Commentary

Researching Technocracy: Actor-Centred Methodologies and Empirical Strategies for Studying EU Economic Governance in Hard Times

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Abstract

The Euro’s problem-ridden second decade has made crisis management and economic reform across the European Union (EU) the priority of high politics. Despite the prominence of high-level intergovernmental summits, however, many studies identify EU policymaking elites as influential or even causal factors determining the EU’s crisis response. This commentary therefore reviews the recent literature on EU economic governance which emphasises the role of supranational actors. The focus is on the methodologies and empirical strategies that scholars employ to determine the independent effect of policymaking elites on outcomes. This commentary identifies a renewed interest in actor-centred methodologies as well as a continuing emphasis on process-tracing approaches, primarily based on elite interviewing and document analysis. Finally, it discusses the potential of novel approaches relying on other sources of data such as policymakers’ biographies, their speeches, or publication and citation patterns.

Keywords

Actor-centred constructivism; Administrative elites; Central banking; Economic reform; European Monetary Union

The story of the Euro crisis is in many ways a story of summits. Numerous times, European heads of government and their finance ministers negotiated fiercely until the early morning hours, trying to hammer out a compromise on how to ‘save the euro’ or how to reform the incomplete Economic and Monetary Union (EMU). Therefore, it is not a surprise that many analyses of EMU crisis management and reform explicitly or implicitly adopt an intergovernmental perspective (for example Puetter 2012; Bickerton, Hodson and Puetter 2015). However, a sizable part of the contemporary literature on European economic governance also emphasises the role of supranational institutions in the European Union (EU). Often going beyond conceptual debates of supranationalism versus intergovernmentalism as analytical lenses, numerous empirical contributions look at the European Commission, the European Central Bank (ECB), EU agencies, or factions within those organisations to explain outcomes.

This commentary reviews this part of contemporary EU scholarship, discussing why EU scholars choose to analyse administrative elites and how they go about it. I submit that the relative prominence of recent actor-centred scholarship in EU economic governance has its roots in characteristics of the EU polity, the specifics of macroeconomics as a policy area, as well as situation-specific factors related to emergency decision-making. I then discuss actor-based constructivism as a response to these three characteristics of EU economic governance in hard times, and systematisate the empirical contributions the field has published over the past decade. Finding that most of this scholarship is rooted in traditional empirical strategies, I then review the potential of a number of innovative methods to study elite policymakers, their ideas and preferences.
EMU RESEARCH AS THE STUDY OF UNELECTED POWER?

The prominence of ‘unelected power’ (Tucker 2018) has stirred debates about the EU’s perceived democratic deficit for decades. Recognising the importance of policymaking elites, studies on EU economic governance have long focused on the role of expert groups both within EU institutions, such as the Delors committee (Verdun 1999) or the Eurogroup (Puetter 2006), and externally, as in Brussels’ think tanks (Coman 2019) or groups of academic economists (Flickenschild and Afonso 2018). Despite the recent backlash against the outsized influence of experts, their influence has not waned. If anything, the institutional responses to the financial crisis have further amplified the policymaking powers of the EU’s supranational bureaucracies and the agents therein. The ECB has greatly enhanced its influence by reinterpreting its mandate (Schulz 2017; Schmidt 2016), while the European Commission enjoys an increased role in economic policy implementation (Bauer and Becker 2014; Dehousse 2016; D’Erman et al. in this issue).

I observe three main reasons for the enduring prominence of technocratic elites in contemporary EU economic governance. First, the EU polity is marked by the delegation of decision-making powers to numerous formal and informal bodies wherein experts exercise influence in ways not directly observable. At the heart of EU economic governance sit its two supranational institutions, the European Commission and the ECB. While the Commission is arguably ‘one of the most mature and powerful international bureaucracies worldwide’ (Trondal 2010: 17), the ECB ranks in most indices of central bank independence as the world’s most autonomous monetary institution (for example Dincer and Eichengreen 2014). Based on its unique Treaty-based mandate, the ECB has substantially increased its powers in recent years, adding unconventional monetary tools as well as supervisory responsibilities to its job description.

It is subject to debate whether the Commission is another ‘unexpected winner’ of the crisis (Bauer and Becker 2014) or whether it has instead seen its authority and resources increasingly being transferred to the ECB and intergovernmental institutions such as the Eurogroup or the European Stability Mechanism (Hodson 2013; Conceição-Heldt 2016; Chang 2013). Regardless of where we locate new powers in EU economic governance (the Commission, the ECB, or working groups and committees associated with the EU’s intergovernmental bodies) they all represent powerful bureaucracies in which economic expertise is an important source of authority. Furthermore, even the most high-level decisions in the Council or the ECB Governing Council are usually made in a ‘culture of consensus’ rather than following formal (and documented) voting procedures (Hagemann 2015: 143). EU scholars have therefore long recognised the importance of transnational networks of policymaking elites to explain outcomes at the EU level (for example Wallace 1983: 77).

