

## **Crisis & Catharsis in EU Integration**

**Dr. Mai'a K. Davis Cross**  
**Northeastern University**  
**m.cross@neu.edu**

### **Abstract**

This article seeks to explain how and why the EU's relatively frequent existential crises – complete with 'end of Europe' rhetoric – ultimately result in new areas of consensus regarding the EU's integration project. During the course of these existential crises, member states are able to release underlying societal tensions that might have stood as stumbling blocks to further consensus, and thus achieve a sense of 'catharsis,' as evidenced by convergence in attitudes. To illustrate this process, the article examines the case of the Eurozone crisis, and describes how North-South tensions that pre-dated this crisis period were openly aired during the height of the crisis, and created a window of opportunity for leaders to agree to a number of far-reaching policies in the economic and financial area.

**Keywords:** narratives, crisis, integration, social construction

### **Introduction**

The evolving European order, which centers on the process of European Union (EU) integration, is characterized by both incremental change and critical junctures of crisis. This article focuses on the latter, and aims to provide an agenda for future research into European crises. Even a casual look at the history of the EU since its inception in 1957 shows that at numerous periods through its development, the EU (or EEC/EC in its previous incarnations) has been portrayed as being in severe crisis, even on the verge of dissolution. I examine why these

predictions, particularly those of *existential* threat (episodes in which it seems the “end of Europe” is at hand), have continually been proven false. This article seeks to contribute to an overarching proposition that existential crises repeatedly give European leaders a window of opportunity for consensual decision-making, which enables further shaping of European order.<sup>1</sup>

A widely accepted definition of crisis is ‘an extraordinary moment when the existence and viability of the political order are called into question’ (Ikenberry 2008:3). An *existential* crisis is a more intense version of this in which there is a palpable perception that an actor’s very survival or fundamental character is at stake. To explain the puzzle of EU resilience in the face of crises, I focus on narratives – defined as how Europeans talk about crises – and how these narratives feed into crisis resolution (Hay 1999: 317-44). I argue that EU crises provide the means to release tensions that would otherwise remain under the surface, and likely impede consensus in certain policy areas. This article focuses on the role of *catharsis* – defined as a release of tensions that enables movement past sources of stress and the attainment of new insights. At the societal level, these tensions often have to do with differences in identity, political culture, and attitudes towards the EU. At the elite, political level, they often have to do with national interest, geopolitics, and attitudes toward other countries. Crises give Europeans at both levels an opportunity to debate issues in ways that would otherwise be considered confrontational. In so doing, they are able to overcome some of these tensions and achieve a sense of catharsis, which is linked to the creation of new avenues for consensus on policy options.

This article proceeds as follows. The first section briefly reviews a few select aspects of the vast literature on crisis resolution to shed light on how this process often works, and what consequences crises bring. I suggest that the concept of catharsis fills a gap in our understanding

of crisis resolution, and is a valuable way to shed light on this process in the European context. The second section examines the case of the 2010-12 Eurozone crisis. The dominant narrative during this crisis largely centered on division between northern and southern European member states,<sup>2</sup> tensions that pre-dated the crisis and arguably stood as obstacles to further economic integration. Through an examination of media coverage and opinion polls during the period, I argue that as the existential crisis dissipated there was convergence in North-South attitudes about EU integration, indicating that catharsis has taken place.<sup>3</sup>

### **Understanding Crisis Resolution**

Observers often refer casually to the notion that crises create opportunities, but there is almost no theorizing on how this repeatedly occurs in the context of the EU. After all, in the literature on how crises bring about political change, it is fully within the realm of possibility that institutional structures like the EU may be dismantled to make room for new forms of organization. For example, the systemic/structural perspective to understanding crises argues that ‘destabilizing forces’ in the international system disturb routine patterns, undermine institutions, and ultimately threaten the nature of the existing structure (Young 1968:6-15). While acknowledging the broad literature on the processes by which crises bring about political change, I focus here on one aspect of this – catharsis – which I suggest is crucial in explaining the outcome of EU resilience, as opposed to destruction, in the face of crises.

The more specific literature on crisis resolution is valuable in mapping out the various possibilities of how actors react to and resolve crises. Situating the EU’s frequent existential crises in this theoretical roadmap also shows that there is a gap in our understanding of how crisis resolution works in the EU context. While it would be impossible to fully outline this

wide-ranging literature here, for the purposes of this article, I synthesize its general approach into roughly three phases of crisis resolution – (1) the broadening of policy choices, (2) the elevated power of elites to decide, and (3) the potential outcomes<sup>4</sup> – and subsequently explain how the concept of catharsis helps to fill this gap when it comes to explaining the crisis pattern in Europe.

