political action has been reduced considerably (see the contributions in Bermeo and Pontusson, 2012; Hall, 2013). The gap between the promises made by politicians in electoral campaigns and the actual economic and social policies they have been able to deliver has widened since 2007. Given that citizens rely strongly on economic developments when evaluating politicians, we expect that the unfulfilled promises and the prolonged crisis have eroded trust in national parliaments, the executive branch and the supranational level.

We do not deny that some part of the EU evaluation is directly linked to the EU's performance and policies. We see opinion formation on the EU as a complex process in which actions by the EU play a role, although what happens at the national level plays a larger role. Irrespective of the weight of direct and indirect evaluations, there is a politically important conclusion to be drawn. We argue that the recent great recession has led to a discernible increase in the number of people who are disillusioned with politics both at the national and the supranational level, the effect being most pronounced in the countries that have been hit hard and, consequently, have had to ask for IMF and EU help.

These are the detached Europeans who show little or no affective support for either level of government. Habermas might have exaggerated a bit when he said that Europe is ‘experiencing a dismantling of democracy’ due to ‘the pressure of the crisis and the frenzy of the markets’ (Diez, 2011). Yet, it is evident that diffuse support for both the EU and national governments has taken a hit. We suspect this has a lot to do with the helplessness of governments in the face of market forces and the inability of democratically elected but hamstrung leaders to deal with the crisis.

H5: The great recession has resulted in an increase in the number of detached citizens who trust neither their national government nor the EU.

Conceptualizing diffuse support for the EU

As discussed earlier, we rely on the idea of ‘affective or diffuse support’ to investigate public support for the EU. According to Easton, trust in political institutions is one major aspect of diffuse support. Others, such as Hix (2008), have relied on citizen evaluations of whether EU membership is good for their respective country. Hence, we use both indicators of diffuse support for European integration throughout this paper.

We conceive of trust in the EU in the following way: if a citizen states that she trusts the EU, this indicates that she believes that citizens can rely on the beneficial actions of the EU (Freitag and Bühlmann, 2009: 1540). The statement signals that the respondent thinks that the EU does not ignore her interests, and that it does not abuse its privileged position of power (Rohrschneider and Schmitt-Beck, 2002: 35). Trust in a political system comes close to the ideal type of an affective system support. This support is affective since it is not based purely on utilitarian considerations of different policies. Rather, it is a reservoir of good will by citizens that is not immediately drained if the system does not perform well. Democracies depend on such diffuse support to stabilize the system even in bad times (Almond and Verba, 1989).

However, as mentioned earlier, we also rely on a more traditional measure of public support for the EU, which has been part of public opinion surveys since the early 1970s. Namely, we use a survey question that asks respondents to indicate whether they believe that membership in the EU is a good thing for their country and analyze how these evaluations have been affected by the great recession. The added advantage of using both measures is that we are more confident about the robustness of our findings.

Finally, we have hypothesized that diffuse support for both levels of government has decreased as a result of the crisis (H5). Before we demonstrate this, we need to explain the conceptual framework that we employ. Specifically, we follow the lead of Haller (1999) and Martinotti and Stefanizzi (1995) who have argued that trust in the EU and trust in national government are systematically related. We derived

four categories of types based on Haller's and Martinotti and Steffanizi's work (see also Table A in the Online Appendix):

1. The 'escapist'—someone who thinks that the national government is not trustworthy; so all hopes are put on the EU.
2. The 'nationalist'—someone who thinks that the national government is particularly trustworthy while the EU, as a supranational body, does not merit any trust.
3. The 'trusting' citizen—someone who trusts both their national government and the EU. Basically she thinks that governments are doing fine—both at the national and the supranational level.
4. The 'detached' citizen—someone who is convinced that neither the national nor the supranational government merits any trust.

The key goal of the analysis examining the relative size of types of support for national and European government is to see what has happened to the different 'types' of Europeans as a result of the crisis. Having cleared the conceptual ground, we now discuss the controls used in our analyses.

Controls

Support for European integration has contextual and individual causes (Hix and Hoyland, 2011: 105–129). Thus, in our analysis we control for a number of individual and country factors.

At the individual level, ideology and economic interests are important factors in determining support for the integration process (Gabel and Palmer, 1995). In other words, people's support for the EU is determined by how satisfied they are with their own personal circumstances. In the statistical analysis, we include a measure for ideological positioning on a left–right scale. After an initial Keynesian response in some countries, the EU developed and pursued austerity policies as the major response strategy to the great recession. Austerity policies are much more controversial among the political left than among citizens with liberal or conservative ideological orientations (Cusack, 2001). In general, the left is more skeptical of the EU than the right; this pattern is particularly strong in Central Eastern European Countries (CEEC) (Marks et al., 2006). Hence, we expect those who self-identify themselves as being more to the right of the spectrum to support the EU more than 'leftists.' Furthermore, since others have found the left–right connection to Euroscepticism to be curvilinear, we include a squared left–right term in our regression analysis.

