

# The politics of (de-)politicisation and venue choice: A scoping review and research agenda on EU financial regulation and economic governance

## ABSTRACT

Scholarly interest in EU financial regulation and economic governance has increased sharply over the last decade, but the literature on their politics remains fragmented. We present a scoping literature review which systematically locates and aggregates academic articles on their politics in ISI-ranked journals between 1999 and 2016. We identify lacunas in this literature by mapping its strands onto the EU political system. We then present a system-level research agenda that focuses on the cycles of depoliticisation and politicisation that strongly characterise the politics in these areas. Future research must pay careful attention to the conditions, mechanisms and, especially the venues that (dis)allow the linkage of societal politicisation to EU-level politics. This approach is deeply rooted in the specifics of the politics of these policy areas, but also draws on the strengths of research in these areas to increase its relevance for broader debates on the future of the EU itself.

## 2.1 INTRODUCTION

A decade has passed since the European Union (EU) was hit by the most severe economic crisis since the 1930s. Despite its labelling as a series of ‘financial’ and subsequent ‘economic’ and ‘sovereign debt’ crises, its causes were not solely located in the economic domain: political and institutional causes have been equally important (Iversen et al., 2016; Lane, 2012; Scharpf, 2015; Wilsner, 2014). In the short-term, the crisis has also had significant political consequences, such as increased European integration in the areas of financial regulation and economic governance. The long-term consequences of the crisis may prove even more profound as the EU’s current political volatility largely originates from the crisis period and has yet failed to recede (Baglioni & Hurrelmann, 2016; Börzel, 2016; Hobolt & de Vries, 2016; Leupold, 2016).

But where the politics of EU financial regulation (FR) and economic governance (EG) have colossal societal implications, a comprehensive research agenda to guide academic research on these politics is missing. Moreover, the bulk of these studies has been published after the onset of the crisis and is scattered across academic fields and disciplines. In this light, we aim systematically to identify, categorise and describe academic studies on the politics of EU EG and FR. Our underlying rationale is twofold. First, we aim to identify and aggregate the literatures on the politics of these two areas of EU policy, with a focus on studies that have been published since the introduction of the Economic and Monetary Union (EMU) in 1999. We pay explicit attention to the balance in scholarly interest between the ‘usual suspects’ of politics on EG and FR, such as member state governments, the European Commission, the European Central Bank (ECB), and specific-interest groups, and a broader set of political actors and forces involved in EU politics, such as public opinion, national parliaments and diffuse-interest groups. Secondly, we aim to identify those knowledge gaps in our understanding of these politics that require further scholarly attention. Our investigation covers both macroeconomic governance and financial services regulation due to the strong linkages between these areas of policy and the financial and sovereign debt crises in which private debt was bailed out by public debt (Quaglia, 2013).

## 2.2 SCOPE AND METHODOLOGY

We use financial regulation (FR) to refer to the formal and informal laws, rules and policies at the EU level that govern the conduct of actors in the financial sector and the financial markets in which they operate. By economic governance (EG), we refer to the formal and informal laws, rules, policies and activities at the EU level aimed at ensuring the macroeconomic, fiscal and monetary performance and sustainability of the EU and its individual member states. This concerns the EU’s competences as set out in articles 119-133 TFEU, including the day-to-day coordination of the fiscal and macroeconomic policies of its member states through the European Semester and EU monetary policy (most notably EMU). It excludes other forms of economic policy such

as regulation of individual markets, competition regulation and expenditure policy (including cohesion policy). Given the difficulty of defining politics, our approach is comprehensive: we include all studies concerning the different elements (e.g., actors, institutions and policies) and processes within the wider political system underpinning these areas of EU policy.<sup>9</sup>

Despite the lack of scoping reviews in political science, this method is extremely useful for the systematic exploration and identification of a field of literature in political science (Dacombe, 2018). Our systematic scoping review is guided by the PRISMA framework (Liberati et al., 2009), a framework developed in the medical sciences to bolster the quality and transparency of the review process and ensure replicability. This framework enables a systematic identification and analysis of eligible studies. We focus our review on positive (non-normative), peer-reviewed articles published in the Web of Science database between 1999 and 2016. A complete description of the review process, as well as a quantitative scoping exercise and brief analysis with regard to the metadata and characteristics of our dataset, can be found in the appendix.

