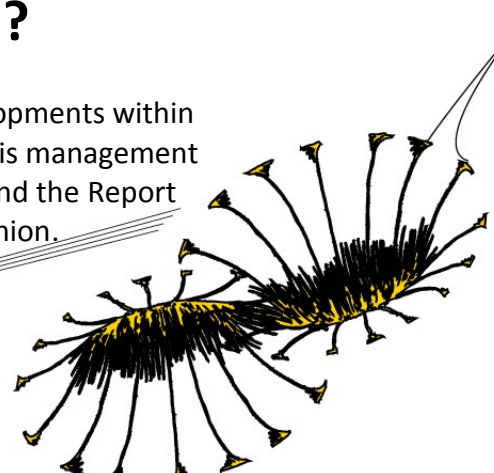




# Democratization of Technocracy or Better Technocratization of Democracy? - and Which One Accounts for the European Union?

Investigating the democratic and the technocratic developments within the European Union decision-making under the Euro-crisis management on the case of the Monti-government, the Fiscal Pact and the Report towards a genuine economic and monetary Union.



Mirjam Peter (s1097512)  
Bachelor Thesis European Studies  
Faculty of Management and Governance

Examination Committee:  
1<sup>st</sup> Supervisor: Dr. Ringo Ossewaarde  
2<sup>nd</sup> Supervisor: Dr. Minna van Gerven-Haanpaa

28<sup>th</sup> June, 2013



## **Abstract**

*Democratization of technocracy or better technocratization of democracy? Concerning stated question already the title can be quite confusing. Where does one end and the other begin in the complexity of today's political decision making. This thesis aims for a descriptive and reflective approach, relating the latest ideological developments in European Union politics and society to technocratic theories on the EU democratic deficit and reflecting upon the European values. It further investigates which concept is the dominant concept within the Union. Is technocracy a tool of the democrats to keep up with the complexity of markets and financial systems or is democracy the tool of the experts to establish and strengthen named markets and systems? Throughout the past years the discussion on the European democratic deficit has expanded and gained variety. Adding on to the classical institutional approach more and more authors have drawn their interest towards the conflicting concepts of democracy and technocracy, claiming a immense increase of the later, especially since the 80's. Published theories indicate a trend towards technocratic regulation regarding minor issues and day to day management of European legislation but observing recent European Euro-crisis management it is almost inevitable to ask oneself, did this trend extend to the higher politics of the Union as well? This thesis hence aims to describe the following:  
Observing three European and domestic key decisions of the Euro-zone crisis management since 2011, to what extent does the European Union stimulate technocracy or to what extent does the European Union stimulate democracy?*

## Table of Contents

<b>1. Introduction .....</b>	<b>3</b>
1.1. Background of the Topic .....	3
1.2. Research Question .....	4
1.3. Approach and Organization of the Research .....	5
<b>2. Theory .....</b>	<b>6</b>
2.1. The Concept of Democracy .....	6
2.2. The Concept of Technocracy/Technocratic Regulation .....	8
2.3. Democracy, Technocracy and why they clash .....	9
2.4. The Role of Politicization .....	11
2.5. Concluding Remarks .....	13
<b>3. Methods and Data .....</b>	<b>13</b>
3.1. Method of Data Collection .....	14
3.2. Method of Data Analysis .....	15
3.3. Concluding Remarks .....	16
<b>4. Analysis .....</b>	<b>16</b>
4.1. Description and Interpretation .....	17
4.1.1. First Decision under Observation .....	17
4.1.2. Second Decision under Observation .....	19
4.1.3. Third Decision under Observation .....	22
4.2. The Politicization of EU Public Policy .....	25
4.3. Concluding Remarks .....	27
<b>5. Conclusion.....</b>	<b>28</b>
<b>6. References .....</b>	<b>32</b>

## 1. Introduction

### 1.1. Background of the Topic

The role of expertise within the European Union policy and legislation process has become the object of a passionate debate. While in the beginning of the European Union and with the creation of its key institutions the debate of a democratic deficit has always focused on the institutional arrangement and constitutional basis, we witnessed a change of focus in recent years. One might call it rather a split of focus. While institutional theories are still claiming their parts a new argument developed. This thesis explores the quite recently appeared problematic of the two conflicting concepts within the European Union. The concept of democracy – one of the key European values - and the, in the twenty first century politics ever growing aspect of technocracy. The just named problematic is not as recent as it might seem but has quite recently entered the public sphere of Euro crisis management and oppositional criticism to the later. The problem addressed by this thesis is whether one can observe a democracy of expertise in regard to the Euro crisis management promoted by the heads of State, the European Commission (EC) and other actors involved, such as the European Central Bank (ECB) or the International Monetary Fond (IMF). In other words, can one observe a technocratization of democracy or is technocracy and expertise still just a tool of democracy?

The problem lies in the conflicting nature of both concepts. While the modern concept of democracy is based on elected representatives acting on behalf of their voters the growing influence of politics of expertise, a knowledge based policy approach or technocrats and expert committees, opposes a threat to the legitimacy of decisions taken under the democratic system. Especially the European Union is known to employ a immense machinery of administration, regulation and bureaucracy. The existing literature on the debate between democracy versus technocracy provides a already extensive analysis of the day to day business of European governance. What is new about the here conducted research is the extension of this development to the fields of higher politics. This development has certainly been pushed by the Euro-crisis starting in 2008 (effectively reaching Italy in 2010/11). European leaders were tempted to act fast and efficient. Once the overall goal - saving the Euro and every currency member - was set out, several EU members faced drastic financial cutbacks and domestic market reforms in order to fulfill fiscal policy goals set out by Brussels. One after the other, Ireland, Greece, Spain, Portugal, Italy, Malta and Cyprus started to cut back large amounts of state expenditure by decreasing investment in public goods, social expenditure, labor security and pension rates. It would go far beyond the intention of this thesis to analyze in detail the differentiated approaches followed by the effected member states but even an untrained eye can summarize a focus on large cut backs effecting the middle to lower social classes within these countries.

Against mentioned reforms a huge waive of protest broke free in Europe. Starting to reach alarming violent proportions in Greece at first, several EU members experienced weeks of partly violent protests and days of general strikes which sometimes were even hold commonly in several of them. All over the south of Europe a common image seem o have risen. The image of the poor south being dictated by the so called “Troika” (EC, ECB and IMF). The image of an unfair process, far from democracy under which the financial market experts and certain member states propose

cut back after cut back and a strong financial discipline as the one and only solution to regain control of financial markets. But what is true about this image? Were there really no alternative solutions proposed by European democracy? Has there been too little democratic debate? Would it not be widely far fetched to claim such undemocratic behavior within the European Union that has ever since represented the purest form of modern democracy within its Treaties and history? All in all it quickly sounds like a badly constructed conspiracy theory which is certainly not the intention of an academic thesis like this one. This is why the thesis will focus on a scientific observation of the situation, picking out three key decisions since 2011. How did the reforms agreed on in Brussels emerge and which values do they strengthen? Might they have added new ones and/or devalued some of the traditional European ones?

