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CHAPTER 9

Democracy in Europe

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The democratic legitimacy of the European Union has been a matter of contention ever since the 1990s, when the question of the European Union's democratic deficit first arose. Answering that question has engendered countless studies, with some scholars considering the EU's democratic legitimacy in terms of its institutional form and practice as a system of governance, while others have focused on its interactive construction in the 'European public sphere'. Regardless of their approach, scholars have tended to frame their principal arguments about EU legitimacy using concepts borrowed from systems theory. This discussion has primarily centred on the trade-offs between the *output* effectiveness of EU policy results *for* the people and the *input* participation *by* the people in EU policy-making. By conceptualizing the democratic dilemma in this way, most scholars have failed to examine what goes on in the 'black box' of governance between input and output, which we here call 'throughput'. This view of the EU's internal governance processes encompasses their efficacy, accountability, transparency and openness to consultation *with* the people. However, throughput does not entail the same trade-offs as output and input, whereby good output generally compensates for little input and a lot of input can make up for failed output. Instead, the impact of throughput is generally felt only when it is problematic, due to its negative effect on input and output. This is especially important for the EU, where throughput has been central to attempts to increase legitimacy.

Complicating any assessment of the democratic legitimacy of the EU is the organization's impact on national democracies. The very existence of the EU's supranational institutions (whatever their democratic properties and claims to legitimacy via input, output or throughput) alters the operations of national institutions, along with their democratic properties and traditional claims to legitimacy. The EU's assertion that it is above national politics ('policy without politics'), even as it increasingly takes over policies that traditionally have been decided at the national level, has reduced national polities to merely 'politics without policy'. This has had a deleterious effect on national democracies; national citizens no longer feel that their political input matters, as it has little impact on EU throughput processes and output policies. In the case of the Eurozone crisis, this

problem has been exacerbated by the fact that the output policies are actually intensely political (and conservative), while the throughput processes have become highly intergovernmental. As the Council has come to monopolize Eurozone policy-making, the Commission has become little more than a secretariat for the Council, and the European Parliament plays only a minor role.

The chapter begins with a general discussion of the criteria necessary for an assessment of democracy in Europe; each of the three criteria is then considered in turn. They are illustrated using cases of EU governance in a range of areas, but focused in particular on the Eurozone crisis, since this has arguably been the greatest challenge to democratic legitimacy since the EU's inception.

Conceptualizing democratic legitimacy in the EU

Scholarly work on democratic legitimacy in the EU has often used the language and concepts of systems theory, mainly based on the work of David Easton (1965) as updated and elaborated in particular by Fritz W. Scharpf (1970, 1999, n/a). Output legitimacy describes the acceptance of the coercive powers of government '*for* the people' so long as their exercise is perceived to serve the common good of the polity and is constrained by the norms of the community. Input legitimacy represents the exercise of collective self-government '*by* the people', ensuring government responsiveness to its citizens' preferences, as shaped through political debate in a common public space and political competition in institutions that guarantee the accountability of political officials via general elections. In brief, while output legitimacy is based on appropriate policy ideas with effective outcomes, input legitimacy requires citizen participation and representation through public debates and elections in a common arena.

Scholars have tended to identify the EU's output legitimacy in terms of its institutional performance and/or its identity construction and communication. From the institutionalist perspective, the EU's output legitimacy depends on the policy-related performance of its 'non-majoritarian' institutions, such as the European Central Bank (ECB), the European Commission's Competition Authority, the European Court of Justice (CJEU) and other regulatory bodies (e.g. Majone 1998), and that of its balanced institutional structures, including the European Parliament and the Commission (e.g. Moravcsik 2002), as well as the community-enhancing performance of the policies themselves (e.g. Menon and Weatherill 2008; Caporaso and Tarrow 2008). On the constructivist side, output legitimacy instead relies upon the extent to which EU policies resonate with citizen values and build identity (Cerutti 2008). Also important is how these policies are legitimated (or not) in the 'communicative discourse' between EU leaders and the public (Schmidt 2006, 2008), whether through elite narratives (e.g. Leca 2010), media discourses (e.g. Koopmans 2004; Eder and Trenz 2007) or other 'communicative' actions of elites and citizens in

the public sphere (e.g. Habermas 2001; Bellamy and Castiglione 2003; Risse 2010: 107–76).