### ***The Broadening of Policy Choices***

In the first stage of crisis resolution, the range of possible actions in response to a crisis opens up. Leaders craft their own ideas of what should be done, experts and epistemic communities put forward a variety of policy solutions, and the public also often weighs in. As Peter Haas (2001: 11581) argues, ‘New ideas will be solicited and selected only after crises, for crises will alert politicians to the need for action and will seek to gather information about their interests and options.’ While this statement is somewhat of an overstatement – new ideas arguably matter at all times – crises do bring with them uncertainty precisely *because* they enable a much larger range of possible actions than during non-crisis periods. Similarly, Giovanni Capoccia and Daniel Kelemen (2007: 343) write that critical junctures have two main outcomes: ‘the range of plausible choices open to powerful political actors expands substantially and the consequences of their decisions for the outcome of interest are potentially much more momentous.’ In addition, at the societal level there is often a sense of unity in the wake of a crisis. Thomas Drabek and David McEntire (2003: 99) point to two immediate crisis effects that are common: ‘individuals and groups typically become more cohesive and unified during situations of collective stress,’ and ‘new behaviors and organizations appear after disaster.’ When the citizenry is more unified in its response, public input can have a stronger than usual contribution to broadening the range of possible choices in response to crises.

### *The Elevated Power of Elites to Decide*

In the second stage, it becomes clear that leaders – as opposed to other actors – have the primary responsibility to decide what action to take. The role of elites is greater than in non-crisis periods as the public relies on them to make important choices and to find the best way out of the crisis (Boin et al. 2005: 1). Even though leaders often gain more decision-making power and have a wider-range of options during times of crisis, resolving crises is easier said than done. Indeed, organizational theory finds that crises are often *exacerbated* because systems disruptions make it difficult for organizational managers to perform well. In effect, once the impact of the crisis is felt, decision makers can make it worse if they do not deal with it effectively. Matthew Seeger et al. (2003: 9) write, ‘Organizational members, crisis stake holders, and the public often experience intense emotional arousal, stress, fear, anxiety, and apprehension, which may compromise their ability to make effective decisions.’ Thus, much is at stake in the context of crisis. If leaders appear to be ineffective then negative perceptions about the crisis could intensify, creating a kind of self-fulfilling prophecy dynamic. Leaders can very quickly lose legitimacy in the eyes of the citizenry, and along with them, so could the governments they represent (Boin 2004: 166).

At the same time, many scholars recognize the *opportunity* inherent in the process of crisis resolution. Some refer explicitly to a kind of ‘silver lining effect’ (Seeger 2003: 6; Meyers 1986). Crises require change to be overcome, and what decision-makers do with this opening provides the potential to make things better in some way. Several scholars make reference to the opportunity that has followed various crises in the European context. Anand Menon argues that the Iraq crisis served to make competing preferences explicit, enabling the achievement of more

security cooperation (Menon 2004: 631--48). Daniel Keohane and Steven Everts (2003: 168) argue that the constitutional crisis created an opportunity for self-definition, leading to key institutional reform. Neil Fligstein (2001: 266) argues that the integration crisis of the 1980s enabled skilled strategic actors to build new political coalitions and push for the establishment of the Single Market. And Thomas Risse (2010) suggests that EU crises often contribute to making the European public sphere more robust through politicizing the citizenry around certain issues. These studies and others all support the argument that various crises have enabled Europeans to clarify the issues at stake and make agreement a clear priority (Crowe 2003: 533--46; Gamble 2006: 34--49; Lewis 2009: 432--450). Moreover, they argue that such agreement may not have otherwise been found in the absence of crisis.

### ***Crisis Resolution Outcomes***

In the third stage, leaders with decision-making authority take action, and the outcome of a crisis becomes apparent. Most arguments about crisis resolution naturally prioritize the role of elites or leaders in finding ways out of crises, but they differ in terms of what elites choose to do. One possibility is that leaders will take advantage of the crisis to quickly get policies implemented that would otherwise not survive democratic procedures. In other words, the argument is that they strategically use crises for political ends, such as for increasing state power or furthering EU integration (Sala 2010). Naomi Klein (2011) introduces the idea of the *shock doctrine* to refer to the sinister ways in which leaders get away with pushing through unpopular policies while the public is distracted by a crisis. Similarly, Carl Schmitt (1922/2004: 5) argues that sovereign decision makers may actually *create* crises to justify certain political actions. According to this view, when a sovereign defines a crisis as such, he can then disregard the

natural principles and laws that normally bind his actions and protect the interests of the people (Schmitt 1922/2004: 8). Andrew Neal (2009:1) also argues that liberal states can act illiberally when statesmen take advantage of the exceptionalism of crises to change the existing order. Indeed, this can become a dangerous, slippery slope towards dictatorship, as has occurred at numerous times through history from Julius Caesar to Napoleon to Hitler.