## 1.2. Research question

This thesis aims to investigate how strong the role of expertise is within the European Union and whether an increase in technocrat- involvement resulted in a decrease in democratic decision-making.

The main research question addressed is:

*To what extent has the European Union been stimulating technocracy and to what extent has it been stimulating democracy?*

To be able to answer the question just stated above the thesis investigates the four following sub-questions.

1. *HOW? - How have the three key decisions been taken?*
2. *WHO? - Who was involved to what extent in the three key decisions?*
3. *WHAT? - To what extent is there a clash between technocratic regulation and democratic decision-making?*
4. *WHAT DOES THIS IMPLY? - What does this mean in the context of the often discussed democratic deficit of the EU and in the context of the key European values?*

The first sub question addresses the how- aspect of the construct, asking *How have the three selected key decisions been taken?* By describing how the decisions selected have been taken the thesis takes the first crucial step towards the analysis. Moreover it is of course unavoidable to ask "how" decisions were taken if one likes to analyze them in detail and find out the involvement of a certain group of actors within them. The three key decisions under analysis are the following:

The first key decision was officially taken on the 16<sup>th</sup> of November in 2011. After Silvio Berlusconi, Italy's Prime Minister, had resigned four days before on the 12<sup>th</sup> of November he was replaced by Mario Monti, a politically independent economist who previously served on the European Commission. With an unelected and nonpartisan economist as prime minister, Italy successfully went through a series of unpopular but modestly effective austerity measures like the reinstatement of national property taxes, revisions in the country's old-age-pension system and a pushing back of the national retirement age.

The second decision selected took place on the 2<sup>nd</sup> of March in 2012. Twenty five EU countries sign the new pact on fiscal discipline. While it will be binding only for those countries that use the Euro, the other signatories can choose to abide by its guidelines. The United Kingdom and the Czech Republic, neither of which use the Euro, opted out of the treaty entirely.

The third and last decision selected is the European Council meeting of last year (2012) in June. The European heads of states gathered together in Brussels. At the June 2012 European Council, the President of the European Council was invited "to develop, in close collaboration with the President of the Commission, the President of the Eurogroup and the President of the ECB, a specific and time-bound road map for the achievement of a genuine Economic and Monetary Union"(Rompuy, 2012). After describing "how", the researcher will be able to conclude as well "who" was part of the process and will hence address the second sub- question, *who was involved to what extent?*. This includes how many groups of actors are taking part in the decision, who decided what, who exercised the strongest influence or who might be a weak actor within the process. Regarding the purpose of this research one can expect the involvement of experts as opposed to the group of democratically elected political actors. These experts are expected to push for knowledge based, know-how solutions which logically would suit best according to their knowledge and expertise.

The following question, consequently occurring, is whether there is a conflict between the expert policy solutions and the solutions derived at through democratic political debate. *To what extent is there a clash between technocratic regulation and democratic decision-making?* Do the involved experts change the outcome of the decision process by initiating their expertise? The intention behind this third question is to find out where the democratic ideology of the European Union and the technocratic intentions clash. By "clash" the thesis refers to points where both concepts are not combinable, meaning where expert involvement changes the political output in a way that opposes democratic legitimacy or points where expert involvement might even result in less democracy. The later question addresses the major part of the theory underlying the research which describes the conflict between democracy and technocracy. The theory thus concentrates on the hypothesis developed by Radaelli and Harcourt who explained the just mentioned clashing of both concepts via the process of politicization and depoliticization. The claim of this theory, namely that technocracy depoliticizes while democracy politicizes, is a crucial basis to this research and the third sub-question is answered by applying Radaelli and Harcourt's theory to the empirical findings. Further the thesis applies as well the theory by Brown which suggest the opposing argument namely a combination of the concepts of technocracy and democracy.

Following the answers to the three questions just explained this research finally reflects on its findings. What does more expertise and less democracy, if found, mean in the context of European values. How can the Union uphold its true democratic character if the research suggests a clash between technocracy/ expert involvement and THE key value behind the European Union? What would this imply for Europe's future?

### **1.3. Approach and Organization of the Research**

Before answering the questions above the research refers to the general concepts underlying the issue using the existing literature and define the concepts according to the intentions of this thesis. That means the key concepts of technocracy and democracy are drawn from existing literature. Key authors used here are Radaelli and Harcourt with additional ideas taken from Putnam, Williams, Verdun, Sartori, Kurki, Fischer, Dogan, Burris and Anthony. The theory prior to the actual investigation moreover includes a key theory presented by Radaelli and Harcourt about the role of

politicization within this conflict of democracy and technocracy. The thesis applies the just mentioned theory to the current situation which is observed and described to see whether named theory can be confirmed or not. After the underlying theory has been constructed the thesis shifts its focus towards the actual analysis.

The observations themselves are drawn from three selected intergovernmental decisions taken within the European Union since the year 2011 and have been a key step to Euro-crisis management. The first decision is the creation of the Monti-government in Italy in the End of 2011. The second is the creation of the so called fiscal pact in March 2013 and the third and last one is the creation of the Report towards a genuine economic and monetary union within the European Council meeting of June 2013. All three decisions selected represent major aspects of European crisis management. The first one concentrates on the crisis management on the domestic level within the south, broadly seen as the cause of the crisis due to poor financial stability and domestic dept management. The second one represents the acute crisis management on the European level and the third one gives us a outlook into Europe's future as it provides a road-map to future economic and monetary policies. All three decisions together do thus provide us with an exemplary image of the Euro-crisis crisis management which is the time area this research aims to cover. Additionally a wide range of actors, which are suspected to be part of the conflict between democratic and technocratic developments within the Union, is represented in the selected decisions. The decisions involve, the European Commission, the European Council, the Parliament, the European Central Bank, the Eurogroup and the Eurogroup Working-group. Further they involve several individual actors which stand out due to their extraordinary influence exercised within the decision-making like for instance the European President, the German chancellor Angela Merkel, the Italian Prime Minister Mario Monti and diverse Presidents of the European Central Bank and National Central Banks.

All decisions considered are post 2011 decisions. In the case of the domestic decision this is due to the fact, that the drastic involvement of Italy in the Euro-crisis began in late 2010 to 2011. In the case of the intergovernmental decisions selected the thesis merely picked both as they represent significant key decisions which happened to be taken after 2011.

## **2. Theory**

The most relevant concepts underlying the conducted research are the concept of democracy (specific emphasis on how it is understood within the European Union) and the concept of technocracy. Which is why the theory presents both concepts first. A third concept is the concept of politicization which is introduced by Radaelli and Harcourt within their theory on technocracy . Radaelli and Harcourt's theory is applied to describe the clash but as well the "meeting point" of both concepts and the concept of politicization as a possible factor that determines which concept dominates the other. The theory part of the thesis helps to understand under which conditions democratic decision-making prevails and under which conditions the expertise dominates. It further outlines why it is not possible to mix democracy and technocracy as equally present concepts and consequently why the European Union can not apply both approaches in harmony but either promotes a democratization of technocracy or a technocratization of democracy. Further it locates the Euro-crisis management within the theory of Harcourt and Radaelli and

explains the kind of politicization taking place within the current situation of crisis in the European Union.