Researchers generally link the EU's input legitimacy to its institutional avenues for citizen participation and representation and/or to how these contribute to the construction and communication of a collective political will or identity. For institutionalists, input legitimacy is related to the EU's 'majoritarian' institutions (such as the European Parliament and the Council) and to practices involving the representation of citizen demands, primarily through elections (e.g. Mair 2006; Hix 2008), although more recently some scholars have also considered the representation of interest groups and networks (e.g. Kohler-Koch 2010). The constructivist view of input legitimacy is instead focused on the ideas and communicative processes involved in elections and other forms of discursive interactions with the public and civil society, as well as how these may contribute (or not) to the construction of a sense of collective identity and/or the formation of a collective political will in the European 'public sphere' (e.g. Zürn 2000; Risse 2010: 127–57; Lucarelli *et al*. 2011).

Missing from this conceptualization of legitimacy has been a systems concept that would separate out the processes that absorb the input and generate the output, notionally situated in a neglected 'black box' of governance. Borrowing from systems theory, I call this concept 'throughput' legitimacy, expanding on Easton's term, which is limited to bureaucratic practice (Schmidt 2013a; see also Zürn 2000; Holzhacker 2007; Risse and Kleine 2007; Benz and Papadopoulos 2006). This concept encompasses not only the internal processes and practices of EU governance but also—adding a preposition to Abraham Lincoln's famous phrase (government *of*, *by* and *for* the people)—interest intermediation *with* the people (Schmidt 2006).

Under this third criterion for legitimation, scholars are also divided between institutionalist concerns over the quality of the policy-making processes and the constructivist concentration on the quality of the norms and deliberations involved in such processes. Institutional throughput legitimacy is dependent upon the efficacy of the decision-making processes (e.g. Scharpf 1988), the accountability of those engaged in making the decisions (e.g. Harlow and Rawlings 2007), the transparency of the information (e.g. Héritier 2003) and the processes' inclusiveness and openness to consultation with the interest groups of 'civil society' (e.g. Coen and Richardson 2009; Greenwood 2007). Constructivist throughput legitimacy is additionally dependent upon the quality of the values governing the processes, such as how ethics and accountability have been defined over time (e.g. Cini and Pérez-Solórzano Borragán 2011), as well as the quality of the deliberations and 'communicative action' involved in such governance processes (Risse 2000; Habermas 1996, 2001). These include the institutionalized deliberations of experts (e.g. Joerges and Neyer 1997), the debates of the European Parliament (e.g. Eriksen and Fossum 2002) and the involvement of civil society in interest-related consultations with EU institutions

(Smismans 2003; Kröger 2008; Liebert and Trenz 2009) and in *ad-hoc* deliberative forums such as the Constitutional Convention (e.g. Risse and Kleine 2007). Constructivist throughput could even be conceived of in terms of informal supranational 'discursive representation' (Dryzek and Niemeyer 2008), as when INGOs such as Greenpeace or significant personalities like Habermas articulate a discourse about what the EU ought to do that has an impact on policy-makers and their deliberative processes.

Thus, the quality of the governance processes, not just the effectiveness of the outcomes or the participation and representation of the citizenry, is an important criterion for evaluating EU legitimacy. This has long been one of the central ways in which EU institutional players have sought to counter arguments about the dearth of the EU's input legitimacy and to reinforce claims of its output legitimacy. In so doing, they have operated under the assumption that good throughput can serve as a kind of *cordon sanitaire* for the EU, ensuring the trustworthiness of its processes and thereby functioning as reinforcement—or better, reassurance—of the legitimacy of EU-level output and input (Schmidt 2013a, pp. 3, 9, 14).