Another possibility, however, is closer to what happens in the European context. Leaders could respond to crises through rebuilding and transforming institutions, creating a better-functioning institutional and normative environment. Indeed, some organizational theorists argue that crises are actually an inherent and natural part of organizational development. Organizations need change and improvement, and crises provide that opportunity (Seeger 2003: 232). As Gene Rochlin (1996: 55--59) argues, the human errors that crises bring to light allow the creation of better-designed and maintained organizations. The organizational approach tends to see crises as being subject to standard operating procedures. Built in to the set-up of institutions is the ability to go into 'crisis mode' when something goes wrong. These events are thus planned for in advance. Richard Rosecrance (1963), for example, suggests that systems that survive repeated crises have a strong variety of regulatory mechanisms in place. Thus, if institutions already have built-in safeguards and mechanisms for handling crises, leaders are more likely to make adjustments to the system in place rather than trying to transform the existing order entirely.

In cases of international crises that seemingly threaten cooperation or integration among states, leaders are often even *less* constrained because they are expected to prioritize the sovereignty and well-being of their own territory and citizens. Thus, they could (1) roll back, (2) freeze, or (3) push forward cooperation and integration. Leaders might choose to *roll back*

cooperation if they interpret a crisis as a signal that their cooperative arrangement no longer works. For example, some experts argue that the Eurozone crisis meant that the Euro was doomed and should be dropped in favor of national currencies. Leaders might alternatively choose to *freeze* the level of cooperation that has already been achieved if they interpret a crisis as a signal that pushing for more cooperation would be dangerous. For example, in the 2003 Iraq crisis for the EU, when there was an initial failure to achieve a common stance and the crisis narrative played up deep East-West (or so-called old-new) divisions, some elites argued that any enhancement of CFSP would be impossible, and that Europeans were not capable of improving their approach to foreign policy. Finally, another reaction to a crisis could be for leaders to *push forward* with more integration in response to crises. In theory, this would seem to be the least likely outcome because in an international system based on state sovereignty, we might expect leaders to take a ‘safer’ route that restores sovereignty, in order to avoid future crises and to reduce the vulnerability that comes with interdependence (Gilpin 1975: 37--60). These various routes to crisis resolution present a puzzle: In the case of the EU, why have crises served as opportunities to find new areas of consensus among member states?

### ***Catharsis***

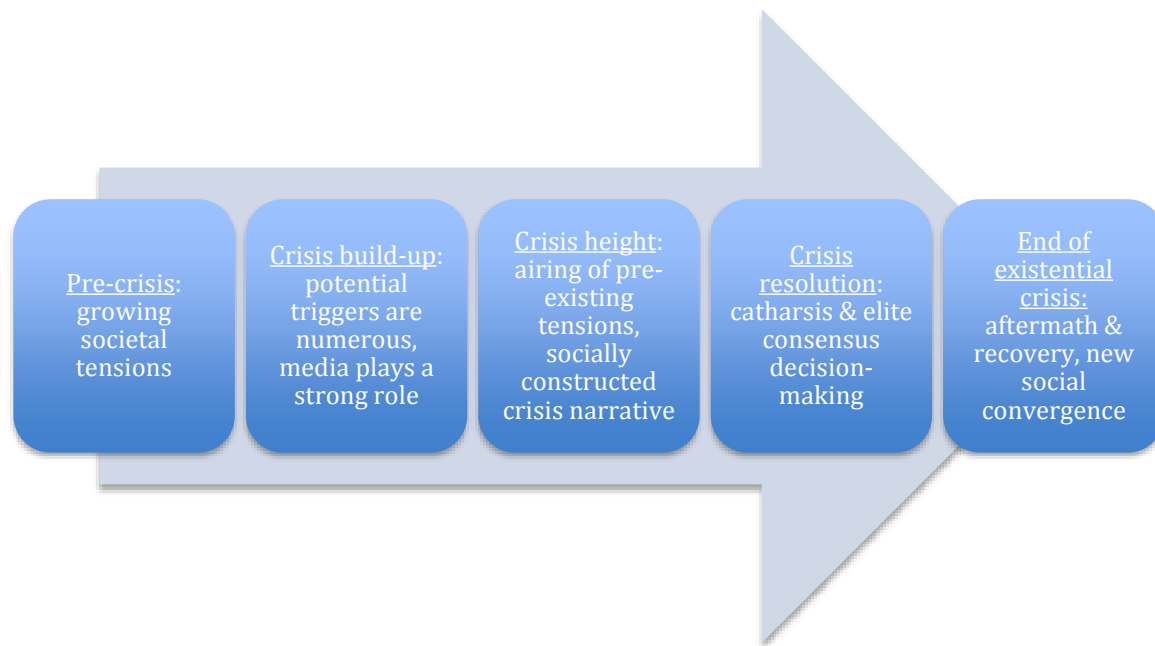
Organizations, leaders, and elites are important actors in resolving crises, but there are also broader societal processes at work that must be considered to explain EU resilience in the face of perceived existential threat. I argue that the concept of *societal catharsis* fills an important gap in the existing literature on crisis resolution. The field of psychology, drawing on Greek drama, defines catharsis as a kind of Freudian-style process in which individuals seek to more fully recognize and express emotions about past events that they typically repress as a



result of a personal crisis. It can be a painful experience, but in releasing these tensions, they are able to move beyond sources of psychological stress. At the leadership level, catharsis often accompanies intense pressure to resolve the crisis, recognition of disjunctures in previous reasoning or preferences, and/or the realization that past behavior was flawed. The result is often new and sudden insight, a more positive attitude about oneself, and the end of destructive or counter-productive behavior that deviates from the norm. This can also happen at the group level, although I use the concept here as a kind of analogy for what happens in European society more generally during EU existential crises (Hodgskin 1941: 184--192).