## **2.1. The concept of democracy**

The concept of democracy is probably one of the most popular and discussed concepts throughout academic literature. Defining the basics of democracy, a democratic system is a system with “government by the people; a form of government in which the supreme power is vested in the people and exercised directly by them or by their elected agents under a free electoral system” (Oxford, 2013). This kind of rather traditional, basic definition will not be the basis underlying the proposed research even though the research recognizes it as the core underlying assumption and it already points to one aspect of the problem of expert involvement within democratic decision-making - “the elected agents” condition.

The European Union is the most modern democracy of which we know today because characteristics of national democracies are brought to a more distanced level. Beyond the nation state, partly out of reach of the ordinary individual who can only influence by electing his/her national government. These governments will then propose and elect key positions like the commissioners and form the European Councils (Dahl, 1994, p. 24-26).

Still the European Union additionally shows the “usual” feature of a modern nation-state democracy since its citizens can directly elect the parliament. Using the definition of the dictionary the European Union would thus be like a double-indirect or two-stage representative democracy, which still shows one aspect of a ordinary indirect or representative democracy – the parliament. In the European Union the so called democratic legitimacy is transferred from all member governments to the European institutions, giving the decisions of named institutions their democratic legitimacy and transferring the accountability to the European level (Dahl, 1994, p. 24-26).

Consequently it becomes a lot more complex to determine who and to what extent individuals or institutions influence a decision and even more complicated to tell who should be held accountable in case of a crisis, unintended outcomes or simply a unsatisfied public. The simple question of “who's fault is it?” is quite a challenging quest if addressed to the European Union. Democracy in this context is hence about decisions taken via consensus within these institutions which are credible and legitimate and for which someone or something (like a European institutions or a national government) should be accountable. Democracy is moreover about debate. We shall see the importance of this debate (especially in the European context) later on again within the theory of “politicalization” (Harcourt, 1999, p. 115) by Radaelli and Hartcourt (Harcourt, 1999, p.108, 110, 112, 117 -119). When referring to a democratic debate this research points to the discussion evolving among different ideas/ inputs/ ideologies. One may name it one of the previous or even different but the core idea behind democratic debate will always be the transformation via conflict of varying different ideas into one consensus/ output or compromise. One can find many words for the later again. (Radaelli, 1999, p. 760, 762, 770 )

A process or a decision is hence accepted to be democratic if many voices are involved and a voting with previous discussions is held on the matter. On the contrary a decision taken by one person opposes the democratic idea. This is nothing new but the most basic assumptions of even ancient Greek democracy and lets the in the beginning listed definition demonstrate its simple



importance. Now is this thesis not dealing with dictatorships or monarchies and thus a political decision taken by a single person will most likely not be found. However it is concerned with the role of expertise within the Union. The role of experts, exercised via expert committees, single experts and a technocratic machinery consistent of for example the International Monetary Found (IMF), the European Central Bank (ECB) or leading consultancy companies and rating agencies is seen as a threat to the democratic debate which ideally arises on every matter. Having mentioned the aspect of legitimacy arising through elected representation and the aspect of political debate arising among the legitimate, elected representatives the European Union further defines democracy beyond the highly valued legitimacy and accountability of decisions (Dahl, 1994, p. 24-26).

It is not just a form of government in which every citizen has an equal share of votes and elections are hold frequently to determine the representatives governing on behalf of the people. It is characterized by European values like equality, human and civil rights, justice, liberty, freedom, rule of law, mostly combined with constitution, separation of powers, checks and balances. The core value under which all named values are combined is the democracy itself. If one would want to describe Europe in one world he could call it democratic as democracy within the Union is not just a form of government but more a spirit (Greven, 2000) .

## **2.2. Technocracy/technocratic regulation**

Together with the concept of democracy the concept of technocracy is building the base of the research conducted here. Within the proposed research the definition of the concept will be mainly oriented among ideas of Harcourt, Radaelli, Putman, Fischer, Verdun, Burris and Anthony (Anthony, 2001; Burris, 1993; Fischer, 1990; Harcourt, 1999; Putnam, 1977; Radaelli, 1999; Verdun, 1999).

It is important to notice that technocracy is for this purpose to be understood in terms of regulatory policy, standardization and the placement of expertise and know-how personal in countless committees but as well in key positions. According to diverse authors technocracy has been described as mentality (Putnam, 1977), ideology (Williams, 1971), political power (Fischer, 1990; Sartori, 1987) and organization (Burris, 1993). This thesis acknowledges the just mentioned point of views. It is further important that this thesis does not have the intention to promote the image of a technocratic government completely lacking democratic features. It is aiming to describe the growing influence of technocrats and expertise within the EU and aims to show this influence on recently taken intergovernmental decisions with attention on the member state Italy. Since existing literature and theories on the topic almost exclusively focus on demonstrating a heavy technocratic regulation concerning minor issues and day to day standardizing by the European Union the claim of technocracy entering higher politics is yet to be explored. The following statements are taken into the conceptualization for this purpose. Technocracy is highly efficient oriented (Harcourt, 1999). Technocratic policy is associated with a policy process wherein knowledge takes precedence over other resources (Harcourt, 1999, p. 109).

Technocratic regulation, expert advice and problem-solving conducted by expert committees is often conducted under isolation (Harcourt, 1999, p. 117). Having expressed these characteristics, technocracy or expert involvement opposes a threat to the just defined concept of democratic decision-making within the European Union. One can further include that ever complexer

structures and processes help technocrats and experts to gain influence (Radaelli, 1999, p. 764). “So do high uncertainty concerning an issue. A crisis would increase this behavior since any negative outcome would ask for a higher price to be paid by the decision taker (Verdun, 1999, p. 314 – 316). Furthermore, “for technocracy to succeed, political decision-making must be perceived as slow, corrupt, and ultimately irrational or put differently technocracy can proliferate under conditions of distrust of politicians” (Radaelli, 1999, p. 760). This will later become interesting again when focusing on the case of Italy. Knowledge has thus become the terrain of politics (Fischer, 1990). Further technocrats are seen as neutral actors which do not intent an outcome favoring a specific fraction of society like political parties for example do. The later assumption is closely related to the argument of a lack of debate in democracy if expertise is involved. Neutral actors do not engage in ideological debates but approach a policy in a rational way (Radaelli, 1999). Ideological debates are crucial to democracy and are a constant feature of political debate and thus politicization. But as it is mentioned in Radaelli and Harcourt's theory, technocracy and high politicization do not occur together (Harcourt, 1999).