However, one should not assume that throughput practice therefore represents a legitimizing mechanism on par with input participation or output results. Whereas input politics and output policy can involve trade-offs with regard to democratic legitimacy (whereby more of one makes up for less of the other), throughput does not interact with output and input in the same way. While weak citizen input may be offset by good policy output, and a lot of citizen input can legitimate a policy even if it is ineffective, high-quality throughput does not compensate for either bad policy output or minimal input participation, however efficacious the rules, accountable the actors or transparent, open and accessible the process. In contrast, bad throughput—consisting of oppressive, incompetent, corrupt or biased governance practices—is highly likely to undermine public perceptions of the legitimacy of EU governance, and it can even cast doubt on input and output by seeming to skew representative politics or taint policy solutions (Schmidt 2013a, pp. 3, 9, 18).

The multi-level nature of the EU system further complicates matters, since these legitimizing mechanisms are largely split between EU and national levels. Because the EU lacks the input politics of a directly elected government, its democratic legitimacy rests primarily on output policies and throughput processes at the EU level. Input legitimacy is situated mainly at the national level, where institutions have been relegated to 'politics without policy' as policy decisions are increasingly moved to the EU level, leaving the politics of the left and right to the national arena. At the EU level, this lack of left-right politics makes for 'policy without politics', since the EU's policy output via its throughput processes provide little opportunity for input politics (Schmidt 2006). As a result, in the EU, the politics of the left and right are mostly overshadowed by the politics of national interests in the Council (where

member states bargain on the basis of national preferences and concerns), the politics of the public interest in the European Parliament (in which consensus and compromise are the rule, given that supermajorities are needed to prevail in co-decision procedures), the politics of organized interests in the Commission (whose focus is on pluralist policy formulation) and/or the politics of technocratic interests in the technical implementation of EU policy (Schmidt 2006: 21–29). Consequently, there is generally neither the desire for the kinds of political debates that are the daily bread of national politicians, nor is there the opportunity, given the absence of a clearly visible and integrated European-level arena for discussion and deliberation. Moreover, the very language and discourse at the EU level tends to be apolitical and technocratic, in part to enable EU leaders to cast their discussions of EU policies in whatever way they deem appropriate for their national political audiences (Schmidt 2006; Barbier 2008).

The Eurozone crisis has only exacerbated this lack of political debate (input), given the decision-making processes (throughput) that include the absence of EP involvement in most Eurozone decisions, the increasing primacy of intergovernmental decision-making by the Council in closed-door bargaining sessions, the technocratic rule of the Commission following those decisions and the independent role of the ECB. All of these factors combine to reinforce the perception of EU output policies and throughput processes with regard to the Eurozone as highly apolitical. However, in reality, the EU's economic policies (output) are highly political and conservative, generally following ordo-liberal (German) theories on the need for austerity rules to ensure 'sound money' and 'stable finance' and neo-liberal ideas of 'structural reform' in response to problems of growth (see Jones 2013; Schmidt and Thatcher 2013). Moreover, the EU-level throughput processes imposing these policies remain largely inaccessible to EU citizens, whose political input is supplied primarily at the national level and has no impact on EU output policy. Governments, moreover, have increasingly focused on 'responsible' governance (in tune with output legitimacy, as defined by the EU) as opposed to 'responsive' governance (which would be more in turn with input legitimacy) (Mair 2013). As a result, since the crisis began, citizens' attitudes towards both their national governments and EU governance have deteriorated dramatically, in lock step with their economies.