Figure 2.1 plots the number of studies published over time for both policy areas. In our population of 138 eligible studies, we find a very strong increase in studies published across both policy areas since the crisis, both in absolute and relative terms (as weighed against the total number of articles in the database). An average of 1.6 studies (1.9 per million) is published in the first five years covered here, which increases significantly to an average of 25.8 (18.9 per million) for 2012–2016.<sup>2</sup> The crisis quickly becomes a central theme in studies on both policy areas from 2011 onwards.

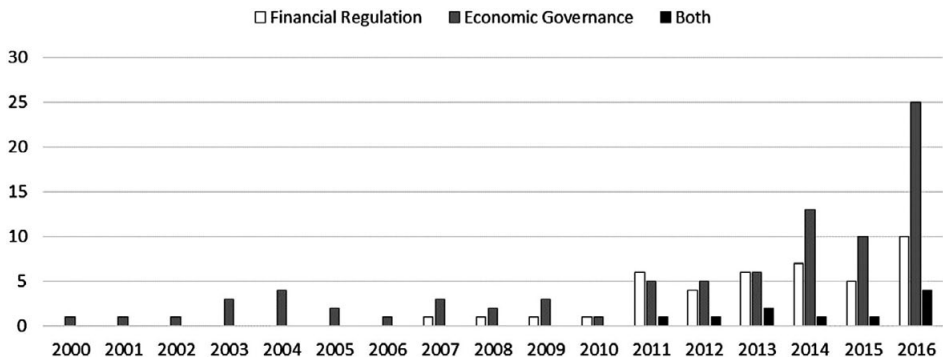


Figure 2.1. Absolute numbers of studies published by year

### 2.3 QUALITATIVE SCOPING

To get a bird's eye view of the full range of studies published on the politics of EG and FR, we use our own adaptation of Easton's (1965) conception of political systems as a framework in which

<sup>9</sup> However, we only look at the internal politics of the EU—not at the EU's role in global affairs.

to position the reviewed studies. Our adaptation splits Easton's generic 'political system' into a supranational and interstate component, to better reflect the multi-level governance structure of the EU. This adaptation is displayed in Figure 2.2.

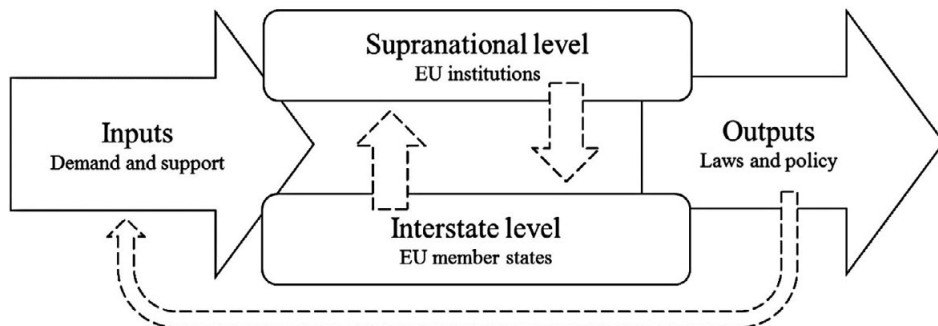


Figure 2.2. The EU political system

## 2.4 INPUTS: DEMAND AND SUPPORT

The surveyed literature identifies two main sources of input for the political system underlying FR and EG: public opinion and interest groups. Current research has looked at public opinion as input in EG (but not as input in FR), finding that citizen opinions on EG are distinctly different from opinions on European integration at large (Kuhn & Stoeckel, 2014): whereas support for the latter has decreased during the crisis, citizens have remained generally supportive of the former. Economic performance is also a key driver of discontent with the EU, as better economic performance at the country-level leads to lower levels of citizen support for EU EG. The crisis has altered this relationship, however: whereas poor domestic economic performance was linked to positive evaluations of EU institutions in EG before the crisis (Banducci, Karp, & Loedel, 2003), citizens in Southern countries have since the crisis also blamed EU institutions for being unresponsive (Torcal, 2014).