### **2.3. Democracy and Technocracy and why they clash**

The crucial aspect underlying this research is that democracy and technocracy clash regarding the number of possible solutions they produce or in other words, they clash in the fact that democracy can produce a variety of possible political outcomes whereas ideally the domination solution will always represent the ideological orientation of the party in government. Technocracy on the other hand does not leave room for debates on pluralism. Dedicated to the system it constructs, may it be the economic, financial or legal system, a technocrat divides between a best-fit solution and not preferred, less attractive solutions. Technocrats hence aim to avoid political debate whereas democracy heavily encourages pluralistic debates and ideological interferences Harcourt, 1999; Radaelli, 1999). The theory suggests a depoliticization through technocracy and a politicization through democracy.

Hence a democracy should be understood according to the amount of debate and political discussion occurring within it. “Democracy is not simply a static political system. It is a permanent effort and battle” (Touraine, 1995). A democratic deficit on the other hand can then be described as a lack of this political debate occurring within this system or a high amount of expert involvement which proposes one or few possible solution without leaving room for discussion on differentiated ideological approaches . Technocracy, or expert involvement is thus opposed to the democratic decision-making with all its discussion and debate since the aim of experts is to avoid exactly that - political debate which would according to his/her rational persuasion only result in inefficient outcomes (Anthony, 2001, p. 588).

Democracy and technocracy follow different aims or so to say have different intentions or ideologies underlying their way of problem solving. What both indeed share within the context outlined by this research is that both aim at the solving of political issues (Anthony, 2001, p. 586). By doing so a technocrat will follow the rational way and democracy will choose the way of discussion and consensus. Here one can find the rather obvious clash – the clash regarding time. On the one hand efficient and fast and on the other hand supporting discussion and slow or sometimes even inefficient procedures or outcomes which (Harcourt, 1999, p. 119). Efficiency is

secondary in democracy. The majority is the determining factor. In the end both will most likely arrive at a different solution. The just described concept of politicization is a simple factor to determine which of the two ways will be the dominant one (Harcourt, 1999; Radaelli, 1999). Worth mentioning here is certainly that democracy and politicization attract each other while technocracy includes the rational choice theory leaving little to no space for politically motivated discussions such as discussions on pluralism or any left or right wing tendencies which might occur during the process of politicization within the democratic approach. Democrats are elected representatives which always represent a society. Technocrats are not elected and represent the system. May it be the financial system, the economic system or the legal system. A technocrat will always try to implement what is best for the survival of that system, in the case of this research the economic and financial system. A democrat will implement what is supported by the majority of the representatives of the society. But what happens if the society is based on the system?

One could argue democracy itself is based on the economic system in the European Union. With the end of the second World War in 1945 and the wide agreement to bring peace to the Europeans the men in power at this point decided to create coexisting peaceful democracies through the economic market integration. All supranational institutions, norms and the whole thinking behind the European project was and still is reflected and based in the market. The slogan of that time, still valid for today was and is: political peace through the economic market system. According to Maier the transformation from a democratic society towards a technocratic system had its beginnings already within the years of the first World War. Through a "powerful demand for technocratic expertise that had been especially encouraged by the first world war... European society could easily press into doctrines of technological efficiency" (Maier, 1970, p. 28). "Having its origin in America and bound to the dream of ever higher productivity the Europeans adapted the economic efficiency thinking slower and in the beginning selectively" (Maier, 1970, p. 28) but at the latest with the foundation of the European Union economy, the system behind it, the capitalist market system, became the key to democratic politics. European Union democracy through economic integration.

A second advantage was the avoiding of conflict through technocracy in European Integration: "What the Americanist vision seemed to promise through its brash teachings of productivity, expertise, and optimization was an escape from having to accept class confrontation and social division. Albeit for very different reasons, all the enthusiasts of scientific management and technological overhaul were seeking to deny the necessary existence of the pre-war model of ideological conflict and to validate a new image of class relationships" (Maier, 1970, p. 29). What back then mainly applied to national societies is applicable for the European one as well. While democracy aims to carry out conflicts, conflicting ideas and ideologies over finding consensus among them, technocracy avoids conflict over political views and ideologies by erasing the norms and ideas and substituting them by rationality and economic efficiency. This end of ideology which technocracy promotes is as well addressed by Bell (Bell, 1962). "The major ideological clash is carried out by democracy which is promoting ideology and leaving space for all kind of ideological conflict, even though mostly the democratic one prevails in current democracies, and technocracy which merges all ideologies under the rational choice theory which eventually results in the neutralization of all of them" (Bell, 1962, p. 285, 293). Authors like Maier and Bell describe this phenomenon as negative but one can also find counter voices.

Mark B. Brown for instance speaks of “the politicization of science and not of the technocratization of politics” (Brown, 2009, p. 7). He sees technocracy as a tool which democracy could make use of. On the contrary, he further speaks of a threat to technology and science through democracy and does not share the image of a threatening influence of science on politics like Bell and Maier do. According to Brown “if society involves and tries to influence/change science it will fail to represent the present reality” (Brown, 2009, p. 8). The counter argument adopted by a democrat would be if expertise /science influences the politics it will fail to represent society. Hence, one can look at it from both perspectives and will reach the same conclusion, expertise or technocracy and democratic politics oppose each other, they take away each others true intentions. They change the other in a way that the pure character of the other can no longer exist in its original form. And this is due to the character described in the beginning – rational choice versus ideological debate. Brown sees this impossible combination of both in their pure forms as a positive aspect and according to him: “both political and scientific representation are practices of mediation that transform what they represent. In a democracy, the concept of representation incorporates multiple elements, including authorization, accountability, participation, deliberation and resemblance. Democracy depends on diverse kinds of institutions – legislators, interest groups, advisory bodies, and so on - each of which mobilizes different elements of representation. “When democracy is understood according to this definition, Brown claims, it becomes easier how “we might politicize science by democratizing it” (Brown, 2009, p. 8). Brown questions whether there really should be a boundary between politics and science strongly portraying a combination of both. He later admits himself that if combined the democratization of science also leads to a transformation of democracy now based on expertism and knowledge. Still here one can find a positive theory on the combination of both concepts in which both transform but which is according to Brown inevitable in the complexity of today's world. Consequently according to counter arguing voices like Brown's technocrats and democrats are not in a conflict because their combination is a necessity of today's reality. But then again just because something is necessary does not automatically imply it is not conflicting.

Summarizing the concept of democracy and technocracy will never co-exist equally in a pure form in a government due to their influential nature. Expertise threatens the classical democratic input, throughput and output model. It falsifies the input as this input according to the theory will represent the system and not the society. On the other hand democracy falsifies a technocratic solution as it disregards the most efficient or best fit solution and gives priority to the majority instead.

## **2.4. The Role of Politicization**

After having established why they clash one should ask himself what happens if they “meet”. In today's ever more complex world it is impossible to separate political decision-making from expertise. This is the point where the theory of Radaelli and Harcourt can be applied. The, within it described process of politicization and consequently as well depoliticization, is what determines which of both clashing concepts will dominate over a decision taken. A politicized issue will most likely result in a more democratic decision and a depoliticized matter will most likely lead to technocratic regulation (Harcourt, 1999). Consequently the factor determining which of both analyzed concepts will dominate (degree of politicization), is the most crucial difference between

both itself. Each of both encourages the process of (de)politicization according to its own conviction. Both thus encourage the process of politicization respectively depoliticization, while this very same process is at the same time the reason why the clash.