The analysis includes measures for the self-reported life-satisfaction of the respondents and their subjective evaluation of the situation in the national economy. The more satisfied one is with her life in general, the more likely she is to trust the EU. Along the same lines, the more positively one evaluates the national economic situation, the higher the chance she will trust both the national government

and the EU. Both of these controls are crucial for testing the importance of satisfaction with the national context for support for the EU. Furthermore, previous research has shown that more educated people are more likely to support the EU (Hooghe and Marks, 2005). Thus, we account for education levels in our analysis. For those respondents who claim to be students, professionals or managers, or unskilled manual workers, we include separate measures because the first two groups tend to support the EU while the last group tends to be opposed to it. Finally, we include age and sex in our analysis as they have been found to be important determinants of support for the EU.

At the country level, whether a country receives benefits from the EU or whether it is a net payer is a major explanation for citizens' attitudes toward the Union (Hix, 2008). Furthermore, better economic conditions as measured by higher economic growth should lead to more support for the EU (Hobolt, 2012). We also control for national debt, growth in national debt, deficit, growth in deficit, and the unemployment rate to account for the severity of the crisis and the effect that macroeconomic change has had on support for the EU (Roth et al., 2011). We expect better macroeconomic conditions to be related to higher levels of trust in the EU.

The regression analyses have measures for the size of the national welfare state (Burgoon, 2009) and the antiquity in the EU, since some analyses have demonstrated a significant variance of EU support by level of welfare state (an inverse relationship) and by length of membership.

Data, operationalization, and research design

We rely on two main sources of data for our most important analysis: the Eurobarometer surveys and the Eurostat database. The individual-level data come from Eurobarometer (EB) surveys. Specifically, we rely on five surveys conducted between 2007 and 2011.² The main reason for choosing the EB surveys as opposed to other surveys is the fact that the former are conducted more frequently and, thus, are excellent for studying change in attitudes in shorter periods of time. All the five waves of EB surveys fall predictably in either the fourth or second quarter of any year between 2007 and 2011, and they constitute the time dimension of our multilevel analysis that we discuss shortly. Thus, our analysis is based on a sample comprising of around 130,000 individuals, simultaneously nested in 27 EU member states and five time points (of around 26,000 individuals each). While we do not have panel data with repeated measurements on the same subjects, which would have been the ideal type of data for our analyses of change in individual attitudes, we do have the next best alternative. Namely, we have five different surveys with representative samples conducted over a span of five years in all EU countries, thus allowing us to study change in attitudes toward the EU as a result of the recent economic crisis.

We focus on trust in the EU as one of the two dependent variables.³ This is a binary variable with two outcomes: 0=tend not to trust and 1=tend to trust.

The other dependent variable is constructed using the following question: ‘Generally speaking, do you think [your country’s] membership of the EU is a good thing, bad thing, neither good nor bad, or don’t know?’ This variable has a value of 1 if the respondent indicates that membership of the EU is a good thing, and 0 otherwise. Trust in national governments is similarly measured with a binary variable that has the same two outcomes as the trust in the EU variable. We measure the ideological orientation of the respondent by using a self-locating left–right scale (1 = left, 10 = right). Life satisfaction is operationalized using the following survey question: ‘On the whole, are you very satisfied, fairly satisfied, not very satisfied, or not at all satisfied with the life you lead?’ We recode this variable so that higher values indicate more life satisfaction. Furthermore, the respondent’s evaluation of the health of their national economy is operationalized using the following question: ‘How would you judge the current situation in the national economy?’ The possible answers are very good, rather good, rather bad, and very bad. Again, this variable is recoded so that higher levels indicate more positive evaluations of the national economy.

As mentioned earlier, we expect more sophisticated Europeans who are more knowledgeable about the EU to rely less on national heuristics in evaluating the EU. To measure how sophisticated respondents are about EU matters, we use two EB knowledge questions. The first question tests whether respondents know the number of EU members and the second one asks whether Switzerland is part of the EU.⁴ Using information from these two questions, we construct an ordinal variable with three values (0–2) to indicate the number of correct answers that each respondent gives to these questions. Higher values for the sophistication variable indicate more knowledge about the EU. These knowledge questions are good proxies for measuring sophistication because people who can answer them correctly are also likely to know other things about the EU. Age is measured in years, and sex is coded such that 1 = male and 0 = female. Education is measured with a categorical variable (four categories) indicating the age when the respondent finished school. We center all of the continuous variables (age, unemployment, debt and growth, social spending, and membership) for easier interpretation.

From the country level variables, theoretically the most important one for our purposes is the effect of IMF/EU agreements on trust for the EU. In order to test for the effect of being exposed to IMF/EU pressure for austerity policies, we construct a country-level binary variable indicating whether a given country is under IMF conditionality in any quarter we select for analysis. Being under IMF conditionality is defined as having agreed to any active lending arrangement according to IMF records (i.e. Stand-By Arrangement or Extended Fund Facility (EFF)).⁵ (See Table B in the Online Appendix for all countries that were under IMF conditionality at some point during the crisis). We do not include an additional variable to capture EU influence, as the two institutions regularly sided with one another in coordinated efforts to exert greater pressure.