Support for the Euro has remained largely stable throughout the crisis, and fluctuations in support are mostly shaped by the Euro's perceived performance and citizens' overall assessment of the merits of the EU (Banducci et al., 2003; Deroose, Hodson, & Kuhlmann, 2007; Roth, Jonung, & Nowak-Lehmann, 2016). Support for the Euro inside the Euro area has remained higher than outside it (Hobolt & Wratil, 2015). Moreover, when citizens seek to blame the EU for poor economic performance, they tend not to blame the single currency but its central administrator, the ECB (Roth et al., 2016). Finally, some studies have also found EG capable of shaping domestic public discourse. Negative recommendations given to member states by the EU have had significant impact on national news media discourse (Meyer, 2004), although not univocally: 'hard' coordination (e.g., fiscal policy) attracts media attention, whereas 'soft' coordination (e.g., employment policy) does not (Meyer, 2005).

The second major source of input, interest groups, has been of interest to scholars on both EG and FR from the outset (e.g. Constantelos, 2004; Grossman, 2004; Heinisch, 2000), but the number of studies on interest group politics has grown substantially since the crisis. Financial interest groups have been found to have significant influence over policy outputs, especially in cases which involve highly technical regulation. Interest groups show less interest in broader institutional questions, which are generally dominated by bureaucratic preferences (Quaglia, 2008). The crisis has also pushed EU FR towards stricter regulation, indicating a temporal loss of financial interest group influence over regulatory outputs (Levitt, 2012). However, despite the opportunity created by the crisis and its public backlash against the financial sector for civil society organisations and reform-minded policy makers to push through a more consumer-friendly agenda, the return of 'quiet politics' soon reinstated the dominance of financial industry groups (Kastner, 2014). Moreover, venue shopping and issue framing are key strategies for the maximisation of influence for interest groups (Eising, Rasch, & Rozbicka, 2015; Young, 2014).

Organisations advocating consumer and employee interests have been less successful, however. European trade unions and social movements struggle to find ways to affect EU policy, because the EU's technocratic governance structure makes it difficult to politicise decision-making, and nationalises social conflicts (Erne, 2015). The limited mobilisation of voices outside of the business community also further constrains the level of interest group pluralism in financial regulatory policy making (Pagliari & Young, 2015). The diversity of actors mobilizing to influence regulatory decisions is greater when decision-making processes are open and inclusive, and when regulatory issues are salient (Chalmers, 2015).

## **2.5 THE SYSTEM: THE INTERSTATE LEVEL**

Decision-making on EG and FR has predominantly been studied as an intergovernmental process, and scholars have often instinctively focused on cases of salient intergovernmental political conflict rather than day-to-day politics in times of little political turmoil. Several studies have found that potential solutions to the Euro area crisis were difficult to introduce due to differing national perspectives, incompatible national regulatory frameworks, and disagreements about how the burdens of adjustment should be shared (Begg, 2012; Kudrna, 2012). These studies find that differences in preferences between member states are largely entrenched and stem from structural and ideational differences anchored in national contexts, resulting in a 'battle of the systems' or 'battle of ideas' (Quaglia, 2015a; Quaglia, Howarth, & Liebe, 2016).

In FR, Quaglia (2011a) notes the existence of coalitions of member states with shared 'systems', which share institutionally-shaped economic interests rooted in national varieties of financial capitalism. Examples of such stable preferences include a reluctance to transfer financial regulatory powers to the EU when domestic financial markets are largely made up of foreign banks (Spendzharova, 2012), an opposition to high capital requirements for banks in member states

with less developed equity markets and greater non-financial company reliance on bank credit (Howarth & Quaglia, 2013), and a support for further banking supervision harmonisation in countries with low levels of foreign bank ownership and high internationalisation of domestic banks (Spendzharova, 2014). Moreover, the reform of third country equivalence rules was largely problematised by the existence of different national regulatory paradigms—a ‘battle of ideas’, where British lawmakers opposed a ‘market-making’ Franco-German set of equivalence rules (Quaglia, 2015a). This divide largely coincides with a deeper rift between member states whose financial sectors benefit from market liberalisation and member states who stress the undesirability of the US financial model for the EU (Quaglia et al., 2016). Schimmelfennig (2016) also shows how initial structural differentiation can fuel further differentiated integration in nascent policy areas: spill over effects forced Euro area member states to participate in the Banking Union, while non-Euro area members, for which such pressures were absent, were given the option to opt-in.