Output legitimacy

In the early years of the EU, scholars and policy-makers generally assumed an input-output trade-off to the benefit of output, with the 'permissive consensus' based on EU citizens' general satisfaction with effective output policies explaining their seeming lack of concern over the paucity of opportunities for participatory input. In the years since, some scholars have continued to maintain the primacy of output legitimacy, citing the virtues of the EU's independent regulators (Majone 1998), its multiple veto

systems and balanced institutions (Moravcsik 2002) and the consequent effectiveness of the EU's policy results—including most notably the Single Market, the single currency and the wide range of guaranteed citizen rights (e.g. Caporaso and Tarrow 2008; Menon and Weatherill 2008). But however good such output may be, any line of reasoning that bases legitimacy on the results of the EU's regulatory functions, structural checks and balances or functional performance makes three questionable assumptions: first, that output is necessarily good simply because it is produced by independent regulators, an assumption that Majone (2009) himself now questions; second, that the EU's output cannot be bad simply because its system features multiple vetoes; and third, that its policies intrinsically serve the general interest.

The first assumption fails to acknowledge the difference between non-majoritarian institutions at the national level, in which legitimacy devolves in large part from the fact that they operate in the 'shadow of politics', and those at the EU level, where they are removed from all political control (Scharpf 2010). Second, there is no guarantee that the EU's multiple-veto institutional structures will produce effective policies (or any policies at all), given the dangers of gridlock associated with the EU's 'joint decision trap' (Scharpf 1988). Even if there were such a guarantee, the assumption that checks and balances are in themselves democratic and legitimate takes as a fundamental premise the appropriateness of thwarting majoritarian expressions of the popular will; this may be accepted as legitimate practice in compound federal systems such as Germany or the US, but not in simpler unitary states like France and the UK (Schmidt 2006, Ch. 2). Third, there is no certainty that the EU's non-majoritarian output policies are in the general interest, as is clear from the increasing contestation of decisions by EU institutions. These include the Commission's initial services directive, which sparked massive protests before it was revised, and the ECJ's decisions in the *Laval* and *Viking* cases, which curtailed national unions' right to strike in favour of the free movement of labour—causing major problems for countries with strong corporatist systems but without a minimum wage, in particular Sweden and Germany. Although these cases could be viewed positively from an EU-level perspective as promoting Polanyian market-correcting governance for all Europeans (Caporaso and Tarrow 2008), they can just as readily be seen negatively from a national-level perspective as the neo-liberal post-Polanyian destruction of national labour relations and welfare systems (Höpner and Schäfer, 2007; see also Höpner and Schäfer in this volume).

This last problematic assumption illustrates yet another drawback to institutionally-based output legitimacy: The performance-based legitimacy of institutionalist analyses fails to address the constructivist foundations of legitimacy that require outcomes to resonate with substantive values and principles guiding the performance, and with the norms that make that performance valued (Cerutti 2008). In other words, even if policy performance is optimal in institutional output terms, if the actual content of the policy clashes with national values, principles or identity, then its

constructive output legitimacy is still questionable. This need not be a passive exercise, however, since political elites generally seek to legitimize policies and to build identities through communicative discourses with their citizens (Schmidt 2006, 2008)—for example, by highlighting the benefits of the single currency in the run-up to EMU (Dyson 2002), fostering certain kinds of EU norms and values such as the 'European Social Model' (Barbier 2008) or casting the EU as a 'normative power' in the world (Manners 2002; Laïdi 2008).

That said, no amount of constructive output via discourse would serve to legitimate the EU if words are not followed by actions. After all, what does 'normative power Europe' really mean if the EU cannot deliver, as demonstrated by the Copenhagen Environmental Summit? What use is the 'European Social Model' as inequalities soar between as well as within member-states, in particular those in the Southern and Eastern European periphery that are subject to the deflationary and recessionary austerity programmes linked to their loans from the EU and IMF?

Equally problematic is when output policy ideas are followed by actions that fail to produce the promised output results—as has occurred in the Eurozone crisis. The EU's output policies related to European monetary integration have largely been the products of conservative ordo-liberal ideas about the proper rules-based underpinnings of monetary union, accompanied by neo-liberal theories on the use of 'structural reform' to increase the flexibility of labour markets and rationalize the welfare state (Jones 2013; Schmidt 2013b). However, these have been presented as apolitical technocratic solutions within the context of the EU's 'policy without politics'. These policies only became more recognizable as political once progressive ideas focused on growth were introduced to the debate in late 2011 and early 2012 by new Italian and French leaders, although this did nothing to change the output policies or the continued economic decline of countries subject to conditionality. Without positive outcomes, neither words nor actions legitimating output policies can make up for the absence of input politics.