To measure the effect of being from a net recipient on support for the EU, we have constructed a dummy variable with ‘1’ indicating net recipient countries.⁶

Length of membership in the EU or antiquity is measured in membership years. The rest of the country-level variables (i.e. debt to DGP ratio, deficit, GDP growth, unemployment rate, and social spending) come from the Eurostat database.⁷

Before we proceed any further, we need to say a few words about the statistical methods we employ in our analysis. We use hierarchical logistic models that utilize both individual level data (e.g. sex or age) and aggregate data (e.g. macroeconomic indicators). In our statistical models, we use three main levels of analysis: individuals, countries, and time periods. It should be noted that in our data individuals are simultaneously nested in countries and time, while these higher levels are not purely hierarchical. Rather, in methodological terms, our higher levels are non-nested or cross-classified, and our individuals are nested within this cross-classification (Gelman and Hill, 2007: 244; Hox, 2010).

This statistical specification allows us to study variations in individual trust probabilities across individuals, as well as across countries and time. However, to account for some idiosyncratic, country-time-specific changes in the main variables of interest, such as our measure of IMF/EU conditionality, we add a fourth level to the model in the form of an interaction term between each country and time period.⁸ Technically, this procedure ensures that any variation in trust probabilities over time can in itself vary across different national contexts (Raudenbush and Bryk, 2002: 377 ff.).

We proceed by first showing that the steepest drop in support for the EU has taken place in those countries that have been hit the hardest by the recent great recession and the consequent EU and IMF imposed austerity measures. We then demonstrate that trust in the EU is fundamentally conditioned by trust in national governments and evaluations of the national economic situation. Finally, we show that there has been a significant increase in the proportion of those who trust neither their national government nor the EU.

Results

The great recession and support for the European project

A cursory look at the evidence reveals that, between 2007 and 2011, there has been a significant drop across the board in the proportion of those who claim to trust the EU. As Table 1 shows, the single biggest drop in trust has occurred in Greece, where the proportion of those who tend to trust the EU was halved between 2007 and 2011, reaching 32%. This is not surprising given that Greece has come under the most intense pressure from both the IMF and the EU to deal with its sovereign debt crisis by adopting unpopular austerity measures. Portugal, Romania, and Latvia, all under IMF programs at some point between 2007 and 2011, have seen a substantial drop in trust as well.⁹ The precipitous drop of trust in Slovenia, Spain, and the Baltic countries might seem surprising, but one needs to keep in mind that they all faced major contractions in their economies during the crisis. The recession was felt the hardest in the three Baltic countries, where GDP

Table 1. Change in trust in the EU between 2007 and 2011—% who tend to trust the EU.

	2007	2011	2011 as % of 2007
Greece	65	32	49
Spain	69	44	64
Slovenia	70	48	69
France	60	44	73
Portugal	66	49	74
Ireland	71	53	75
Latvia	61	46	75
Czech Republic	63	49	78
Poland	75	62	83
Germany	46	38	83
Denmark	65	56	86
Hungary	67	58	87
Cyprus	63	55	87
Great Britain	31	27	87
Lithuania	74	65	88
Italy	57	51	89
Romania	77	69	90
Austria	52	47	90
Estonia	77	70	91
Belgium	68	62	91
Luxembourg	62	58	94
Bulgaria	76	72	95
The Netherlands	58	55	95
Malta	68	65	96
Slovakia	66	64	97
Sweden	48	50	104
Finland	46	56	122
Average	63	53	86

fell by about 15% or more in 2009. In the Spanish case, the prospect of EU aid loomed large for years and materialized in the summer of 2012 when Spain applied for EU support for its banking system. Thus, if we are correct that people tend to be indiscriminate when it comes to assigning blame for national economic conditions, and that both the national government and the EU get blamed for failures, these findings are not all that surprising.

While it is true that there has been a drop in support in almost all EU countries, the support has eroded the most in the countries that have been under IMF conditionality during the crisis. The combined average drop in trust for the latter is 17%, which is more than twice as high as the drop for the rest of the EU members (8%).

The survey data tell a similar story about support for the EU when Europeans are asked to indicate whether their country's membership in the EU has been a good thing. Again, citizens living in countries that have been under IMF conditionality between 2007 and 2011 have seen a fall of 15% in the proportion of those who believe that their country's membership in the EU has been a good thing. For EU countries that did not have to turn to the IMF, the drop in support is 10%. Some caution is warranted in interpreting these results because of the relatively small number of countries (five) under IMF conditionality. However, the differences are large and significant suggesting that there is a markedly steeper fall in support for the EU in countries facing severe crisis and needing IMF assistance.

To summarize the findings so far, support for the EU in Europe has dropped since the economic crisis began in 2008, and this drop is most pronounced in countries that have been part of IMF programs during the crisis. These findings support H1.

To what extent is support for the EU determined by support for national governments or an evaluation of national economic conditions? One of the main arguments we have made in this paper is that how people evaluate the performance of the national government largely determines whether they support the EU. If this is the case, the drop in support for the EU should be associated with a drop in support for the national government. A simple bivariate analysis of the relationship between change in trust for the two levels of government between 2007 and 2011 supports this conclusion. As Figure 1 shows, there is a clear and strong correlation between the two, with the correlation coefficient being $r=0.67$, and significant at the 0.01 level. In other words, a fall in diffuse support for the national government is strongly associated with a fall in support for the EU.

In order to better understand the individual and contextual factors that determine support for the EU, we now turn to regression analysis. Table 2 presents the regression outputs from the multilevel logistic analysis including all five time periods. Model 1 presents the regression coefficients for the individual variables and the IMF variable. Since the individual level variables do not change appreciably across models, we base our substantive interpretation on model 1.