Similar structural differences dominate the bargaining process in EG, where the crisis has increased the divide between the EU’s North and South, or its creditor and debtor states (Bilbao-Ubillos, 2014). Due to a growing distrust between Northern and Southern member states, EMU has ended up as a highly centralised policy regime where the creditor member states have come to play a domineering role with regard to debtor member states (Fabbrini, 2016). Moreover, the dominance of certain member states, most notably Germany, has significantly shaped decision-making processes throughout the crisis (Saurugger & Terpan, 2016; Steinberg & Vermeiren, 2016). Institutional pressures from the EU have pushed the political economies of Southern European member states towards a (German-inspired) stability oriented approach to macroeconomic policy and a (Anglo-Saxon-inspired) market-friendly approach to the regulation of financial services (Quaglia, 2013; Van der Pijl, Holman, & Raviv, 2011). The dominant ideas that characterised EG before the crisis, being austere government budgets and neoliberal market regulation, have mostly survived the crisis and are still in place (Heinrich, 2015).

Given these fixed preference structures, intergovernmental bargaining is often decided by government positions and strategies: governments can significantly influence EU policy outputs if they occupy more central positions in a policy network, play a brokerage role or can mobilise a coherent coalition (Christopoulos & Quaglia, 2009; Saurugger & Terpan, 2016). For example, the UK has managed to steer an alliance with the Commission, other key member states, industry and transnational interest groups to shape the Solvency II directive in its favour (Quaglia, 2011b). In other cases, deviant preferences can lead to isolation: Rasmussen (2016) finds that as the UK became increasingly obstructive to EU crisis reforms, other member states had already given up on getting the UK on board, and their diplomats were unwilling to align themselves with the UK in order to prevent being seen as obstructive themselves.

A few studies have examined the linkages between domestic politics and member state positions in the two-level game of EU politics. On low salience issues, interest groups have been successful in shaping national contributions to EU FR (Quaglia, 2008). Rising levels of salience in turn expose member state strategies to the public. In such cases, Woll (2013) finds that government

positions become increasingly difficult to influence, and only those actors whose positions easily map onto existing government strategies are taken into account. Moreover, governments strategically interact with domestic actors: James (2016) shows how UK regulators used a domestic opportunity structure to portray themselves as both hawkish and dovish to different stakeholders to achieve their desired outcome (cf Lynggaard, 2013). Such two-level games may also hamper effective regulation, as governments must both compete for financial activity on an international stage and appease conflicting demands of electorates and interest groups at the national level (Rixen, 2013). In EG, Craig (2012) shows that the extra-legal Treaty on Stability, Coordination and Governance in the Economic and Monetary Union came about after the UK vetoed amendments to the Lisbon Treaty, which was a result of Cameron's desire to appease the Eurosceptic wing of the Tory party.

## 2.6 THE SYSTEM: THE SUPRANATIONAL LEVEL

Supranational institutions are generally characterised as less powerful than member states, but can be extremely significant in specific stages of the reform process. EU institutions have been dominant as agenda-setters and policy entrepreneurs (Copeland & James, 2014; De Rynck, 2016; Niemann & Ioannou, 2015; Quaglia, 2007). The Banking Union, for example, has been a recurrent policy proposal that has been on the Commission's policy agenda since the early 1960s (Mourlon-Druol, 2016). Despite failed attempts to push the Banking Union shortly after the outbreak of the financial crisis (Kudrna, 2012), the Commission later seized the opportunity created by the financial crisis to push through stricter EU regulations for bank regulation and resolution.

EU institutions such as the Commission and the ECJ also grant the necessary credible commitment to the intergovernmental bargaining process during the crisis, although their indirect legitimisation often makes decisions made at the EU level difficult to justify to wider audiences (Fabbrini, 2013). Bauer and Becker (2014) observe that the crisis reforms have significantly increased the Commission's competences, especially in the areas of policy implementation and enforcement. In response to Bauer and Becker (2014), Da Conceição-Heldt (2016) observes that, compared to the delegation of powers to the intergovernmental level and the ECB, the Commission's relative role in EG was subtly weakened instead.