As EU crises build and reach their height, if catharsis is at work we should expect societal actors – both at the public and elite levels – to craft narratives around their dominant pre-crisis tensions. It is in the very urgency of this emotional, crisis atmosphere that the impetus towards crisis resolution takes place. If pre-existing tensions shape the terms of a crisis's dominant narrative, turning these episodes into opportunities to speak frankly, then Europeans are more likely to overcome certain differences that would have otherwise served as obstacles to reaching consensus about EU policy. Tensions are released that would otherwise remain under the surface. Thus, we should expect to find evidence of convergence in societal attitudes as crises wind down.

**Figure 1: Framework of Analysis**



Of course, these tensions rarely go away entirely – North-South tensions clearly persist years after the height of existential crisis. But the build-up of pressure can be released during a crisis, making these tensions less perceptible afterwards, and opening up new pathways for consensus. At the elite level, I hypothesize that the causal mechanism behind this is the ability to act beyond strict national interest, and instead to be seen as contributing to a solution. At the societal level, the causal mechanism could involve rediscovery and reaffirmation that the existence of the EU is a good thing, and should be preserved.

### **The Eurozone Crisis**

The case of the 2010-12 Eurozone crisis is valuable in illustrating this catharsis dimension of crisis resolution in Europe.<sup>5</sup> In this case study, I first identify the pre-existing societal tensions of the time. Second, I compare these pre-existing tensions to societal narratives

during the crisis. The expectation is that if European society airs these tensions, then some degree of catharsis is achieved. Catharsis is not an easy process to observe empirically, but I consider media coverage during the crisis as an indicator of the main crisis narrative, as well as Eurobarometer polls to establish the change in attitudes before and after the crisis. I also assess the extent to which leaders find new areas of consensus as they seek to resolve the crisis. Although I briefly visit some aspects of the origins and build-up of this crisis, the main purpose of this case study is to examine any evidence that catharsis took place.

### *Pre-Existing Tensions*

EU member states have spent many decades crafting an ‘ever closer union,’ particularly in the economic and monetary area. However, they have followed a strategy of gradualism, creating close targets, and maintaining flexibility in achieving them (Dinan 2003). This strategy had worked well for some time, especially because there was little reason for an urgent pace of integration, and the European economy was generally healthy, maintaining steady growth until the worldwide economic contraction in 2009 (Eurostat). EU leaders naturally favored this gradualist approach because they knew that there were certain obstacles in the way of completing the goal of a truly single market, and that they would have to be dismantled piecemeal.

In the lead-up to the Eurozone crisis, North-South tensions had emerged as an increasing source of concern.<sup>6</sup> These tensions had been arguably present since the early years of economic integration, but they intensified in 2008. There were several reasons for this. First, the global economic crisis put the entire European economy on shakier ground. Second, there was increasing evidence that the South was not being as fiscally conservative as the North (Verney 2009: 2), and that southern member states strongly favored higher subsidies and less regulation

for producers (Thomson 2009). Third, there was a growing sense of divide between those EU countries that had adopted the Euro and those northern countries (UK, Sweden, and Denmark) that had not. British Prime Minister David Cameron emphasized this aspect with his rhetoric about preventing the Eurozone from controlling the destiny of the EU (Milliband 2011). Fourth, the rise of German economic power alongside growing German economic leadership (Dees 2005) raised concerns and insecurity in other member states (Kulich 2010). Finally, with the tightening of domestic budgets and enlargement of EU membership, the division between net contributors and net detractors to the EU budget became more contentious (Zimmer et al., 2005). Thus, before the onset of the Eurozone crisis, these tensions stood as obstacles to major innovations in the economic and financial spheres.

### *Crisis Narrative*

The origins of the Eurozone crisis were not a consequence of these underlying tensions stemming from differences in economic culture. Dozens of articles, books, and opinion pieces have been published about the build-up, intensification, and contagion effect of the Eurozone crisis. One argument is that the global financial system with its emphasis on market fundamentalism is inherently flawed, and this is what made the financial crisis in Europe possible (Kouvelakis 2012, Soros 2012). A second argument is that the Euro itself was a bad idea from the beginning and was inevitably heading towards crisis (Overtveldt 2011, Eichengreen 2012, Ash 2012). And a third argument is that the central economic problems were really centered on Greece, but that the crisis picked up momentum when a variety of other weaknesses rose to the surface in other member states, creating a general crisis of confidence in the European economy (Manolopoulos 2011).