The results are fascinating in four ways. First, as expected, the most important determinant of trust in the EU is trust in the national government. The effect is highly significant and substantively large. To be more precise, holding all else constant, the probability of trusting the EU is 50% higher for those individuals who indicate that they trust their national government as opposed to those who do not trust it. This is in line with our argument that people tend to form their opinion of the EU based on how they evaluate their national government (H2). Second, how people evaluate the national economic situation is also significantly related to trust in the EU (H3). Specifically, controlling for all other variables, those who

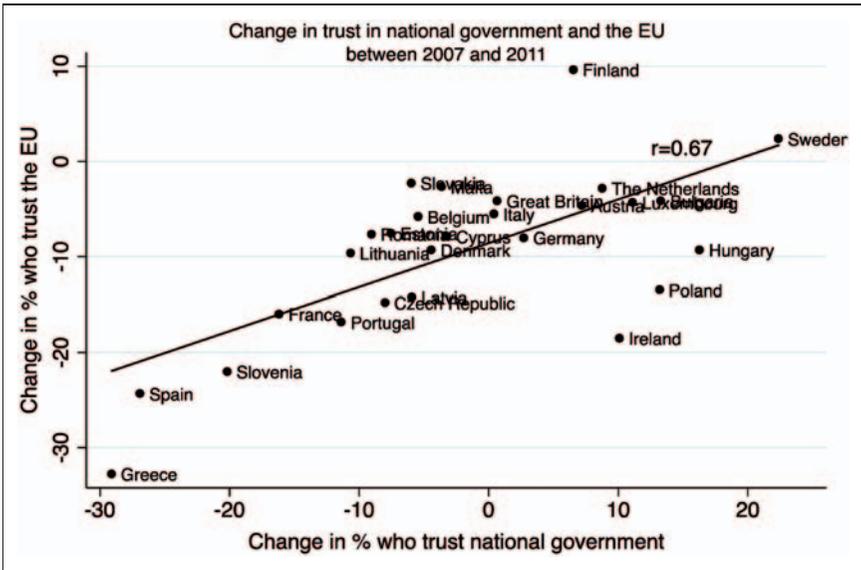


Figure 1. Change in trust in national government and the EU between 2007 and 2011.

judge the situation in their national economy to be very good are about 30% more likely to trust the EU than those who say that the situation is very bad. Third, as the coefficient of the left–right variable indicates, people who place themselves to the right are more likely to trust the EU than those who place themselves more to the left. As we argued earlier, this link between self-placement on the left–right scale and support for the EU has been strengthened by the fact that the great recession has made the EU the symbol of austerity measures and cutbacks in government spending and welfare. Thus, the left is far less likely to trust the EU. However, there is evidence for a curvilinear effect (bell curve shaped) of ideology on support for the EU as shown by the negative sign of the squared left–right term. This suggests that while it is true that people who place themselves more to the right tend to be more supportive of the EU, those who are far left or far right are less supportive of the EU.

Fourth, there is evidence that more sophisticated or more knowledgeable Europeans trust the EU more. However, as we hypothesized, more sophisticated people rely less on national heuristics in evaluating the EU. This interaction effect between trust in government and sophistication is captured by the negative coefficient on the interaction term *Trust Gov* × *Sophistication*. Graphical evidence, which is not shown here, supports this conclusion. Thus, the results are consistent with H4. The coefficients of the other individual-level variables are consistent with findings from other studies. Namely, more satisfied Europeans, higher educated ones, students, and professionals/managers are more likely to trust the EU.

Table 2. Multi-level logistic regressions: Diffuse support for the EU.

Dependent variable (intercept)	Trust in EU Model 1	Trust in EU Model 2	Trust in EU Model 3	EU Good Model 4
<i>Individual level variables:</i>				
Trust Gov	0.311 (0.188)	0.210 (0.182)	0.203 (0.176)	0.589** (0.179)
Sophistication	2.039*** (0.035)	2.039*** (0.035)	2.039*** (0.035)	0.854*** (0.030)
Economic situation	0.178*** (0.014)	0.178*** (0.014)	0.178*** (0.013)	0.188*** (0.013)
Life satisfaction	0.292*** (0.013)	0.292*** (0.013)	0.292*** (0.013)	0.380*** (0.012)
Sex	0.273*** (0.012)	0.273*** (0.012)	0.273*** (0.012)	0.349*** (0.011)
Age ^C	-0.011 (0.016)	-0.011 (0.016)	-0.011 (0.016)	0.200*** (0.015)
Education	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)	-0.001 (0.001)
Left-right	0.059*** (0.003)	0.059*** (0.003)	0.059*** (0.003)	0.100*** (0.003)
Left-right ²	0.101*** (0.014)	0.101*** (0.014)	0.101*** (0.014)	0.079*** (0.014)
Student	-0.008*** (0.001)	-0.008*** (0.001)	-0.008*** (0.001)	-0.003** (0.001)
Professional	0.480*** (0.053)	0.480*** (0.053)	0.480*** (0.053)	0.459*** (0.049)
Unskilled	0.103*** (0.024)	0.103*** (0.024)	0.104*** (0.024)	0.294*** (0.023)
Trust Gov × Sophistication	-0.108* (0.045)	-0.108* (0.045)	-0.107* (0.044)	-0.128** (0.041)
IMF	-0.108*** (0.023)	-0.108*** (0.023)	-0.107*** (0.023)	0.015 (0.021)
Membership (years) ^C	-0.174 (0.094)	-0.170 (0.094)	-0.140 (0.109)	-0.089 (0.108)
Net recipient	-0.018** (0.006)	-0.018** (0.006)	-0.018* (0.008)	0.008 (0.006)
Unemployment ^C	0.145 (0.138)	0.145 (0.138)	0.158 (0.134)	-0.006 (0.145)
Debt ^C			0.006 (0.012)	0.040** (0.013)
Debt growth ^C			-0.003 (0.004)	-0.003 (0.004)
Deficit ^C			-0.008 (0.007)	-0.007 (0.007)
Deficit growth ^C			-0.020 (0.013)	-0.020 (0.014)
GDP growth ^C			-0.009 (0.010)	0.001 (0.01)
Social spending ^C			-0.001 (0.009)	0.011 (0.010)
			0.011 (0.031)	-0.028 (0.029)