Puetter (2012) illustrates how new modes of economic policy coordination are more deliberative and intergovernmental in nature and prescribe a greater role for the European Council in the supervisory process: it plays a vital role as the intermediate institution between a supranational and intergovernmental mode of EG (Mourlon-Druol, 2016). However, Bocquillon and Dobbels (2014) also find that, as the severity of the crisis increased, the usually cooperative relationship between the Commission and the Council in setting the agenda for the 2011 reform of the system of EG increasingly shifted towards one characterised by a strong principal-agent dynamic.

In a similar vein, Bressanelli and Chelotti (2016) show that the European Council has both the institutional resources and political legitimacy to shape the policy agenda.

Radaelli and O'Connor (2009) have shown that the Council and the Commission share a strong belief in legitimizing decisions on the basis of technical expertise, despite the widely portrayed 'political' character of the Council (cf Wonka & Rittberger, 2011). Rosamond (2015) finds that the European Commission has throughout history always had a circular relationship with economic theory: it has both drawn on and contributed to theories of European economic integration. The Commission's policy documents have also become increasingly enthusiastic about economic liberalisation over the past half century (Andrews, 2013). Others have instead stressed the role of experimental learning in EG, based on a framework of supranational goal-setting, national discretionary implementation and intergovernmental reflection (Dunlop & Radaelli, 2016; Zeitlin, 2016).

A relatively large share of scholarship has studied an institution that has traditionally had a limited role in FR and EG: the European Parliament. Scholars have indicated that despite the limited capability of the EP to aggregate public preferences into substantive policy outputs, it has successfully steered EU policy towards a broader set of interests by using its normative power. Especially in the area of EG where its competences are few, it relies on normative pressure to compensate for the lack of bargaining resources (Lord, 2003; O'Keefe, Salines, & Wiczorek, 2016; Rittberger, 2014). In financial governance, it has been able to use this pressure to steer policy outputs away from specific business interest towards more diffuse societal interests (Greenwood & Roederer-Rynning, 2015). The ECB has sought to benefit from the normative power wielded by the EP; as it resorted to unconventional monetary measures during the crisis, it has attempted to legitimise doing 'whatever it takes' by actively seeking to be held accountable by the EP through bilateral monetary dialogues (Collignon & Diessner, 2016; Torres, 2013). However, Cooper (2016) observes that national parliaments also play, collectively and alongside the EP, an increasingly important role in the oversight of the activities of the EU.

## 2.7 OUTPUT: LAWS AND POLICY

Turning to the literature on the outputs in FR and EG, core debates involve the balance between economic and other objectives, desired levels of national and supranational discretion and the lack of legitimacy of outputs of EU governance. In the first, a number of scholars have voiced concerns over the bias towards austerity and market deregulation (H.-J. Bieling, 2006; Holman, 2004). Scharpf (2010) notes that a bias towards deregulation in EG has led to a diminishing of national institutions and policy legacies of the welfare state against the pressures of economic competition, despite an absolute growth in redistributive functions at the EU level (Caporaso, Kim, Durrett, & Wesley, 2015). Others note that the procedural simplification introduced by the European Semester has reinforced an existing bias towards the liberalisation of market regulation



in the EU (H. Bieling, Jäger, & Ryner, 2016; Seikel, 2016), partly as the agreement of market-correcting regulation is hampered by the high majority thresholds of the Community Method. Accordingly, Azzopardi-Muscat et al. (2015) find that Country-Specific Recommendations on healthcare expenditure are increasingly framed towards the sustainability of public finances, as opposed to social inclusion and policy sustainability. Moschella (2016) finds that actors in favour of the neoliberal status quo, such as the ECB and Commission, manage to preserve it by layering new rules into the Euro area framework which insulate it from changing political and market environments.