A second aspect concerns the absence of clear cause-and-effect relationships in macroeconomic governance, making it a policy area that requires technocratic expertise to frame problems and solutions that are poorly understood by the broader public. The uncertainties about distributional implications of many macroeconomic issues also result in relative inaction of pressure groups (McNamara 1998: 59), further increasing policymakers’ autonomy. Hence, ‘economists are most likely to be influential advisers in situations understood as technical, and in ill-defined situations where uncertainty forces policymakers to look for new solutions’ (Hirschman and Berman 2014: 780).

Third, the past decade has been marked by enormous uncertainty associated with fast burning crises (Seabrooke and Tsingou 2019) and ‘fire-fighting’ modes of policymaking. Economic governance generally involves a high degree of uncertainty because our knowledge about the state of the economy, fiscal multipliers, or the monetary transmission mechanism is always limited (Greenspan 2003). Since 2007, however, economic policymakers arguably face a different kind of uncertainty as historically stable economic relationships have broken down, forcing them to resort to untested tools.
to fight the downturn. Given that EMU policymakers oversee a large, heterogeneous, and asymmetric currency area with only a brief historical record, the uncertainties they faced arguably were even more fundamental than those of their counterparts in the United States and elsewhere. All this is not to suggest, however, that expertise does not matter during times considered as ‘normal’. Yet ‘crises typically do imply a broader than usual menu of feasible policy options [for policymakers] [...] because the sense of crisis induces public deference to claims of political necessity’ (Kreuder-Sonnen 2018: 962).

**ACTOR-CENTRED PERSPECTIVES ON EU ECONOMIC GOVERNANCE**

Debates about EMU reform are frequently characterised as a ‘battle of ideas’ (Brunnermeier, James and Landau 2016), where different philosophies and traditions of economic policymaking clash. The contradictions between French Dirigisme and German Ordoliberalism suggest that conflicting ideas are often rooted in specific national historical experiences and institutional structures. In these debates, policymakers do not only try to find the ‘right’ technical solutions for common problems, but also strive to preserve national cultures and economic interests. Hall (1993: 289) thus turns Hugh Heclo’s famous quote around by stating that actors do not only puzzle, they also power. Because it offers an actor-focused perspective aimed at bridging rational choice and more interpretative approaches (Saurugger 2013), proponents characterise actor-centred constructivism ‘as one of the most promising conceptual frameworks in studying public policy outcomes in the EU’ (Matthijs 2016: 378).

Actor-centred constructivism considers the importance of policymakers’ individual backgrounds and worldviews in line with the constructivist assumption that individual beliefs are socially constructed. However, the approach also considers actors to hold strategic interests and to use ideas as resources in order to attain their goals. Thus, it aims to move beyond the dichotomy of ‘interests’ and ‘ideas’ often found in constructivist work, for example by considering beliefs and desires as important cognates of interest (Blyth 2002: 27-30). The approach encompasses more sociological methods to study individual and collective actors in order to understand the power games taking place between actors in policymaking (for example Parsons 2002). Advocates therefore hold that the approach offers a response to one of the central critiques of constructivism, namely the absence of considerations about authority and power (Saurugger 2013: 892). As a consequence, actor-centred constructivism has increasingly been applied to issues of EU economic governance (Matthijs 2016; Quaglia and Howarth 2018; Zeitlin and Vanhercke 2018).

In this nascent literature, the final policy outcome is thought of as a result of the cultural and ideological context in which political actors form their ideas. It however takes policymakers seriously by assuming that they have the autonomy to make decisions, and that one cannot simply predict their choices based on their official positions or the formalised rules of the game. This is where the approach differs sharply from actor-centred institutionalism (Scharpf 1997), which appears more concerned with the strategic environment and actor constellations found within institutional structures than with the actors themselves. In order to explain outcomes, actor-centred institutionalism turns to the specific logics of a decision-making situation rather than the characteristics of the actors involved. Within actor-centred constructivism, on the other hand, it matters who the actors are.