Note: No. of observations 85523; No. of countries 27; No. of time points 5. Standard errors in parentheses. Significant codes: ***p<0.001 **p<0.01 *p<0.05. C: centered.

Unskilled manual workers are less likely to do so. The sex of the respondent, however, does not seem to be significantly related to trust in the EU.

To summarize, the results support our hypothesis that citizens derive opinions about the EU based on their subjective evaluation of the trustworthiness of the national government and the condition of the national economy. More sophisticated Europeans, however, rely less on national heuristics.

We now turn to the country-level variables. In model 1, we added the measure for IMF conditionality only. The coefficient for this variable is negative, suggesting that citizens of countries that have signed an IMF agreement and thus are under IMF/EU conditionality tend to have lower levels of trust than other Europeans, but this effect is only statistically significant at the 0.1 level. Holding everything else constant, the effect of being under IMF conditionality decreases the probability of trusting the EU by 4% at most. This is consistent with the descriptive analysis above which suggests that although the decline was most pronounced in countries under IMF conditionality, there was a decrease in diffuse support for the EU across the board.

Model 2 adds variables for net recipient status, and the length of membership in the EU for each country. The effect of the IMF variable and its significance remain the same. Being a citizen of a net recipient country does not seem to be associated with more trust in the EU in the period we study. While the coefficient for the *Net recipient* has the expected sign, it is far from significant. This could be due to the severity of the recession and the fact that many of the net recipient countries have been hit hard by the crisis. Contrary to what we expected, longer membership in the EU is negatively related to trust in the EU and this effect is statistically significant. However, the substantive effect is limited. A 10-year increase in the length of membership in the EU is associated with about 5% less probability of trusting the EU.

Model 3 introduces the rest of the country level variables, all of them macroeconomic indicators, which should be related to diffuse support for the EU. Strikingly, none of them cross conventional statistical levels of significance. This suggests that individual level evaluations of the state of the national economy are far more important than macroeconomic indicators for diffuse support for the EU. Most importantly for our purposes, in this model specification the coefficient for the IMF variable has the right sign but is statistically insignificant. This is probably due to the fact that high debt countries self-select into the IMF/EU intervention group. The regression analysis of the fixed effects between the IMF variable and the other country-level variables suggests that there is some correlation between the IMF variable and the macroeconomic indicators, but it is weak.

Finally, model 4 presents the results from the regression analysis using *EU good* as the dependent variable. The results are interesting in two ways. First, they are remarkably consistent with the results from models 1–3 that use *Trust in EU* as the dependent variable. With the exception of the interaction effect between trust in government and sophistication, all the individual-level variables that were statistically significant in the previous models are statistically significant now (the reverse

is true for *Sex*). We therefore only discuss the key variables of interest. Although its substantive effect is reduced, trust in national government (*Trust Gov*) is still the most substantively important variable for determining diffuse support for the EU. Those who claim to trust their national government are on average 20% more likely to say that their country's membership in the EU is a good thing than those who do not trust their national governments. The national economic situation has an even larger effect on the diffuse support for the EU than it did when the dependent variable was trust in the EU.

The insignificant result for the interaction effect suggests that sophisticated people are just as likely as less sophisticated people to derive their evaluations of the beneficial nature of EU membership from cues coming from the national context. In a nutshell, domestic factors including trust in the national government and positive evaluations of the state of the national economy are strongly related to diffuse support for the EU, however this support is measured.

From the country-level variables in model 4, all but *unemployment* are statistically insignificant. Most importantly, the coefficient for the IMF variable has the right sign but is statistically insignificant. Regarding *unemployment*, the results suggest that higher rates of unemployment are associated with a higher probability of thinking that membership in the EU is a good thing. This result is surprising but the substantive effect is marginal—a 1% increase in the unemployment rate is associated with only a 1% increase in the probability of support for the EU.

The results so far have provided strong evidence for the claim that public attitudes toward the EU are fundamentally conditioned by the way citizens perceive their national government and its effectiveness (H2 and H3). We conclude that most citizens of the EU make up their mind about the EU by using their national experience as a major heuristic. Two of these heuristics are particularly important: the situation in the national economy and trust in the national government. Many citizens lack the information and knowledge to evaluate EU policies. In all likelihood, they start from the impact of the crisis in their home country and the way their national government failed or succeeded to contain the effects of globalized markets. These results also suggest that perceptions of economic performance matter far more than objective indicators of such performance.