The debate on the causes and consequences of the Eurozone crisis is complex, and beyond the scope of this article, but it is clear that once the crisis was underway, many factors contributed to aggravating it, such as the media, speculators, rating agencies, and so on. The widespread perception that the crisis would not be confined to Greece led to a contagion effect and crisis of confidence, with serious financial woes spreading from Greece to Portugal, and then on to Spain, Italy, France, Cyprus, and others. EU leaders chose to follow an immediate prescription of austerity, which backfired, adding fuel to the fire of self-fulfilling prophecy and negative media coverage. Ultimately, this was a crisis of confidence above all else, but it is clear that the pre-existing societal tensions between northern and southern member states emerged as the dominant narrative during the crisis.

Although these tensions did not cause the crisis, the crisis became an excuse to discuss these specific tensions openly. Of course, at the outset, there were a variety of ways in which Europeans could have talked about the Greek debt crisis, and this narrative did not necessarily have to center on North-South tensions. Other tensions about the crisis that arguably would have made much more sense in this context were: blame for US neglect in upholding financial regulation, anger towards Wall Street, criticism of the global banking sector for greed and corruption, questioning of capitalism in general, or complaining of growing inequality between the rich and the poor. As with all crises, there are multiple narratives at work, but the one that stood out most in the media and public debate was hostility between the North and the South, reflecting the pre-existing tensions of the time. As indicative of this, from 1 May to 30 November 2011 the most common tension highlighted in the *Financial Times* was that of division between northern and southern Europe. Only 2 per cent of the time did coverage mention US-EU tensions, even though this was the main cause of global economic crisis, which

served as an external trigger for the contagion effect that ensued within Europe (Cross and Ma 2015). Even tensions between Brussels and the member states or tensions within member states appeared far less frequently in coverage compared to North-South tensions.<sup>7</sup>

Beyond news coverage, Europeans (except for those in the South) often talked about these tensions through the language of stereotypes. Northern European were assumed to be ‘hard-working, law-abiding people who live within their means,’ while Southern Europeans were ‘work-shy, rule-bending, and profligate’ (Mahony 2012). These stereotypes sharpened and became widespread as the dominant narrative during 2010 and 2011. The media again played a major role in spreading and sharpening the stereotypes and tensions that were being openly aired in the public sphere through its focus on this aspect as underlying the growing problems in the Eurozone:

Taxpayers of northern Europe do not want to bail out what they perceive to be profligate and lazy southern Europeans. Yet their elected politicians cannot contemplate the alternative of sovereign default because that would put the whole European banking system at risk (Plender 2011).

Some events bordered on the absurd:

European Union policymakers were bickering about the latest unhelpful proposal for tackling the crisis: flying the flags of states with high budget deficits at half-mast. The origins of this bizarre idea lie in the northern European, Protestant notion that debts are sinful and demand public humiliation. Treating economics as a morality play is one reason the European crisis is not over (Editorial 2011).

Of course, tensions between Greece and Germany were at the heart of the North-South divide:

Some German economists argue that others in the 17-nation currency union, like Portugal or even Italy, might need to leave as well...Meanwhile, Germany’s attitudes draw plenty of publicity in Greece and other stricken euro countries, where they feed stereotypes of arrogant, domineering Germans and stoke the resentments that are already deeply straining European unity...“People believe Greeks don’t pay our taxes and we don’t want to work,” said Christos Manolas, a Greek businessman. “That’s a myth perpetuated by the Germans.” (Ewing and Alderman 2011).

As the crisis progressed, France and Germany clearly took the lead in trying to find a solution. This was a natural development given that they have the biggest Eurozone economies, and have been traditional leaders throughout the evolution of the EU. In reaction to their leadership during the Eurozone crisis, however, many southern Europeans were highly critical, especially when it came to German Chancellor Angela Merkel's role. At various points in the crisis, the backlash from some southern member states became so severe that for the first time since the founding of the European Coal and Steel Community there was open talk of 'the German problem' again, and various other forms of highly controversial German-bashing. Op-ed columnist Gideon Rachman (2012: 9) wrote, 'Any taboos about references to the Nazi occupation of Greece have been dropped long ago. Across southern Europe, the "ugly German" is back.' Thus, Europeans were talking about these pre-existing tensions in far more blunt and exaggerated terms than they were before the crisis. It was not that the underlying nature of these tensions was new, but that they had become far more intensified.