It remains open to debate whether this understanding of the policy process necessarily requires a novel methodological framework such as ‘actor-centred constructivism’ or, relatedly, ‘discursive institutionalism’ (Schmidt 2008). Bell (2011) argues that one may also place active, interpretive agents at the centre of analysis within suitably tailored versions of historical institutionalism. Similarly, many prominent frameworks to analyse the policy process also consider the role of actors.
Examples include ‘policy brokers’ within the advocacy coalition framework (Sabatier 1998) or ‘policy entrepreneurs’ within the multiple streams approach (Kingdon 1984). However, these broader frameworks regard actors as one variable of interest among others, whereas the empirical studies discussed below typically focus on actors as crucial determinants of outcomes. While many of them do not explicitly endorse actor-centred constructivism, they do tend to emphasise endogenous constructions over exogenous shocks.

To give an example, Kentikelenis and Seabrooke (2017) conceptualise the intra-organisational processes of ‘script-writing’ in the European Commission as contingent on three normative struggles: among staff, within the leadership, and between staff and leaders. In accordance with actor-centred constructivism, they see inter-organizational script-writing (or struggles about policy paradigms) as a function of both ‘world-cultural frames and material interests, each held by different intra-organizational actors: bureaucrats and state representatives, respectively’ (Kentikelenis and Seabrooke 2017). This implies a shift in emphasis away from the ‘communicative discourses’ between state actors and the wider public to the ‘coordinative discourses’ (Schmidt 2008) happening within and between the bureaucracies involved in EU economic governance.

**EMPIRICAL STRATEGIES IN RECENT EU ECONOMIC GOVERNANCE SCHOLARSHIP**

Understanding EU institutions as sites of political contention, as Kentikelenis and Seabrooke (2017) suggest, signals a need to open the organisational black box. If we are to analyse the intra- and inter-organisational processes of puzzling and powering over ‘dominant policy scripts,’ we need to include EU technocrats in the analysis. Opening the black box, however, brings with it a number of challenges related to identifying actors, attaining access to and/or information about them, and linking some measure of their influence to a dependent variable of interest.

In terms of empirical strategies, elite interviewing and document analysis continue to dominate empirical studies of EU economic governance. To illustrate: searching one of the flagship journals for EU studies, the Journal of European Public Policy (JEPP), for the keyword ‘economic governance’ returns 86 published articles during the past decade (2008-2018). This includes 40 empirical studies, 30 conceptual contributions, six review articles, five broader narratives which do not clearly indicate their sources of information, and five false positives. Out of the 40 articles focused on empirical questions, a full 22 base their arguments primarily or solely on interviews with policymaking elites. A further seven rely on the analysis of publicly available documents, from transcripts of parliamentary debates to formal policy recommendations. Another seven studies make use of survey data, four of which study public opinion based on Eurobarometer surveys while the remaining three studies analyse elite surveys.

While the interview-based studies cover a lot of empirical ground, many of them focus on the role of the Commission enacting or enabling change during and after the crisis. They study the Commission’s thinking regarding EU cohesion policy reform (Mendez 2013), the successful push by DG Competition to liberalise German public banks (Seikel 2014) or the Commission’s cooperation with the International Monetary Fund (IMF) and the ECB within the ‘troika’ (Lütz and Kranke 2014). Other works explicitly study ‘Commission entrepreneurship’ in either relaunching the economic reform agenda after the crisis (Copeland and James 2014), establishing the banking union (Nielsen and Smeets 2018) or reforming the Stability and Growth Pact (Schön-Quinlivan and Scipioni 2017). Studies of the European Semester, be it of how the European Council, Council and Commission decide on policy priorities (Maricut and Puetter 2018), how the Semester’s recommendations are enforced (Savage and Howarth 2018), or how national officials instrumentalise the EU’s policy targets at the domestic implementation stage (Eihmanis 2018), also often supplement their analysis of official documents with interview data to reconstruct decision-making behind closed doors. While
this may often be the only option available to researchers trying to provide an account of ‘what happened’, the well-documented validity and reliability issues concerning elite interviewing (Berry 2002) make the search for complementary sources of data worthwhile.

NOVEL STRATEGIES TO MEASURE POLICYMAKERS’ IDEAS AND PREFERENCES

Recent studies have developed alternative strategies to analyse processes unfolding behind closed doors. Considering technocrats as strategic actors with their own interests and worldviews, these approaches aim at identifying proxies for policymakers’ preferences and beliefs in their biographies, speeches, or actions. I structure my discussion of these empirical strategies below by drawing on John Gerring's discussion of ideology. Gerring (1997) raises the important question of where we try to locate mental constructs such as ideologies, beliefs, or preferences: in peoples’ minds, their behaviour, or in the language they use? Should researchers observe what elites do or trust what they say?