Politicization is a concept used by Radaelli and Harcourt in their combined work. Radaelli and Harcourt constructed the theory by analyzing public policy within the European Union in 1999. While the first approach was written commonly Radaelli extended the theory later in 1999 again. What is basically meant by politicization is the “making public” of a political issue and the discussion of a political issue by at least two or more opposed political parties, institutions or the media. The contrary, hence the other extreme of the concept is depoliticization of an issue, meaning there is very little up to no discussion at all regarding a certain policy. For politicization of an political issue to take place a democratic system serves best. It is rather foolish to expect such a process to take place within a dictatorship or an authoritarian regime as both systems suppress debate and oppositions and mostly a free media.

Radaelli and Harcourt underline their theory with the problematic of the “decision-making system of the EU relying on a plethora of working groups, standardization bodies, and committees of experts” (Joerges *et al.* 1997; Pedler and Schaefer 1996). They claim that the “policy-making has become the terrain of knowledge and know-how and that at the same time the public sphere has become depoliticized” (Radaelli, 1999, p. 759) creating a unfavorable environment for politicization to take place. What is of high importance to the research conducted here is the claim of both authors that “the more politicized an issue is or becomes during the ratification process the harder it becomes to solve it through simply technocratic policy making. “The issue at stake needs to remain depoliticized and kept within a closed circle of technical experts” (Harcourt, 1999, p. 112) to result in a high level of technocracy and expert influence. They further argue that “a technocratic policy process is immediately endangered if technical and depoliticized discussions turn into debates over *political concerns* such as pluralism for example” (Harcourt, 1999, p. 108). Whether a policy is constructed under political debate or whether it is constructed under isolation by expert groups is according to both authors a question of “uncertainty”/“complexity” and “salience” of an issue (Harcourt, 1999, p. 108, 109, 116 – 118).

To clarify the argument constructed Radaelli provides a graph within his article (see Fig. 1 in 2.4.1.) Radaelli claims that a policy can be produced according to the four different ways outlined in graphic 1 below. Politicization is hence the exact opposite to a technocratic regulation process conducted by expert and not including a political debate. On the contrary, while the technocratization of an issue is aiming at knowledge based problem-solving the concept of politicization includes “inefficiency and prolonged conflict” (Harcourt, 1999, p. 119). Analyzing public policy Radaelli and Harcourt additionally discover a trend according to which the Commission adopts a rather technical view while the European Parliament pushes for a political debate (Harcourt, 1999, p. 113, 114). Radaelli and Harcourt clearly suggest a trade-off between the efficiency of technocrats and democracy, suggesting that if the European Union should construct policies under political debate and in a democratic way that “politicization, which includes inefficiency and prolonged conflict, may be the price that the European Union is forced to pay in its progress toward a more democratic polity” (Harcourt, 1999, p. 119).

### 2.4.1. Fig. 1

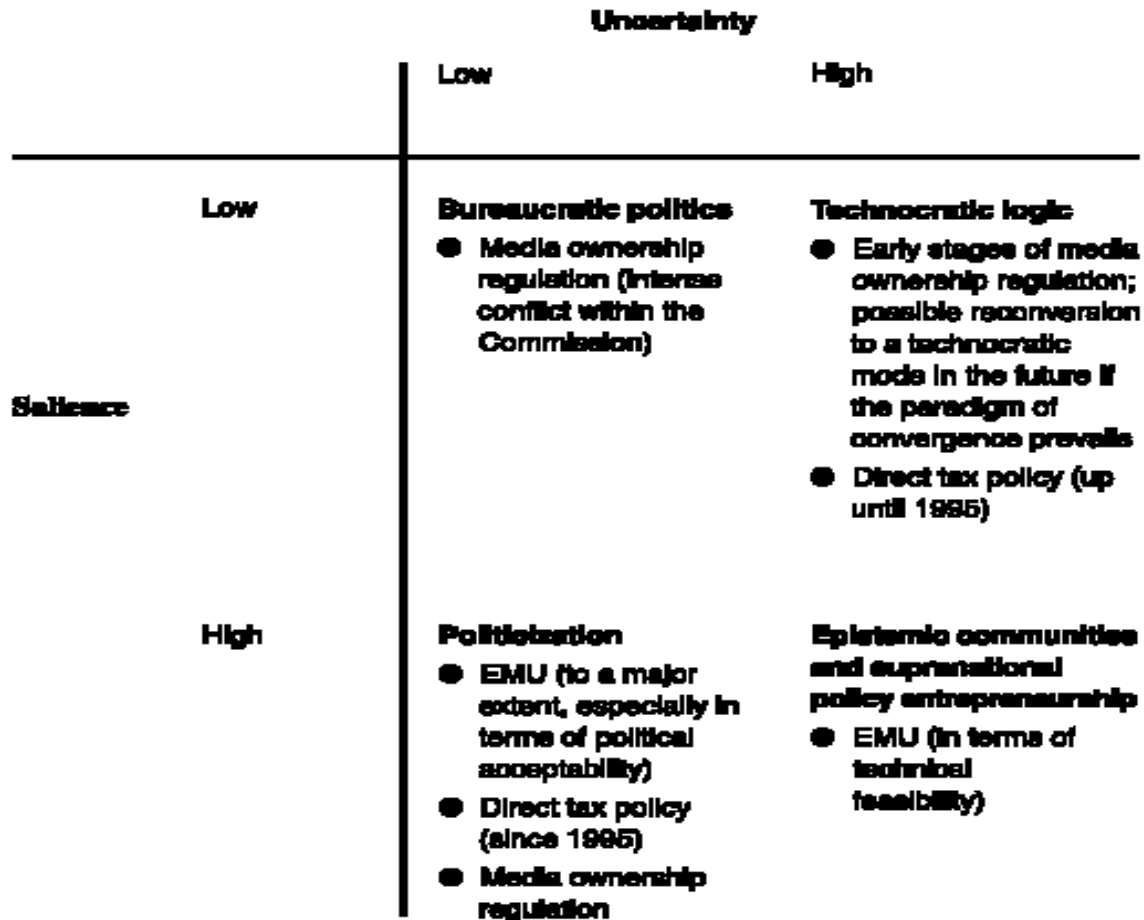


Figure 1 The politicization of EU public policy: evidence from three policy domains; directly taken from Radaelli, 1999, p.767

An other interesting aspect within their theory is the inclusion of the concept of epistemic communities which appear in the lower right corner in graphic 1. Epistemic communities are described by Radaelli as “a network of professionals with recognized expertise and competence in a particular domain and an authoritative claim to policy-relevant knowledge.... regulatory states and bureaucratic politics....contrasted with the logic of politicization” (Radaelli, 1999, p 760 -770). While technocracy and bureaucracy are oriented among the upper row of the scheme they both can only occur under low salience of a policy. Epistemic communities on the other hand occur under the same level of political salience like politicization (see graphic 1 in 2.4.1.) but if the uncertainty about a policy or its complexity are high as well. This situation describes situations of crisis for example. It is finally important to mention as well that Radaelli and Harcourt did, after having studied public policies, conclude as well that “technocracy can continue to operate in certain regulatory policies, but not in others” (Harcourt, 1999, p. 119) and that their studies over time showed rather the trend that the “smooth making of regulatory policies has been slowly substituted by political conflict “(Harcourt, 1999, p. 119). Both hence suggest an increase in politicization within the field of public policy during the last couple of years.