Input legitimacy

Most scholars have long insisted that the EU has insufficient input legitimacy, largely due to the absence of a government that citizens could vote in or out. This makes it impossible for 'the people' to directly express their approval or disapproval of EU policies (Scharpf 1999), thus ensuring national-level 'politics without policy' in areas where the EU has jurisdiction. European leaders in the Council have tended to dispute this on the grounds that, in representing their citizens in Council deliberations, they provide indirect input legitimacy. However, this argument fails to recognize that where member-states in the Council impose decisions on European citizens other than their own, they do not meet the requirements of input legitimacy (Scharpf n/a). Moreover, it mistakes Council meetings for representative forums of deliberation,

which they are not; these meetings have more in common with the hard-bargaining arenas of supranational treaty organizations. In the governance of the Eurozone crisis, what EU leaders who assume their intergovernmental decision-making to be input-legitimate fail to realize is that their negotiations give those leaders with the greatest bargaining power (i.e. those from the most economically powerful countries) an undemocratic advantage in the closed-door negotiating sessions of the Council (Schmidt 2013a).

In fact, the European Parliament is the only EU institution that directly represents citizens. However, this in itself does little to remedy the EU's paucity of input legitimacy, as EP elections suffer from high rates of abstention and are generally second-order elections in which national problems are more salient than EU issues (Mair 2006; Hix 2008), although this is likely to change with the next EP elections in 2014, due to the impact of the Eurozone crisis. However, in the governance of the Eurozone during the crisis, the EP has been largely marginalized, as most decisions have been taken by the Council and/or through international treaties with the IMF, from which the EP is excluded by international law.

The EU also increasingly suffers from a 'constraining dissensus' (Hooghe and Marks 2009) that has replaced the permissive consensus of the early years. This is the result of the emergence of new cleavages between citizens whose vision of Europe is more open, liberal and cosmopolitan and those with more closed, xenophobic and nationalist (or even EU-regionalist) orientations (Kriesi *et al*. 2008). This trend raises the spectre of mobilization on EU-related issues in terms of identity politics, especially on the right (Hooghe and Marks 2009), as well as threatening the gradual awakening of the 'sleeping giant' of cross-cutting cleavages between pro-European 'cosmopolitans' and Eurosceptic 'nationalists' in mainstream parties of the right and the left (Franklin and van der Eijk 2007).

For constructivist scholars, all the above problems are compounded by the thinness of the communicative processes that articulate citizen ideas and concerns in the European public sphere. The lack of a common European language, a European media, or a European public opinion ensures that the communicative discourse comes largely by way of national political actors speaking to their national publics in national languages, as reported by national media and digested by national opinion (Habermas 1996; Grimm 1995; Weiler 1999). The resulting fragmentation of discourse may be somewhat attenuated by the developing European 'community of communities' (Risse 2010); however, the institutional input reality is that without a Europe-wide representative politics to focus debate, European political leaders have little opportunity to speak directly to the issues, and European publics have limited ability to deliberate on these issues or to state their opinions directly through the ballot box. Moreover, the EU's 'policy without politics' further alienates citizens whose political concerns on the left/right spectrum may be neglected in both the

discussions of the Council and in the EP. Parliamentary debates are focused on the brokering of consensus among disparate parties to reach supermajorities for votes governed by the codecision process, which naturally downplays left/right differences.