In terms of discretion in EG, scholars have consistently pointed out that the non-binding rules have failed to ‘bite’ and have left too much leeway to the actors involved (Amtenbrink & De Haan, 2003). The dominant policy coordination mechanisms before the crisis, such as the Open Method of Coordination, provided the necessary flexibility to tailor policy to national needs. Yet this diversity was also their greatest weakness, as they allowed member states to avoid compliance (Hodson & Maher, 2001). The crisis painstakingly showed that even rules-based governance mechanisms with treaty-based systems of enforcement failed to provide enough incentives to avoid structural deficits and economic imbalances (Armstrong, 2013; Deroose, Hodson, & Kuhlmann, 2008). Post-crisis reforms sought to reinforce the strength of the framework, but their impact has been limited. As Euro area members are reluctant to give up their economic sovereignty by agreeing to more stringent economic and fiscal oversight mechanisms at the supranational level, the system of EG is stuck in a mode of ‘failing forward’ (Jones, Kelemen, & Meunier, 2016): a cycle where settling on a lowest common denominator leads to incomplete governance frameworks, a crisis, and new lowest common denominator solutions (Featherstone, 2011; cf Kudrna, 2016a for FR; Murlon-Druol, 2014). Thus, the burden of providing the stability of the common currency has now come to lie with the ECB and its monetary interventions (Adamski, 2016; Wilsher, 2014).

Some authors specifically point to the Commission and its supranational discretion as a reason for the lack of enforcement (e.g. Armstrong, 2013): sanctions in the European Semester are decided upon by a politically accountable executive, rather than by ‘traditional’ judicial enforcement. Such supranational executive discretion, wielded by the Commission, was bolstered through the introduction of Reversed Qualified Majority Voting in the Excessive Deficit Procedure, granting it near-autonomous executive competence in the area of economic and fiscal governance (Seikel, 2016). The Commission will thus bargain with some member states, whereas it relies on a mechanistic application of procedures with others (Dunlop & Radaelli, 2016). Yet such mechanistic application itself may also be undesirable, as it overlooks contextual details and favours liberal and pro-market interests over others (Saurugger, 2016b; Somek, 2015; White, 2015). Still, Commission discretion is also not the only source of political tinkering at the EU level, as national executives themselves possess enough discretion to bend rules in their favour (Giuriato, Cepparulo, & Barberi, 2016; Mcphilemy, 2014).

A third issue raised by the literature on outputs concerns the lack of legitimacy of the crisis reforms. Once they are negotiated, these technocratic rules are often forced upon citizens and presented as having no alternatives (Markantonatou, 2012). While many Euro area crisis solutions, for example, have major political consequences for member states, the dominant views among decision-makers are that they should not be politicised (Leino & Salminen, 2013). Looking specifically at the Greek case, Featherstone (2016) points to the tension between externally imposed conditionality and national democratic choice, with the added difficulty that the domestic institutions tasked with implementing reforms lack the capacity and experience to do so (Garcia-Arias, Fernandez-Huerta, & Salvador, 2013). Moreover, in cases where the crisis made further integration through conventional legislative routes difficult, extra-EU legal steps were taken to speed up the introduction of crisis measures. Examples include the Fiscal Compact, the European Stability Mechanism and the Memorandums of Understanding between the Troika and debtor states, which outline the conditionality of financial assistance to member states in need (Armstrong, 2013). However, such intergovernmental crisis measures are in turn more politicised than supranational measures, as member state parliaments have a more direct say on these matters (Wonka, 2016).

A lack of legitimacy is also a concern in FR. Given the clout of financial service industry groups in the policy formulation process, FR lacks wider input legitimacy and the reliance on non-binding regulations in certain areas also jeopardises their output legitimacy as this entails a larger risk of noncompliance by regulatees (Iglesias-Rodríguez, 2012). Governance reforms have improved procedural effectiveness by empowering industry related experts, and the inclusion of EU institutions and civil society to the decision-making processes remain largely formal (Kudrna, 2016b). Another reading of the EU's attempts to curtail the crisis is that politicians have tried to solve incomplete integration with more integration in both policy areas, which has caused public backlash at domestic level (Saurugger, 2016a; van Middelaar, 2016). Such politicisation of European integration then makes pushing further integration as a crisis solution more difficult, creating a circular feedback loop (Saurugger, 2016b).

## **2.8 RESEARCH AGENDA: THE POLITICS OF (DE-)POLITICISATION AND VENUE CHOICE**

Having aggregated all eligible studies on the politics of EU EG and FR, we now turn to avenues for future research. We first briefly summarise our findings and comment on the gaps that emerged when we mapped these literatures onto the individual components of our conception of the EU political system. We subsequently present a system-level research agenda that transcends these individual components and informs systematic research on the linkages between different elements of the EU political system.