## 2.5. Concluding remarks

According to the theoretical findings democracy and technocracy clash fundamentally in terms of

how a solution is reached, which values and norms are represented in this solution and who decided. At the same time in the complex networks of today's world it is hard up to impossible to find the borders between the political, the economic and the financial system. Additionally everything is connected globally and is usually referred to as globalization. One consequence is the impossibility which arose over time to govern without expertise involved. Expert committees, political advisers, big financial cooperations, rating agencies or central bank presidencies are necessarily involved in the political process and influence the outcome of political crisis management. The theory thus suggest a clash including a necessity to combine both concepts still. The question of this research is now to investigate whether the current situation under the Euro Crisis can be described according to Radaelli and Harcourt's theory, displaying the down right corner of figure 2.4.1 (see fig. 2.4.1). According to the theory the outcome suggested would be a exclusivity of epistemic communities taking up the matter while politicization is still very high. If the theory should be verified it would reflect the described clashing nature of both concepts influenced by the degree of politicization in combination with the degree of uncertainty. One should still not exclude the possibility to encounter the suggested outcome by the theory of Brown which claims a possible combination of the concepts through the transformation of both and a loss of their natural pure form. According to this theory this research should observe a democratization of technocracy under which expertise would be a tool to democratic decision making. The theory consequently build up the basis to the overall research question of the role of expertise in the European Union. Democracy – a tool, or a ruler? Same can be of course formulated for technocracy – a tool or a ruler?

### **3. Methods and Data**

In order to answer the research question the research draws observations from the three key decisions selected and replies to the three sub-questions posted. The chapter aims to outline the relation between the sub-questions posted and draws the overall relationship underlying the main research question. By answering who was involved and how the decision was taken the research aims to describe what happened in a particular case within European crisis management and whether one can observe a democratic or a technocratic dominance. To complete the main research question the third sub-question describing the clashes aims to answer why a possible dominance of one over the other opposes a problem and thus refers the observations made in reality back to the theory.

#### **3.1. Method of Data Collection**

The data under consideration are three selected key decisions since the year 2011.

The first key decision was officially taken on the 16<sup>th</sup> of November in 2011. After Silvio Berlusconi, Italy's Prime Minister, had resigned four days before on the 12<sup>th</sup> of November he was replaced by Mario Monti, a politically independent economist who previously served on the European Commission. With an unelected and nonpartisan economist as prime minister, Italy successfully went through a series of unpopular but modestly effective austerity measures like the reinstatement of national property taxes, revisions in the country's old-age-pension system and a pushing back of the national retirement age. The decision was selected for the research conducted here because it represents on part of the Euro-crisis management – the interference of the

European Union in the domestic politics of southern member states. Interesting here is the direct placement of pro-European non-political experts within domestic politics and in the extreme case of Italy the complete suspension of party politics through a technocratic government. The actual course of the decision will be drawn by analyzing news paper articles and European data bases which have been retrieved via internet.

The second decision selected took place on the 2<sup>nd</sup> of March in 2012. Twenty five EU countries sign the new pact on fiscal discipline. While it will be binding only for those countries that use the euro, the other signatories can choose to abide by its guidelines. The United Kingdom and the Czech Republic, neither of which use the euro, opted out of the treaty entirely. The second decision represents the acute measures taken by the member states to deal with the Euro-crisis. The direct reaction to regulate debt management within the Union via domestic limitations. The treaty is the key measure produced by and to control the crisis. The most interesting fact here is to observe who designed this new monetary and fiscal union of the European Union and to whom's favors it has been laid down. Is it a democratic product or an other technocratic machinery installed by the experts of Brussels? The pact on fiscal discipline itself was retrieved from the European Council website which, next to the website of the Euro Group and the Eurogroup Workinggroup was the main source to reconstruct the creation of the document and the degree of influence of actor groups.

The third and last decision selected is the European Council meeting of last year (2012) in June. The European heads of states gathered together in Brussels. At the June 2012 European Council, the President of the European Council was invited "to develop, in close collaboration with the President of the Commission, the President of the Eurogroup and the President of the ECB, a specific and time-bound road map for the achievement of a genuine Economic and Monetary Union"(Rompuy, 2012). This last decision will represent the still missing aspect to the choices made so far – namely the outlook into Europe's future. What has been decided under the experience of the Euro-crisis? It will be interesting to see who planned Europe's future in this regard and how the Euro-crisis shaped the policy approach which the Union will follow in the coming years.

The data used to conduct the research is only qualitative data. Almost all of it is secondary data. Governmental papers stating the outcome of hold conferences in form of agreements are one main primary source. An additional source are secondary sources in the form of reflecting articles and discussions on these outcomes. A third source are news article which contribute in the way that the research tracks down the order of happenings and decisions among these.

The research conducted is a qualitative research and the above mentioned sources are used to observe and reflect on recent developments. The data is collected using the scientific access provided by the University of Twente.

### **3.2. Method of Data Analysis**

The aim of this chapter is to outline how the theory of the previous chapter 2 is connected to the concrete findings observed in line with the selected three key decisions. When analyzing the just described data the conducted research focuses on sub-question number 1 to 3. Drawing the observations among the how, who and what features of the three decisions enables the thesis to determine whether politicization has been taken place, when it has been the case and when it



might not have been observable.

The fourth research question: *WHAT DOES THIS IMPLY? - What does this mean in the context of the often discussed democratic deficit of the EU and in the context of the key European values?* is the reflective part of the thesis and is rather sought as reflecting remarks on the conclusion.

To answer the sub-questions just named above the research analyzes the documents according to the following scheme and judges according to the observations made in reality.

sub-question	concept/idea connected to it	to be observed	features
RQ 1 — HOW-aspect	(no) politicization	was it presented as a fact or debated upon	- parliament (not) involved - designed by politicians or experts -(no) alternative solutions
RQ 2 — WHO-aspect	democratic pluralism vs. individual decision-making	who (not) debated upon it, how many people/institutions	- what was voted upon - individual influence of Merkel, Monti, EU President and ECB Eurogroup
RQ 3 — CLASH-aspect	efficiency vs. debate technocracy vs. democracy	which intentions behind decisions: efficient/saving the market system vs. democratic	- solutions addressed towards EU society / towards the financial market - structure of a decision (at what point democratic or efficient)

When analyzing a key decision the first step is to identify the actors involved. The research thus addresses sub question number two first. To identify the actors all documents under analysis are read and all parties mentioned as to the decision contributing actors are shortly described. Meaning who are they and which position do they hold. If applicable maybe as well in which relationship do they stand to each other. A second aspect of this step is to identify if possible. how strong the influence of a single actor has been. If it is not possible to relate all actors influence to one another at least the most influential actors is identified.