Breaking down the North-South narrative further, media content analysis of international coverage of the crisis indicates that there were four main aspects to it: (1) criticism of the South for being fiscally irresponsible, (2) criticism of Germany for being too iron-fisted, (3) tension between net detractors and net contributors to the EU budget, and (4) tension between Euro and non-Euro member states (Cross and Ma 2015). But when the international media frenzy surrounding the crisis reached its height in November 2011, the specific narrative expressed in the media was the problem with Germany's behavior, more than any other. 45 per cent of the coverage of North-South tensions in *TIME Magazine*, 54 per cent in *The Economist*, 48 per cent in the *International Herald Tribune*, and 39 per cent in the *Financial Times* focused on this (Ibid.). This seems to indicate a shift from blaming the South for being fiscally irresponsible to

blaming the North for not offering its support, and in particular, blaming Germany for being too iron-fisted.

This emphasis on Germany as the main problem may be somewhat surprising, given that the German economy itself was not suffering directly in light of the Eurozone crisis, nor were Germans seemingly involved in destabilizing the Euro. But Germany – as the ‘pack leader’ of the northern member states – was criticized for its unwillingness to act quickly enough, for the austerity measures it required, and for the control from Brussels that was a condition for any bailout. All of these narratives contributed to an elevated sense of North-South tensions during the crisis.

### ***Catharsis & Crisis Resolution***

As the worst of the crisis began to wind down, there was growing talk among leaders of the greater importance of Europe for preserving peace, and enabling all European countries to prosper. The overarching narrative featured less talk of the North-South divide, and started showing more signs of solidarity. Leaders made explicit ties between the survival of the Euro and the survival of Europe, among other things. By early 2012, the ‘end of Europe’ rhetoric had quickly disappeared. As indicative of this turn towards recovery, on 3 March 2012 French President Nicolas Sarkozy said, ‘It is the first summit since August 2011 which has not been a crisis summit...It is a huge relief to see European summits dedicated to subjects other than the financial crisis, and a huge relief to see the financial crisis no longer dominating the headlines day after day’ (Peel 2012: 2).

European leaders took a number of big steps towards fiscal integration, including: a European fiscal compact to maintain balanced budgets,<sup>8</sup> transparency rules that allow Brussels to



monitor national budgets, a permanent European Stability Mechanism,<sup>9</sup> the eventual creation of a fiscal union, and increased powers to the European Central Bank. Some even more far-reaching initiatives that would have never been discussed seriously before the crisis were also put on the table, such as: a banking union, a financial transaction tax, a European finance minister, Eurobonds, a mechanism to temporarily ban speculative trading, a ban on rating agencies addressing sovereign debt, a European monetary fund, and an EU rating agency. These far-ranging initiatives show that European leaders used the crisis as an opportunity to find new areas of consensus. As Germany's finance minister, Wolfgang Schäuble, put it, 'We can get things done that we could not do without the crisis' (Peel and Wiesmann 2011). Before the crisis, talking about these various provisions would have been impossible, in large part because of underlying tensions. Even uttering the words 'fiscal union' would have caused deep alarm.

Why did EU integration move forward so dramatically in the wake of such a severe crisis, and is catharsis part of the explanation? Besides the fact that talk of North-South division has declined in the public narrative from its height during the crisis, it is also valuable to compare changes in North-South attitudes before (2008) and after (2013) the crisis. One important indicator of this is citizens' 'desired scope of European policy-making' (Vössing 2005: 445--67). The Spring 2008 Eurobarometer survey finds that 49 per cent of EU citizens thought that their own national government alone should make decisions about the economy and 47 per cent thought that these decisions should be made jointly with the EU (Eurobarometer 2008: 8). Table 1 breaks this down in terms of northern versus southern member states, and shows that before the crisis southern member states were generally *more* in favor of EU economic integration than northern member states were. Thus, there was a clear difference in northern and southern views on this issue.

**Table 1. Desired Scope of European policy-making 2008 (Eurobarometer)**

	<b>Economic decisions should be made at the national level</b>	<b>Economic decisions should be made jointly with the EU</b>
<b>Core southern member states</b>		
Greece	54	46
Spain	44	49
Portugal	45	50
Cyprus	32	65
Italy	40	53
<b>Average South</b>	43	52.6
<b>Core northern member states</b>		
Austria	49	47
Germany	68	29
Finland	76	23
Netherlands	44	55
<b>Average North</b>	59.25	38.5

Did this change after the crisis? The Eurobarometer survey stopped asking exactly the same question, but a related question posed in Autumn 2013 is: *What is the most effective level to tackle the crisis?* Overall, EU citizens stated that the EU is ‘best able to take effective action against the effects of the financial and economic crisis’ (Eurobarometer 2013: 29). Table 2 shows how this breaks down in terms of northern versus southern views. The percentages appear low because respondents were given a list of several options beyond just national vs. EU in answering the question, but the significant finding is that in 2013 there is *almost no difference in attitudes* between northern and southern citizens. This is a clear change from the answers they gave in 2008 to a similar question. In short, after the worst of the crisis was over, northern and southern member states *converged* in their views on the question of whether the national or EU level is best at dealing with the economy, and they rank the EU first.