Inputs have mostly been studied concerning EG and in the form of special interest group influence and public opinion. No studies in our sample deal with public opinion on issues of FR, despite the widespread public outrage against the financial system during the crisis. Moreover, only with reference to interest groups have inputs been linked explicitly to other elements of our conception of the EU political system. Aside from the occasional inference, no studies in our sample have systematically linked other forms of input, such as public opinion or domestic election outcomes, to EU actors, institutions, or outputs in either policy area, or vice versa.

Studies on the interstate level have emphasised the structural rifts between member states, characterised as ‘battles of systems’ and ‘battles of ideas’ (Quaglia, 2011a, 2015a), and the bargaining strategies that decide outputs. It has portrayed member state governments as strategic actors that play the domestic political field by sending different signals to different domestic actors. However, systematic examination of how member state governments act as linking pins that connect politics at the domestic level to politics at the EU level is needed.

Studies on the supranational level of the political system paint a picture of increasingly powerful supranational institutions, such as the Commission and the ECB, that offer credible commitment to the integration process but remain insulated in technocratic decision-making structures. A surprisingly substantial portion of research has focused on the EP as a potential source of legitimacy and counterweight to business interests. Still, few studies have linked the behaviour of these supranational actors to domestic politics, either as dependent or independent variables. While the focus on the EP points to a potential link with a wider public, the politicisation of supranational actors such as the Commission and ECB has not yet been studied in the areas of EG and FR; this may offer valuable insights into the responsiveness of these seemingly insulated and technocratic actors.

Finally, studies on outputs highlight an inherent bias towards deregulation and austerity. They offer two takes on the debate on enforcement: a lack of compliance by national governments puts economies at risk, but mechanistic application of supranational rules overlooks important contextual details. Legitimacy for outputs is missing; rules are too technocratic, reflect a bias towards business interests over societal interests and the politicisation of these outputs is considered undesirable. However, outputs are not systematically linked back to inputs, and as such much remains unknown about how changes in EU policy outputs affect the behaviour of interest groups, public opinion and domestic election outcomes.

Moving beyond the individual components of our heuristic model, we argue the field would benefit from a system-level research agenda that transcends individual components and informs systematic research on the linkages between components. As we will argue below, such an approach needs to place at its core the processes of depoliticisation and politicisation that, as our review has indicated, strongly characterise the politics of EG and FR. By politicisation, we refer to those processes that raise the salience of, polarise (public) opinion on, and expand the actors and audiences engaged in monitoring EG or FR (cf De Wilde et al., 2016). By depoliticisation we

refer to those processes that lower this salience, decrease these levels of contestation, and narrow these actors and audiences.

Processes of depoliticisation are part and parcel of the EU, especially in the policy areas examined here. Interest groups representing business interests have an interest to keep regulatory issues out of the public eye, as public attention limits their lobbying efforts. Member states seeking credible commitment delegate competences to non-majoritarian supranational institutions. These supranational actors, such as the Commission and ECB, in turn use science and expertise to legitimise their activities and present major distributive issues as regulatory ones. Consequently, such technocratic legitimation yields outputs that are presented as having no alternatives, i.e., as not pertaining to the realm of politics. Moreover, Mario Draghi's 'whatever it takes' is a clear-cut example by which a supranational actor sought to, aside from calming financial markets, depoliticise a raging political conflict and create scope conditions for member states to find common solutions to the crisis.

In turn, processes of politicisation shape political outputs as they interrupt the low salience, business as usual politics of the EU. Policy outputs more closely resonate with outsider voices, such as public opinion and societal interest groups, when issues are more salient and contested. Defiant member state governments and domestic-level actors, including Eurosceptic political parties, have managed to cripple economic and financial integration by politicizing issues. Supranational actors have altered their behaviour when faced with higher levels of politicisation during the crisis, and have actively engaged in issue framing. Nowhere were these processes of politicisation more obvious than during the darkest hours of the Greek crisis, where a referendum on Greek bailout conditions called by Alexis Tsipras politicised the issues of austerity, democratic choice and European solidarity to a level unobserved before in the EU.