The second step taken is to analyze how the decision was taken, meaning how was a document or decision established. Was there debate on it or was it presented as a fact? Was it voted upon or not. How was it legitimized and how was it created? The first two steps allow to relate the

observations to the theory and interpret to what extent politicization according to Radaelli and Harcourt has taken place, how many alternatives which would foster possible ideological debates were presented or not presented and through which democratic decision-making processes the decision was reached. How many people had a say and are there possible individuals who exercised a strong influence. Are these individuals politicians and thus representing their ideological background or are they experts and thus representing system-oriented non-ideological efficiency?

The third step answers the last sub-question referring to the clashes between democracy and technocracy. This last step is done after having analyzed the three decisions and after the research described the who- and how- aspects of the decision. The analytical chapter which applies the theory is meant for this part. After having established within the theory that democracy and technocracy clash regarding the way they arrive at a decision, the aim of the analysis is to reconstruct this way of decision-making in regard to the three decisions selected. By following the three sub-questions and especially the how-aspect and the who-aspect of the construct the thesis is able to track down whether it confirms with the democratic idea of decision-making or whether expertise, meaning working committees or nonpolitical actors like the central Bank or the Directorate General of the Commission for instance dominated or heavily influenced the outcome.

### **3.3. Concluding Remarks**

After constructing the scheme shown above the main research question can be answered. Recalling from the beginning of the thesis the question of interest is: *To what extent is the European Union stimulating technocracy and to what extent is it stimulating democracy?* By first identifying who was involved and how a decision under the crisis management since 2011 was taken the research describes the facts and interprets the findings according to the analytical scheme build in this chapter. The observations made in reality are connected to the theory by examining which clashes described previously by the theory can be observed in real life decision-making. Having described this the research will refer back to the original question of investigation and will conclude to what extend democracy or technocracy has been promoted.

## **4. Analysis**

This chapter describes and analyzes the present situation within the European Union and within its member state Italy. The research focuses on three key decisions taken since 2011. All key decisions are in regard to the crisis management of the European Union and do not cover any other political field. The research will use the analytical scheme presented in the method of data analysis to structure and combine observations made. The idea is to relate the observations to the theory and interpret to what extent the European Union stimulates democracy or technocratic regulation.

### **4.1. Description and interpretation**

#### **4.1.1. First decision under observation**

The first key decision was officially taken on the 16<sup>th</sup> of November in 2011. After Silvio Berlusconi,

Italy's Prime Minister, had resigned four days before on the 12<sup>th</sup> of November he was replaced by Mario Monti, a politically independent economist who previously served on the European Commission. With an unelected and nonpartisan economist as prime minister, Italy more or less successfully went through a series of unpopular but modestly effective austerity measures like the reinstatement of national property taxes, revisions in the country's old-age-pension system and a pushing back of the national retirement age. The measure, though effectively moderating Italy's domestic debt problems would have most likely not been pushed through by any party effectively seeking reelection after the period in government. However the acute problem, namely that Italy had lost market credibility seems to have been addressed by the technical government. This distrust of the financial markets towards the member state Italy had not developed out of the blue. Throughout the past twenty years the Berlusconi government but especially Berlusconi as an individual character had failed to promote beyond necessary reforms or credible politics as such. His famous bonga-bonga politics are still unparalleled in the European Union and when after Ireland the European South started to buckle under the pressures of rating agencies and stock markets the world markets did not believe Italy itself could manage any reforms or effective austerity measures. Credit rating of the nation started to drop and future domestic budget exploded. Tied to Italy's economy through the Euro its European currency partners started to sweat and heavily pushed Berlusconi towards significant austerity measures. He failed to present convincing figures which criticized by his fellow Europeans lead to even higher market distrust and increased pressures and threats against the Italian and thus the European economy.

The obviously unusual measure is mostly explained as "a substitute, temporarily assuming the responsibilities of parties that find themselves in a state of obvious weakness. It is a transition government, holding office until such time as the parties are once more able to assume their governing responsibilities first hand" (Marangoni, 2012, p. 135). Calming voices stress, before assuming that democratic control was just handed over to the experts, one should keep in mind a temporary restriction of the whole measure as it has been only once before been the case under the Dini government substitute for an other government of Berlusconi (which, unlike Monti's cabinet, did however contain at least a few party representatives) (Pedersini, 2012). What is still observable is that "it was a government that took office in order to deal with a situation of obvious economic and financial emergency: a technocratic government, staffed by people from outside the world of politics" (Marangoni, 2012, p. 135) . This presents the most obvious observation here since it clearly indicates technocratic features. Technocrats substituted politicians. But taking the content of the decision as the starting point as such would leave out the actual point of interest – namely how was this decision taken and who was involved. In which form does this decision show conflicts between democracy and technocracy?

We will start with the who-aspect of the question which will later lead us to how the parties involved decided upon it. According to the Italy annual review of 2011 by the Eurofound the "decision was taken under pressure of international financial markets" (Pedersini, 2012). We can thus find our first actor group here, pressuring from the background. Further the review states the "decision was taken due to lack of parliamentary support for the former government" (Pedersini, 2012). The Italian parliament thus represents the first truly democratic actor involved. A parliament withdrawing its trust from the party in government can be observed as a legitimate democratic action resulting from inner as well as intra- party debate. A third actor involved was the

European Union which like the international markets can be observed as one of the pressuring groups to suspend the Berlusconi government and replace it by a trustworthy government which would calm the markets and bring the desired stability back into the Eurozone (Pedersini, 2012, Marshall, 2011).

Two outstanding actors to be mentioned in several sources are Angela Merkel, the prime minister of Germany and Nicolas Sarkozy, who carried out the same position in France at that time. "In mid-October, opposition to Berlusconi's harsh austerity measures from within Italy was increasing, just as "market pressure" and EU-opposition from outside Italy was building against Berlusconi for his austerity measures being perceived as too little, too late....European leaders Angela Merkel and Nicolas Sarkozy lost their patience, and in late October, demanded that Berlusconi move forward. Following several EU summit meetings, it was made 'abundantly clear' to the Italians that their leadership is no longer taken seriously" (Marshall, 2011), knowing this would lead to market distrust and enormous pressure to resign. We can hence observe that even though the final withdrawal of trust in parliament was still a democratic decision single individuals and if so to say the market system as a whole pressured and significantly led towards the decision taken in the end. Angela Merkel for instance even called the Italian President Giorgio Napolitano "to discuss concerns about Italy's political leadership." (Marshall, 2011). An external individual did hence significantly pressure towards a change in domestic Italian politics. A last crucial actor involved was the Italian President Napolitano. He did what is referred to as "political consultation with parliamentary groups" (Pedersini, 2012, Marshall, 2011) eventually resulting in the appointment of Mario Monti as the new prime minister. This is the first time of the "how-aspect" in which we can guess that this led to some debate between the parties of the parliament under guidance of their presidency. The period of political consultation is however not available to the public. Next Monti who is Professor in economics (Bocconi University), European Commissioner for the Internal Market, Services, Customs and Taxation from 1995 to 1999, European Commissioner for Competition from 1999 to 2004 and founder and Honorary President of Bruegel, a European think tank he launched in 2005, based in Belgium, and which represents the interests of key European elites plus was an international adviser to Goldman Sachs and has also been a member of the advisory board of the Coca-Cola Company, was also a former member of the Steering Committee of the Bilderberg Group, having previously attended the meeting in Switzerland in June of 2011 and was European Chairman of the Trilateral Commission. He however resigned from this last position after becoming Prime Minister of Italy.