**Table 2. The Most Effective Level to Tackle the Crisis 2013 (Eurobarometer Annex: 10)<sup>10</sup>**

	<b>National</b>	<b>EU</b>
<b>Core southern member states</b>		
Greece	29%	22%
Spain	17%	23%
Portugal	20%	23%
Cyprus	18%	24%
Italy	23%	22%
<b>Average South</b>	21.4%	22.8%
<b>Core northern member states</b>		
Austria	21%	24%
Germany	21%	24%
Finland	15%	22%
Netherlands	19%	20%
<b>Average North</b>	19%	22.5%

Another important indicator of the effect of the crisis on North-South tensions is citizens' 'desired content or direction of policies on the European level' (Vössing: 2005). Here, the data from different kinds of questions in the 2013 survey is even more revealing. Table 3 shows evidence for the emergence of newfound common views on the content and direction of EU economic and financial integration.

**Table 3. Desired Content or Direction of Policies 2013: per cent agreement (Eurobarometer Annex 2013: 112--8)**

As a consequence of the crisis...	member states <u>should</u> work together more	member states <u>will have to</u> work more closely together	the EU will be stronger over the longer term	you feel closer to the citizens in other EU countries
<b>Core southern member states</b>				
Greece	92%	88%	42%	54%
Spain	93%	88%	61%	44%
Portugal	91%	78%	50%	43%
Cyprus	98%	97%	45%	60%
Italy	82%	74%	50%	52%
<b>Average South</b>	91.2%	85%	49.6%	50.6%
<b>Core northern member states</b>				
Austria	78%	74%	46%	39%
Germany	93%	90%	57%	43%
Finland	92%	90%	62%	44%
Netherlands	89%	86%	58%	28%
<b>Average North</b>	88%	85%	55.75%	38.5%

In terms of the desired content or direction of EU policies, the high percentage of agreement in response to the questions of whether member states should work or will have to work together more closely in the area of finance and the economy is striking. In contrast to 2008 – when 52.6 per cent and 28.5 per cent of citizens in southern and northern member states respectively thought that economic decisions should be made jointly between the member states and the EU – the answer to a similar question in 2013 resulted in an average of 91.2 per cent and 88 per cent of agreement from southern and northern member states respectively that EU member states should work more closely together. Beyond this extremely high level of support for working together more closely, these responses again indicate *convergence* in northern vs. southern attitudes.

The question of whether the EU will be stronger over the longer term as a result of the crisis garnered an optimistic response across both northern (55.75 per cent) and southern member states (49.6 per cent). Given the uncertainty of the period immediately following the crisis, the answers to this question elicited a relatively high number of ‘don’t know,’ but it is still significant that the number of citizens in agreement is relatively similar across core northern and southern member states, despite the very different experiences of the two regions during the crisis. By contrast, before the crisis in Spring 2008, the average percentage of agreement among citizens in southern member states to the statement that ‘things are going in the right direction’ in the European Union was 41.6 per cent, and 37.75 per cent for citizens in northern member states (Eurobarometer 2008: data).<sup>11</sup> Thus, this was not a source of North-South tension even before the crisis, but the increased level of optimism about the longer-term prospects for the EU, combined with very high levels of support for member states working together, does indicate a sense of catharsis as the existential crisis wound down. Similarly, the question of whether respondents feel closer to other Europeans, while somewhat vague (i.e. it does not say *which* Europeans), is helpful in indicating that the harsh narratives expressed during the height of the crisis are not so strongly felt post-crisis.

Overall, comparison of related opinion polls before and after the crisis supports the idea that the crisis served as an opportunity to release tensions related to North-South differences in economic cultures. These tensions had been intensifying before the crisis, but they were openly expressed during the crisis, and were weakened after the height of the crisis. Linked to societal catharsis was the ability of member-state leaders to agree to new levels of economic integration with at least implicit public support (attitudes towards austerity were a different matter). Indeed, more than half of Europeans believe that there has been an increase in the future legitimacy of

the EU as an economic power in world politics, and systematic studies show that more financial integration will likely lead to more development and growth for the EU economy.<sup>12</sup>

## **Conclusion**

The existing literature on crisis resolution makes clear that crises are critical junctures that broaden the range of possible outcomes, give leaders more power to decide than they have normally, and in the case of international crises, enable leaders to give up on collective action, to freeze it, or to push forward. Of course, elite consensus may end up exacerbating the situation (i.e. with austerity) or making circumstances worse (i.e. high unemployment and low growth) before they get better. However, the question of why the EU seems to continually resolve crises with more political will to advance the European project is worth investigating.

I suggest that an important dimension in building new areas of elite consensus after the Eurozone crisis was the linked and simultaneous process of catharsis that took place across northern and southern Eurozone countries, and the resulting convergence in societal attitudes. In other crisis cases, other tensions might be at stake, such as East-West, public-elite, and so on. A next step is to investigate the motivations and mechanisms behind elite choices. It is reasonable to assume that in a democratic environment, elites would care about public opinion, or being seen to contribute to a solution, but future research could confirm this. Moreover, the question of why the EU is more prone to experiencing catharsis after existential crisis compared to other political arrangements, such as the League of Nations, could be established.