There is some evidence that the economic crisis and the austerity policies that the EU and the IMF imposed on several member countries eroded support for the EU. This effect, however, is not terribly large and we see a significant drop in support for the EU even in countries that have not been under direct conditionality or pressure from the EU and the IMF. Most of the effects are indirect: during the crisis, national governments had a hard time demonstrating to citizens that they sit in the driver's seat of national and European economic developments. The crisis showed that the room for maneuvering is very limited for national governments; citizens recognized both the past economic failures and the limited policy efficiency of national governments.

The general argument is supported by another analysis, which looks at the relative size of types of support for national and European government that

Table 3. The distribution of the different types of attitudes before and during the crisis.

	Countries under IMF conditionality			Countries not under IMF			EU 27		
	2007 (%)	2011 (%)	Δ	2007 (%)	2011 (%)	Δ	2007 (%)	2011 (%)	Δ
Escapists	39	30	-9	25	21	-4	28	23	-5
Trusting	28	21	-8	34	32	-2	34	29	-4
Nationalists	3	4	1	9	10	0.3	7	8	1
Detached	30	45	15	32	37	5	31	39	8

were introduced earlier. We now present evidence that clearly shows the substantial increase in the number of detached citizens that trust neither their national governments nor the EU.

If we are right that most people base their trust in the EU directly on trust in national government, the 'trusting' and the 'detached' types together should form the largest group. Furthermore, we expect the 'detached' group to have grown since the beginning of the crisis. An increase of the share of 'nationalists' and 'escapists' would contradict our argument that the decline of trust in national institutions caused the decline of trust in the EU. Once again, we would need panel data to produce firm empirical evidence for this hypothesis—which we do not have. However, the distribution of EU citizens over the four groups before the crisis and the beginning of 2011 supports our argument (see Table 3).

The first thing to notice about the table is that trust in both levels of government is fundamentally related. Most Europeans either trust both their national government and the EU or neither of them. To be more precise, in 2007 65% of the respondents either trusted both or none of the governments (calculated as the sum of 'trusting' and 'detached'). This proportion increased slightly between 2007 and 2011 to 68%, suggesting that the crisis has only made the link between trust in national government and the EU stronger. Thus, given that people are far more likely to form their trust in the EU based on their trust in national government than the other way round, the evidence presented supports our argument that cues from the national context are crucial for determining support for the EU.

One could argue, of course, that the very existence of 'nationalists' and 'escapists' goes against the hypothesis that evaluations of the EU are driven by evaluations of the national government. However, it is important to keep in mind that, as some of the results have shown, more sophisticated people tend to rely less on the national context when evaluating the EU. It is therefore conceivable that a large number of those in the 'nationalist' or 'escapist' camps make informed choices to have differentiated trust for the different levels of government. More generally, we do not make a deterministic argument that each and every citizen derives her evaluation of the EU exclusively from the national level. Rather, we argue in a probabilistic way, assuming that on average the experiences from the national level are important but not exclusive predictors of attitudes toward the EU.

To return to the findings, we see an average increase of 8% in the proportion of those who are totally detached and alienated from both levels of government in the EU as a whole (from 31% in 2007 to 39% in 2011). This trend is far more pronounced in the countries under IMF conditionality, with an increase of 15% (from 30% in 2007 to 45% in 2011).

While we cannot exclude the possibility that individual movements have been more complex across countries, the aggregate data suggest that many of those who were already distrustful of their national governments but trusted the EU (e.g. Ceka, 2012; Spendzharova and Vachudova, 2012), have also now lost faith in the EU. A quick look at Table 3 supports this conjecture because the proportion of the 'detached' increased as a result of a drop in the proportions of 'escapists' and the 'trusting' types. The proportion of 'nationalists' did not change much. Overall, the results strongly support H5, which postulates that the number of detached people has increased as a result of the crisis.

The direction of causality: Further analyses

These statistical relationships we have presented so far do not prove causality of course. One could argue that the simultaneous decline of trust in the EU and national governments is due to a third variable, which would make the correlation between national and EU trust spurious. Furthermore, one could argue that the causal arrow is reversed: since the EU has done so badly in the great recession, trust in the EU has eroded, and has thus led to an erosion of trust in national governments that are at the core of the EU decision-making system. Regarding the first concern, we control for a number of contextual factors and individual determinants of trust, including the main suspects that could have caused a drop in diffuse support for both levels of government—individual evaluations of and contextual variables for economic performance. The objection about reversed causality is a more serious one and we need some identification strategy to show more robustly that the arrow of causality goes from the national to the European level.

We have developed two strategies to accomplish this. We first look at purely domestic political developments that are significantly related to trust in national government. If a causal relationship between the national and the European level does not exist, these domestic developments should be correlated with changes in trust in national government, but they should have no implications for trust in the EU. If we are right, however, that evaluations of the EU are driven by evaluations of national government, we could expect a significant correlation between these purely domestic developments with trust in the EU.