Our empirical strategies will arguably follow from our ontological and epistemological positions. If we believe ‘real’ views and preferences to be located in actors’ minds, we are likely to either interview or survey them, or analyse their CVs in search for clues. If we deem actors’ behaviour more important, we may opt for more ethnographic methods like participant observation or try to record behavioural patterns directly by using experimental methods. Finally, when focusing on language, one can employ discursive tools to analyse actors’ speeches or their publications, including citation patterns (see Table 1).

The literature on international bureaucracies such as the IMF or the US Federal Reserve offers some clues on how EU scholars may infer policymakers’ ideas and preferences from their biographies. Based on the assumption that peoples’ fundamental views are formed at some point in their lives and remain unchanged ever after, authors have drawn on publicly available CVs as a parsimonious way to quantify policymakers’ characteristics. Scholars disagree, however, on which aspect of policymakers’ biographies serve as the best predictor of their views. Adolph (2013) argues that policymakers’ previous work experiences strongly predict their policy choices, distinguishing the ‘financial type’ and the ‘government type’ of central banker. Chwieroth (2007) and Lepers (2018), in contrast, code policymakers’ education and professional training based on the prevalent economic ideas taught at the universities they attended.

While these scholars disagree about the sources of preferences, they all assume actors’ fundamental preferences and core beliefs to be stable over time. Absent large-scale turnover and replacement of policymakers, then, such approaches have difficulty explaining change. A second potential drawback of biography-based studies concerns the trade-off between increasing the numbers of observations for statistical analysis and limiting the analysis to officials playing key roles in decision-making. Including members of staff, in line with Kentikelenis and Seabrooke’s (2017) argument that staff-level struggles also matter, increases the number of observations. However, this comes at the cost of introducing uncertainties about how exactly staff influence decision-making at the top, since this part of the ‘coordinative discourse’ is impossible to observe directly and hard to reconstruct after the fact.

Research focused on more specific policy ideas or reforms, however, may prefer to draw on elite surveys or speech data instead. As questionnaires can be tailored to specific research interests in ways that biographical data may not, EU scholars have recently provided original surveys covering Commission staff (Trondal 2010), ECB staff (Schulz 2017), EU agency professionals (Wonka and Rittberger 2011) or staff of national parliamentary committees on budgetary and EU affairs (Hallerberg, Marzinotto and Wolff 2018). Other studies make use of existing datasets such as the
EPRG MEP Survey (Hix, Farrell, Scully, Whitaker, et al. 2016), to analyse, for example, the European Parliament’s strategy in EU economic reforms (O’Keeffe, Salines and Wieczorek 2016). While elite surveys can carry with them great challenges regarding access (given that a good response rate and contextual knowledge is necessary to deal with issues such as non-response bias), data analysis is replicable.

Table 1: Strategies to measure policymakers’ views and preferences

<table>
<thead>
<tr>
<th>Location</th>
<th>Source of data</th>
<th>Difficulty of access?</th>
<th>Replicability of analysis?</th>
<th>Example studies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mind</td>
<td>Biographies</td>
<td>low</td>
<td>yes</td>
<td>Chwieroth (2007); Adolph (2013); Lepers (2018)</td>
</tr>
<tr>
<td></td>
<td>Interviews</td>
<td>high</td>
<td>no</td>
<td>Lütz and Kranke (2014); Nielsen and Smeets (2018)</td>
</tr>
<tr>
<td></td>
<td>Surveys</td>
<td>high</td>
<td>yes</td>
<td>Wonka and Rittberger (2011); Hallerberg, Marzinotto and Wolff (2018)</td>
</tr>
<tr>
<td>Language</td>
<td>Speeches</td>
<td>low</td>
<td>yes</td>
<td>Bennani (2015); Bennani and Neuenkirch (2017)</td>
</tr>
<tr>
<td></td>
<td>Publications</td>
<td>low</td>
<td>yes</td>
<td>Ban and Patenaude (2018); Flickenschild and Afonso (2018)</td>
</tr>
<tr>
<td>Action</td>
<td>Participant Observation</td>
<td>high</td>
<td>no</td>
<td>Geuijen, Hart, Princen, and Yesilkagit (2008); Suvarierol (2011)</td>
</tr>
<tr>
<td></td>
<td>Experiments</td>
<td>high</td>
<td>yes</td>
<td>Doberstein (2017)</td>
</tr>
</tbody>
</table>

Recent advances in automated content analysis have made the quantitative analysis of speech data another viable option. For example, Bennani and Neuenkirch (2017) provide an indicator for inflation preferences of ECB policymakers based on the tone they reveal in their public speeches. In another attempt of ‘dissecting the brains’ of policymakers, Bennani (2015) constructs cognitive maps for European central bankers based on the economic reforms they advocate publicly. Much in line with Adolph’s (2013) assumption about the ‘financial type’ of central banker, this study finds central bankers with backgrounds in finance to be less open to unconventional monetary easing.