These fields offer the perfect cases to study these processes more generally: depoliticisation is a core driver behind the existence of these EU policy areas, while the crisis has politicised these fields to an extent that has lastingly shaped the political future of the EU. Thus, they represent policy areas which have undergone one of the largest swings in levels of salience and contestation in the history of the EU. By focusing mainly on the highly salient episodes of crisis politics, these streams of literature have not sufficiently covered these processes. As absence of evidence is not evidence of absence, future research should more explicitly hypothesise both the drivers and consequences of politicisation, as well as depoliticisation, in these areas. Especially now that the crisis has receded and publics have lost interest, there is significant scope for studies on the return of quiet politics to EG and FR.

With such a research agenda, the key questions become those on the conditions, mechanisms and agency of (de-)politicisation: what is (de-)politicised by who, when, where, how and why? Which issues are debated in media outlets, and which aren't? Which (constellations of) actors seek to politicise issues, and which actors actively work to depoliticise them? When are issues politicised, and how do these conditions compare to the conditions of politicisation in other policy areas? What means are used in the (de-)politicisation of issues, and how effective are they?

Why do actors politicise one issue over another, and why do strategies of depoliticisation work better for some issues over others? Are policy outputs politicised by domestic actors, and if so, where? And how do these strategies of politicisation and depoliticisation interact and with what effect for the characteristic multi-level politics of EG and FR?

An especially valuable question to an agenda on the politics of (de-)politicisation is the question of location. The EU political system offers actors various venues, or arenas where decisions are taken, through which (de-)politicisation can be achieved. Each of these venues has different norms and rules, and the authority and power of specific actors varies by the venue chosen. Issue framing shapes venue choice (which in turn impacts issue framing), and outputs have different legal qualities, depending on the venue where they were produced. Lastly, venue choice determines who wins and who loses, as it enables certain actors to avoid blame and claim credit while disabling others to do the same.

The crisis has offered us a few clear-cut examples of the importance of venue choice. Special interest groups, which draw on different types and quantities of resources compared to societal interest groups, have temporarily lost the power to unilaterally dictate their lobbying strategies as they were abruptly forced to appear in the highly-visible venues that they would normally eschew. Eurosceptics sought to politicise fiscal solidarity at the domestic level, whereas Europhiles sought to depoliticise crisis measures by choosing EU-level venues. National parliaments have enjoyed an unprecedented level of influence on the day-to-day cycles of EU politics. EU institutions have chosen to engage in public debates on some issues, but have refrained from doing so on others. Member state governments have chosen to push reform measures in various venues: most strikingly, whereas the Six- and Two-pack and Banking Union were negotiated through the ordinary legislative procedure, opposition by some member states led to the establishment of the EFSF and Fiscal Compact outside the EU legal framework.

A comprehensive research line on the politics of (de-)politicisation and venue choice in EG and FR can make important contributions to the broader debates on European integration. While depoliticisation and politicisation are key ingredients in neofunctional and postfunctional theories of European integration respectively (Hooghe & Marks, 2009; Niemann & Ioannou, 2015), neither theory fully captures both politicisation and depoliticisation, or the cyclical relationship between the two (Börzel & Risse, 2018). Integration through depoliticisation does not necessarily result in a more coherent polity, but may actually lead to a more fragmented Union (Genschel & Jachtenfuchs, 2016). Politicisation, in turn, does not necessarily imply a brake on integration, as the Euro area crisis has shown (Börzel & Risse, 2018). Importantly, our aim is not to provide a new theory on European integration or to compete with existing ones. We merely argue that a focus on (de-)politicisation in EG and FR, and the interaction between the two, will provide valuable input to these debates, and will help explain broader questions from 'patchwork integration' to the resurgence of populism across the continent (e.g. Kriesi & Pappas, 2015; Schimmelfennig, 2016).

We must note that some recent studies published after our cut-off point have already moved in this direction. In FR for example, Burns et al. (2018) have looked the consequences of venue shopping and veto players for reform processes, and Keller (2018) has examined the conditions under which business interest groups politicise issues to increase their influence on regulation. Van der Veer and Haverland (2018) have shown that the Commission issues more extensive recommendations to member states that experience greater politicisation of European integration. While we strongly welcome this development, these studies are few, do not yet speak to each other, and do not yet represent a coherent and systematic research line. The agenda presented here should help create such coherence, and help the field increase its relevance for the broader discussion on the future of the EU.