For theoretical and empirical reasons, we expect trust in national government—particularly in troubled times—to be related to a change in the composition of government. This is similar to the idea of the short-lived US presidential 'honeymoon' of high approval ratings that takes place right after a new president takes office. We defined change of governments as a change of the partisan composition

of government, which leads to change of at least 20% of cabinet seats between political parties. Twenty-six government changes—defined in that way—occurred in the period between fall 2006 and spring 2012. In a second step, for each country the difference in trust in national government was calculated between every pair of successive Eurobarometer waves. For example, in the fall of 2006 52.1% of Belgians trusted their national government, and in spring of 2007 this share was 63.3%. The change of trust in the Belgian government for the Eurobarometer Waves of fall 2006 and spring 2007 was therefore 11.2%. In total, 307 of these differences were calculated. The mean of these differences for the 281 cases where no government change occurred between the two successive waves was almost -2 percentage points, while in the 26 cases of government change trust increased by an average of 8 percentage points. A t -test shows that this difference is statistically significant ($p < 0.05$).

In technical terms, this procedure is known as a difference-in-differences analysis, which is widely used in econometric and experimental analyses (Angrist and Pischke, 2009; Wooldridge, 2003). The basic idea is to compare differences between two time points and between ‘treated’ and ‘untreated’ cases (i.e. cases with and without governmental changes).

While there are good theoretical reasons to expect that a change of national government would result in more trust among citizens for the national administration, there is no *prima facie* reason why a governmental change in a country should lead to more trust in supra-national government—unless we assume that the trust in supra-national government is to some extent derived from the trust in national government. The statistical analysis shows that, on average, trust in the EU decreases by 2 percentage points if there is no governmental change and increases by almost 3 percentage points if there is a change of national government. This difference is not caused by the few changes of national government that could be related to supra-national policies, such as in the countries under IMF/EU conditionality or Spain and Italy since 2011. Excluding these cases does not change the significant differences (see Table 4).

In substantive terms, in difficult times a change of national government increases citizens’ trust in the national government. They voted out the previous government and put their hopes in the new government. This purely domestic change also increases trust in the EU. The most plausible explanation is that trust in EU is conditioned by trust in national government.

The second strategy we employ in order to show the direction of causality is to control for evaluations of EU and national government performance during the crisis. Thus we use a survey question that asked the respondents the following: ‘Since the beginning of the economic crisis, would you say that each of the following actors [the EU, national government] has acted effectively or not to combat the crisis up till now?’ We constructed variables that take the value of 1 if respondents indicated ‘Yes, very effectively’ or ‘Yes, fairly effectively’ and 0 if respondents indicated ‘No, not very effectively’ or ‘No, not at all effectively.’ Since these

Table 4. Difference-in-difference analysis for change in government composition.

	<i>n</i>	Mean difference trust national government	Standard deviation	<i>t</i>
No change of government	281	-1.72	7.95	
Change of government	26	8.38	13.54	-5.77
	<i>n</i>	Mean difference trust EU	Standard deviation	<i>t</i>
No change of government	281	-1.79	6.55	
Change of government	26	2.73	8.50	-3.28
<i>Excluding countries under IMF/EU conditionality plus Spain and Italy since 2011</i>				
	<i>n</i>	Mean difference trust national government	Standard deviation	<i>t</i>
No change of government	250	-1.41	7.94	
Change of government	20	6.39	11.65	-4.06
	<i>n</i>	Mean difference trust EU	Standard deviation	<i>t</i>
No change of government	250	-1.48	6.40	
Change of government	20	4.29	8.15	-3.80

questions were not asked in all surveys, we use Eurobarometer 75.3 that was conducted in May 2011. Therefore, our robustness test is restricted to this particular survey.

Table 5 presents the results. Due to space constraints, we only discuss the key variables of interest and omit the results of the full model that include all the controls of Table 2. The major result is that even after controlling for EU performance during the crisis, trust in national government remains a significant and important determinant of trust in EU (models 1 and 2). In fact, the substantive effect of the variable measuring trust in government is much higher than the effect of the *EU performance* variable when the dependent variable is trust in the EU. The substantive effect of these two variables is comparable when the dependent variable is *EU good*. Models 3 and 4 present the toughest tests for our key argument about the importance of cues from the national level in determining diffuse support for the EU. Namely, trust in government is excluded from the right hand of the equation and only evaluations of the performance of the EU and the national government during the crisis is left in. Although the substantive effect of *EU performance* is larger than the effect of *National government performance*, perceptions about the effectiveness of

Table 5. Multi-level logistic regressions: Diffuse support for the EU with controls for EU and national government performance during the crisis (EB 75.3, May 2011).

Dependent variable		Trust in EU Model 1	EU good Model 2	Trust in EU Model 3	EU good Model 4
Individual level variables	Intercept	-1.974*** (0.284)	-1.097*** (0.263)	-0.391 (0.259)	-0.549* (0.267)
	EU performance	1.321*** (0.037)	0.941*** (0.034)	1.331*** (0.037)	0.942*** (0.036)
	Nat. gov. performance			0.327*** (0.088)	0.315*** (0.084)
	Trust gov.	2.072*** (0.096)	0.854*** (0.085)		
	Sophistication	0.205*** (0.034)	0.236*** (0.032)	0.188*** (0.033)	0.261*** (0.032)
	Econ. situation	0.175*** (0.031)	0.275*** (0.029)	0.437*** (0.029)	0.375*** (0.028)
	Sophist:Trust gov	-0.187** (0.058)	-0.025 (0.052)		
	Sophist:Nat. Gov. perf.			-0.100 (0.052)	-0.048 (0.050)
	Observations	17,736	18,514	17,960	18,910
	Number of country	27	27	27	27

Note: The table only presents the results for the individual level variables of interest. Standard errors in parentheses. *** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$.

national governments during the crisis are clearly associated with both measures of diffuse support for the EU.