So is the answer to introduce more 'politics with policy' at the EU level, as many scholars advocate, in an effort to diminish the EU's input 'democratic deficit'? Some have resisted this suggestion because they view politicization as deleterious to the EU's output effectiveness; others worry that it is too soon for any such politicization, given the current legitimacy problems related to the lack of citizen identity, collective will and a fully developed public sphere (Scharpf 1999; Bartolini 2005). However, other scholars maintain that, whatever the pros and cons of the argument, the cat is already out of the bag; the question now is how the EU should be politicized within the context of its current institutional set-up. Plans for the politicization of the EP in the 2014 elections by parties running candidates for the office of Commission President may therefore arguably be a step in the right direction. This could backfire, however, given the rise of Euroscepticism resulting from the Eurozone crisis. One danger is that the politicization of the EU might result in its delegitimation, should the EP elections produce large numbers of MEPs from the extremes, leaving a very thin centrist majority. But whatever the outcome, it is clear that the EU needs institutions that can better respond to input and produce better output, which is the domain of throughput legitimacy.

Throughput legitimacy

Throughput legitimacy covers everything that transpires between the input and the output, encompassing issues of accountability, transparency, inclusiveness and openness. Unlike input politics and output policies, where more of either is likely to increase the public's sense of democratic legitimacy, better throughput may have little effect on public perceptions of legitimacy; however, worse throughput via corruption, incompetence or exclusion could be disastrous For this reason, in the multi-level EU, throughput can be seen as functioning as a *cordon sanitaire*, allowing the EU to disappear from public view, leaving both national input politics and EU output policy front and centre.

In response to the concerns over the EU's lack of input legitimacy, EU institutional actors have long sought to remedy perceived problems by ameliorating throughput processes. The most significant effort in this regard has been the incremental growth over time of the co-decision processes of policy-making, which have served to increase the powers of the European Parliament. Certain other measures intended to create avenues for citizen input have also been important, at least symbolically; these include the Maastricht Treaty's creation of an EU ombudsman and the Lisbon Treaty's establishment of the European Citizen's Initiative, which gives citizens the

right to be heard via petitions with sufficient signatures and national parliaments the right to prior scrutiny of EU legislation to ensure that subsidiarity is respected.

With regard to throughput processes promoting greater citizen access to decision-making, the Commission has sought to foster 'civil society' participation in decision-making (using language that suggests input responsiveness). This has primarily entailed consultation with interest groups, especially business, unions and public interest groups (Smismans 2003; Kohler-Koch 2007). In this context, although the Commission has made efforts to meet with underrepresented groups, access and inclusiveness remain debatable (Kröger 2008), in particular given the difficulties of transnational mobilization (Imig and Tarrow 2001; Della Porta 2009). The Commission has also attempted to improve general transparency by providing greater access to the mountains of EU documents and materials; however, this move creates the potential of information overload and thus, perversely, less transparency (Héritier 2003). It has additionally worked to increase its own accountability by introducing new accounting rules with tighter controls on expenditure procedures, to the point of creating massive inefficiencies in contracting and reporting.

Although institutional quality in terms of access, accountability and transparency remains problematic, the constructive quality of the deliberative processes in particular areas has improved through experimentation with new forms of governance. Most notably, Commission-led, consensus-focused intermediation with experts in the comitology process (such as peer reviews in forums, networked agencies, councils of regulators and the open method of coordination) has resulted in more dynamic accountability in comparison to the (rationalist) rule-compliance of the older forms of governance (see, e.g. Sabel and Zeitlin 2010: 12–17). Similarly, improvements in transparency have involved not just the publication of rules and information but also efforts to ensure that networked governance establishes procedural requirements for active participation by a broad range of stakeholders in regulatory decision-making (Sabel and Zeitlin 2010: 18–20).

The institutional efficacy of policy formulation has also improved. For example, the institutional partners in joint decision-making (including the European Commission, the Council and the EP) have made the co-decision process function more efficiently through fast-track legislation via early agreements. However, this has come at the expense of transparency, accountability and input, in particular due to the short-circuiting of parliamentary debate and the exclusion of the views of smaller party groupings (Héritier and Reh 2011; Dehousse 2011). Transparency and accountability also suffer from the secrecy of Commission and Council meetings, especially since this secrecy makes scrutiny by the EP impossible in key domains (Novak 2011). Certain decision rules are a further major impediment to efficacy, specifically the unanimity rule for treaties, whereby the ability of any member state to veto any agreement can lead to treaty delays, dilution or deadlock (Schmidt 2009: 28–32).