Many scholars contend that there has actually been an *intensification* of North-South tensions in the wake of the crisis (Torreblanca and Leonard 2013: 1--6). They typically cite the southern region's plummeting trust in national governments and political parties, while northern

citizens' trust in national institutions remains about the same as before the crisis (Eurobarometer as cited in Alonso 2013). Or, they argue that the creditor countries in the North do not want to bear the debt burden of those in the South, while those in the South feel as though the EU has placed them in an economic 'straightjacket' (Torreblanca and Leonard 2013). Much of the media and public commentary also focuses on the dire circumstances associated with growing Euroskepticism, citing declining trust overall in the EU (Rohac 2013). The further assumption is that if these two trends are at work, and yet, European leaders continue with significant steps towards more integration, there must also be a growing democratic deficit.

I would suggest that the premises of these two general views on the effects of the Eurozone crisis are somewhat flawed. First, in terms of the claim that the North-South divide has grown even stronger, I have cited evidence to the contrary in this article: after the height of the crisis, northern and southern views have *converged* in support of prioritizing the EU as the level that should decide economic policy, and the overwhelming majority believes that EU members states should and must work more closely together. In addition, if northern and southern member states have different levels of trust in their *national*-level institutions, this says nothing about tensions *between* these two regions. It is important to note that public trust declined *further* for national-level institutions than it did for EU-level institutions over this period (Eurobarometer 2013: 5). Thus, Europeans are less trusting in democratic institutions *in general* compared to before the crisis.

Second, as Serricchio, Tsakatika, and Quaglia (2013: 52) write, 'a distinction between mass attitudes towards the current workings of the EU and mass attitudes towards the project of European integration.' In other words, critics of the EU are not *necessarily* skeptical of the EU. For example, Greek citizens have declining trust in the EU, but they still

overwhelmingly want to stay in the EU and keep the Euro (Nanou and Vernet 2013). More generally, opinion polls indicate that European citizens maintained their confidence in financial institutions between the pre-crisis era and 2012 (Manchin 2012b). For the most part, they have maintained their faith in meritocracy of the European employment sector (Manchin 2012a). The November 2013 Eurobarometer (9) survey also reveals that more than half of Europeans are optimistic about the future of the EU, while pessimism is declining. The same is true for support of the single market and common currency (24).

The case of the Eurozone crisis provides just one example of a general pattern likely present in much of the integration process, that crises result in more opportunities for consensus in the EU. This article has explored why this might be the case, beyond standard accounts of crisis resolution. Thus, what might appear to be episodes of failure can also be viewed as triggers for future success.

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<sup>1</sup> I refer in particular to crises that seemingly threaten the very existence of the EU (existential crises). For other examples see Cross and Ma 2015; Jo 2007.

<sup>2</sup> Germany, Finland, the Netherlands, and Austria are generally recognized as the core group of northern Eurozone member states, while Cyprus, Greece, Italy, Portugal, and Spain are considered the core group of southern Eurozone member states. Denmark, Sweden, and the UK are also representative of ‘the north,’ but as non-Euro countries they are less central to this analysis.

<sup>3</sup> Of course, various aspects of this crisis are still ongoing, but it no longer represents an existential crisis for Europe.

<sup>4</sup> These three stages may happen virtually simultaneously, but it is helpful to think of them as distinct processes for analytical purposes.

<sup>5</sup> Many scholars have correctly pointed out that beyond the financial dimension of the Eurozone crisis there have been implications for the institutional and constitutional dimensions. For the purposes of this article, I confine my analysis to the core financial aspect of the Eurozone crisis and its impact on Eurozone member states.

<sup>6</sup> Some in the media and academia have referred to this as center-periphery tensions, with Greece, Spain, Portugal, and Italy as the periphery. See Jabko 2012.

<sup>7</sup> These are English-language, and elite-oriented news media, they are highly respected, have a very high circulation, and represent a wide variety of views. I use these sources simply as a good indication of media framing at the time.

<sup>8</sup> The Commission now has the authority to require spending cuts of member states, or impose large fines if they are found to be in violation of the rules. The Czech Republic and UK have opted out, but have not ruled out eventually joining.

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<sup>9</sup> To replace the European Financial Stabilization Facility & European Financial Stabilization Mechanism in July 2012. This 500 billion euro rescue fund can be spent without the approval of national parliaments.

<sup>10</sup> Other possible answers to this survey question included the United States, G20, IMF, miscellaneous, none, and don't know.

<sup>11</sup> The breakdown was Greece 46%, Portugal 41%, Cyprus 47%, Spain 48%, Italy 26%, Germany 37%, the Netherlands 46%, Austria 27%, and Finland 41%.

<sup>12</sup> For example, see Guiso et al., 2004: 523--577.