Therefore, the two different strategies we have employed to show the robustness of our findings provide strong support for a casual arrow from the national to the supranational level, as already argued by Anderson (1998).

Conclusion

Why has diffuse support of the EU, measured as trust in the EU, declined considerably during the economic downturn since 2007? We have argued that this is mainly due to declining support for national governments. Only part of the loss of support is directly related to EU policies toward the countries that came under EU and IMF surveillance. Hence, citizens arrived at their evaluation of the EU mainly using heuristics based on the national level.

This contradicts three arguments that have been made in the literature on EU support. First, Risse (2010) and some other scholars have argued that there is an

emerging European identity that does not replace but instead complements national identity. Citizens become more interested and attached to European politics over time. According to this view, we would expect citizens to evaluate the national and European executives independently of one another. However, our study shows that the focus on national structures, processes and politics continues to trump European level politics.

Second, when we started this study we shared the view of many observers that citizens in nations under EU and IMF surveillance will be particularly critical and disappointed by European politics due to the EU policies that have imposed strict austerity on them. This is also the underlying idea behind the purported rise of the ‘Indignados’ or the outraged, who believe that external actors have eroded national democracy. This was also the topic of Hessel’s (2011) booklet ‘Indignez-vous’ from which the Indignados took their name. Both the descriptive and the multivariate analysis have provided some support for this direct effect of EU policies. However, when we control for different individual and country factors, it becomes clear that the effect of EU policies is relatively small and not always statistically significant. If trust in the EU recedes in a given country, it is much more likely to be due to the policies of national governments and developments in the national economy than due to the immediate behavior of external actors such as the EU and the IMF.

Third, our findings present a dilemma for EU programs that seek to strengthen support for European integration. In 2007, the EU Commission started a Citizenship program that aimed at ‘... promoting “active European citizenship”, especially the involvement of citizens and civil society organizations in the process of European integration.’¹⁰ This analysis shows that the program has much work to do. We have little evidence to suggest that most citizens form their opinion of the EU on the basis of information and knowledge about the EU. Rather our analysis supports the main ideas put forth by Anderson (1998) who argues that citizens use attitudes toward national politics as a proxy for attitudes toward the EU.

If we are correct, then the economic crisis has led to a crisis in support for the EU mainly by way of national governments. But if national governments are seen to be efficient in handling the economic crisis and live up to their electoral promises to produce successful economic policies, in all likelihood the support for the EU will grow again—and this will be largely unrelated to what the EU is doing.

Notes

1. These numbers were obtained using own calculations and the interactive Eurobarometer Website http://ec.europa.eu/public_opinion/cf/showchart_line.cfm?keyID=2193&nationID=4,&startdate=2003.11&enddate=2011.05 (accessed 01 January 2012).
2. These surveys are EB 68.1 (4th quarter 2007), EB 70.1 (4th quarter 2008), EB 72.4 (4th quarter 2009), EB 74.2 (4th quarter 2010), and EB 75.3 (2nd quarter 2011).
3. Here is the actual wording of the question is: ‘I would like to ask you a question about how much trust you have in certain institutions. For each of the following institutions, please tell me if you tend to trust it or tend not to trust it. And what about the following institutions? Please tell me if you tend to trust it or tend not to trust it.: The European Union’.

4. The 2007 wave of Eurobarometer surveys (EB 68.1) has only the question about the number of members in the EU. However, it has other knowledge questions and we rely on one that asks respondents whether the members of the European Parliament are directly elected by the citizens of the EU.
5. International Monetary Fund. Available at: <http://www.imf.org/external/data.htm> (accessed 03 November 2012).
6. The data are available at: <http://www.money-go-round.eu/Default.aspx> (accessed 03 November 2012).
7. Available at: <http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/> These measures are based on Government Finance Statistics concepts. The government deficit is the net lending/net borrowing of general government as defined in the European system of accounts (ESA95), adjusted for the treatment of interest relating to swaps. The government debt is defined as the ratio of the total consolidated gross debt to GDP. Unemployment is measured from the European Union Labor force survey (EU LFS). The size of the welfare state is calculated as the percentage of GDP that goes to social benefits other than social transfers in kind and social transfers in kind = expenditure on products supplied to households via market producers.
8. This is achieved by creating a variable that indexes all possible country-time combinations and serves to identify the fourth level when fitting our models. Theoretically, this would yield $27 \times 5 = 135$ country-time combinations.
9. From the group of countries that have been under IMF conditionality, only Romania and Hungary have seen a dive (8% and 9%, respectively) that is below the average for the entire EU (10%).
10. Available at: http://eacea.ec.europa.eu/citizenship/programme/about_citizenship_en.php (accessed 27 June 2012).

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