Finally, the EU's 'policy without politics' is also an issue for throughput legitimacy. This feature is the result of conscious attempts by the Commission to depoliticize EU policy formulation by presenting its initiatives in neutral or 'reasonable' language and using communications techniques such as its 'Plan D for Democracy' (Barbier 2008: 231–2), leaving it to national politicians to 'spin' EU policy whichever way they deem appropriate. This has ensured that even as the Commission seeks to make EU policy-making processes more legitimate via accountability, transparency, inclusiveness and openness, these processes will generally disappear from public view—as long as the Commission avoids any negative throughput via oppressive rules, scandals, corruption, bias or even simple incompetence. In so doing, the Commission has reinforced the 'accountability paradox' (Wille 2010: 84–5): Increasing the focus on the Commission's internal accountability, which Lord (2004) has suggested makes it the most controlled executive in the world, has done nothing to solve 'the problems of rendering accounts externally'. Thus, the EU continues to be invisible to the public, remote and seemingly unaccountable—which has become a major problem as a result of the Eurozone crisis.

The Eurozone crisis has also undermined the EU's traditional 'democratic settlement', a balance among institutional actors using a range of different throughput processes, including intergovernmental, supranational, joint decision-making and the open method of coordination. Recently, in addition to the increasing intergovernmentalism of the Council and marginalization of the EP, a new kind of supranationalism has arisen in the Commission, where a focus on rule-compliance accountability has restricted the institution's margins for manoeuvre. Examples of this trend include numerically-targeted automatic mechanisms, 'golden rules' and technocratic rule-based oversight (e.g. the 'European Semester' allowing the Commission to vet national budgets), all of which lack elements of the dynamic deliberative accountability required to ensure that rules are well-adapted to various countries' economic realities.

In the absence of any deeper political integration that could provide greater input legitimacy and control, the EU has ended up 'governing by the rules' and 'ruling by the numbers' (see Schmidt 2013b). In quick succession, EU leaders approved the so-called 'Six Pack', 'Two Pack' and the 'Fiscal Compact', each stricter than the last in terms of their rules, more restrictive with regard to the numbers and more punitive for member states that fail to comply. This has been problematic for throughput processes at the EU level—in particular, the Council's 'one size fits one' governing mode, in which the most powerful member state has largely imposed its preferences. It has also been bad for output results, given that the Commission's 'one size fits all' output policies have not functioned for Europe's highly diverse national economies, especially in the Southern periphery. As for input politics, the problems arise not only at the EU level (with the EP's 'no size at all' in terms of impact on Eurozone

governance) but also at the national level. Citizens have become increasingly restive as they discover that no matter what their input has been, even if they have censured national governments by voting them out of power, it has had little effect on the EU's output policy. Had it not been for the ECB's shift from its 'one size fits none' inflation-targeting throughput rules to a focus on 'whatever it takes' output results (as demonstrated by ECB President Draghi's warning to the markets that he would do the necessary to maintain stability in the Eurozone), matters could have become much worse with regard to the viability of the euro, as the bond markets in Italy and Spain came under threat (Schmidt 2013b).

Conclusion

In short, the Eurozone crisis has challenged the EU's democratic legitimacy across all three legitimizing mechanisms: output, input and throughput. The question for the EU is therefore not just whether it can get the economics right (thereby improving 'output' legitimacy) but also whether it can get the politics right, by providing greater 'input' legitimacy through new democratic avenues of citizen participation. However, for either input or output to improve, the EU would also need to generate greater 'throughput' legitimacy via governance processes that are more balanced—specifically, less intergovernmental and less technocratic in nature.

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