A second form of textual analysis focuses on institutional publications rather than speeches. Publications such as the ECB’s ‘Economic Bulletin’ offer a way to approximate the doctrinal positions of these organisations as a whole instead of focusing on individuals’ positions. This way to track doctrinal and policy change, however, is difficult to connect to individual-level characteristics. Cornel Ban’s work thus proposes to combine content and network analysis, focused on the economists whose work is cited in official publications. Such citation networks visualise the linkages between official policy reports and their institutional suppliers of expertise (see Ban, Seabrooke and Freitas 2016). Following this approach, Ban and Patenaude (2019: 13) argue that the IMF revised its fiscal policy stance considerably more than the conservative ECB and demonstrate that the two institutions ‘tapped into relatively distinct pools of expertise and enrolled different networks of experts’. Flickenschild and Afonso’s (2018) comparative study of networks of economic policy advice in the US Council of Economic Advisors and Germany’s Sachverständigenrat also makes use of social network analysis, as does Seabrooke and Tsingou’s (2014) analysis of professional knowledge in
expert groups drafting proposals for economic reform. Like speech data, the official publications these studies use are freely available, making the raw data easy to access and replication possible.

Participant observation and experimental methods appear feasible strategies in exceptional circumstances only, due to the difficulties of negotiating access. However, some recent studies have used ethnographic methods to study ‘Eurocrats at work’, focused on the EU-related activities of Dutch national civil servants (Geuijen, Hart, Princen and Yesilikagit 2008) or the cosmopolitan practices of Commission officials (Suvarierol 2011). The idea is that ethnography can unveil the beliefs and actions of key actors as well as their sense-making narratives and will help to explain how these ‘webs of belief’ actually inform elite action (Bevir and Rhodes 2006: 109). Due to obvious recruitment challenges, observing elite action in EU economic governance through experimental methods may be even more difficult to implement. However, Doberstein (2017) offers an example for a randomised survey experiment with the provincial government of British Columbia (Canada), demonstrating that policy analysts perceive academic research on economic policy to be substantially more credible than studies provided by think tanks or advocacy organisations, regardless of the studies’ content.

To sum up, some of these novel approaches offer elegant ways around the problem of negotiating access to policymaking elites and draw our attention to unused sources of information about them. This goes in particular for studies focused on policymakers’ biographies, speeches, or publication and citation patterns. Potentially quantifiable, these sources of data also allow for (replicable) statistical analysis. Yet, inferring individual preferences and worldviews from biographical data rests on the assumption that these remain stable over time, even in moments of crisis and fundamental uncertainty. To account for changing ideas and preferences and to include data more easily adjusted to a specific research question, EU scholars should draw on additional information whenever possible. Recent studies based on elite surveys (including survey experiments) and even participant observation show that scholars can go down numerous methodological avenues beyond resorting to elite interviewing only. This potential methodological variety remains too often unexploited in contemporary studies of EU economic governance.

**CONCLUSION: EMBRACING METHODOLOGICAL VARIETY**

Contemporary studies of EU economic governance often focus on the influence of EU technocrats. This review suggests that such actor-centred approaches have gained in importance during the decade following the global financial crisis because the influence of policymaking elites is greatest during times of uncertainty. Fully understanding the policies prepared in the EU’s independent bodies and informal settings thus requires an investigation into the influence of and power struggles between elite policymakers, their characteristics and motivations.

This review has found that the bulk of published work in this field relies primarily or solely on interviewing techniques and document analysis and discussed alternative ways of studying EU policymakers. Making use of newly available data sources, such as detailed biographical information, these empirical strategies can constitute valuable additions to the toolbox of EU scholars. However, studies based on policymakers’ biographies, speeches, and publications as well as elite surveys appear better suited for detecting generalised patterns than for explaining specific outcomes. Causally linking structural features within the EU bureaucracy (such as typical career paths or education patterns) to policy outcomes thus requires combining those novel approaches with tried-and-tested interviewing techniques. I submit that such pragmatic mixed-method research is well-served by a flexible methodological framework such as actor-centred constructivism, because it considers both the strategic interests of actors as well as their embeddedness in cognitive and institutional structures.
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ENDNOTES

1 This includes all contributions published in JEPP between January 2009 and January 2019, including iFirst articles. The false positives either do not concern the EU, or mention ‘economic governance’ only in passing, rather than analysing it.

REFERENCES