Anyway, the non-politician but expert who did not present himself to the electorate on the basis of a program, has never been a parliamentarian or party representative, and did at that point not seek re-election after his term in office appointed 17 ministers. His entire executive neither presented itself to the electorate on the basis of a program, contained no members who are parliamentarians or party representatives, and will not (apparently) seek re-election after its term in office is over (Marangoni, 2012; Pedersini, 2012; McDonnell, 2013). Concerning the how-aspect one cannot observe any form of political debate on the minister positions as they were merely appointed by Monti. Later the government was formally voted upon by the parliament and supported by both, the former majority and the former opposition indicating a neutralization of party ideologies for the term the Monti government was in office as it represented neither (Marangoni, 2012; Pedersini, 2012; McDonnell, 2013).

The government directly launched several policies which have been shortly mentioned above. All policy measures seem to be represented in a letter Jean-Claude Trichet, the President of the European Central Bank, and Mario Draghi, the President of the Italian Central bank (from 2006 to 2011, who was set to secede Trichet at the ECB in October of 2011), described in a letter addressed to Berlusconi in 2011 to “implement significant austerity measures.” The letter stated: “it is possible to intervene further in the pension system, making more stringent the eligibility criteria for seniority pensions and rapidly aligning the retirement age of women in the private sector to that established for public employees.” Further, the “borrowing, including commercial debt and expenditures of regional and local governments should be placed under tight control, in line with the principles of the ongoing reform of intergovernmental fiscal relations” (Marshall, 2011).

Again one can observe a significant influence of individuals to the decision which lead to the implementation of expert biased advice without the necessary democratic procedures as the executive consisted of non- partisan experts themselves. Now reading between the lines of counter-arguing voices suggests that of course the argument that everything is non-democratic what was decided by the technical government is not the case as the parliament still gave its majority on the reforms (Pedersini, 2012). This argument stresses the observable democratic features sowing debate within the Italian parliament and stressing that the parliament thus sealed every decision with political debate and democratic voting. One can thus observe a very technocratic procedure leading and pushing towards the decision which was then formally ended with democratic voting procedures within the national parliament. We can thus observe indications towards the question broad up in the theory on which concept is the tool and which one the ruler. This will be picked up in detail again later in this chapter.

Finally there are democratic features to be observed within the process of decision-making here which basically always include the Italian parliament issuing its support. However the research was able to observe more individual action and presented as a fact decisions than actual pluralistic debates among institutions or political parties. A clear dominance of the technocratic aspects has been observed. The image presented here is one of individual action of non-politicians but non-domestic politicians as well which replace democratic party politics by expertise. Worth mentioning is though that the obvious influence of single experts has been covered by a democratic decision-making procedure which appears like a sort of decoration on top of the technocratic construct. A change of government via pressures and tactics of financial institutes like the European but also the domestic central bank have replaced a democratic government by a technocratic one legitimizing it with well placed democratic votes and the emergency character of the situation as well as with its temporary limitations.

#### **4.1.2. Second key decision under observation**

The second decision selected took place on the 2<sup>nd</sup> of March in 2012. Twenty five EU countries signed the pact on fiscal discipline. While it will be binding only for those countries that use the Euro, the other signatories can choose to abide by its guidelines. The United Kingdom and the Czech Republic, neither of which use the euro, opted out of the treaty entirely.

Mostly just called the “fiscal pact” of the European Union the most recent Treaty of the European Union entered into force on the 1<sup>st</sup> of January 2013. Together with the Treaty on the EMU, the fiscal pact is supposed to complete the fiscal union and with it the single market. In short, it

provides a commonly raised loan which members facing a current situation of imbalance of payment can borrow. Countries contributing but especially the ones borrowing from this loan have to comply with certain guidelines and limits regarding their domestic debt management. Common guidelines and limits in public debt and budget deficits are nothing new to the European members. The treaty reinforces and strengthens monetary policies which have been common before and this is the crucial part - providing them with a legal basis. What have been commonly agreed rules before is not European law. Whether failure to comply will be punished as consequent as announced within the Treaty is still a question to be answered in the future but a signal towards stronger fiscal discipline and a strengthening of the common currency have certainly been made (Union, 2012). The question this research is interested in is how this decision was achieved? Who was involved? Who designed the pact, who signed it and where was it (not) debated? Can we observe political debate towards pluralism or did the European experts just present a paper and pushed it through the ratification process?

Starting with the obviously involved parties, the most visible party taking part in the decision-making process is the European Council with its 27 heads of state of which 25 signed the Treaty. We can observe a clear majority here. According to EU law the Treaty would have been agreed on even if only 17 member states would have signed. Next to the institution representing the executive of the Union, the legislative – namely the European Parliament – ratified the fiscal pact as well which leaves us with already two strong democratic actors involved (the parliament being the purest democratic institution of the EU) (Mahony, 2012). Two additional group of actors are the domestic parliaments which had to approve the the pact by giving their majority and in most countries the President of the nation who usually gives a domestic decision his/her final approval (DPA, 2012).

All actors mentioned so far are without any surprise involved in this decision taken on the 2<sup>nd</sup> of February. If this would have not been the case the European Union would have witnessed a colossal democratic crisis as these actors are laid down within the Treaty on the functioning of the European Union. We can hence, not surprisingly, but still important to mention observe the correct decision procedure for the formulation of a European Treaty which can only occur under the agreement of all institutions and all domestic governments and parliaments (in so far that they represent at least 17; only valid for these 17) (Union, 2008). The in the beginning, by the German chancellor, intended approach to amend existing Treaties instead of creating a new one was vetoed by the United Kingdom. To amend existing EU law unanimity among the European Council is required. Hence, almost perfectly democratic and like the old Greeks, Merkel - as the leading fighter for more fiscal discipline- had to lobby for her idea and find support among her European colleagues.

Again, like it has been the case with the previous decision under analysis we can superficially observe a very democratic conduct. All institutions were involved, majority was reached and several parliaments ratified the Treaty (Council, 2013). Different from the first decision party ideologies were not neutralized and political debate arose within the parliaments as well as between the heads of state whereby two parties confronted clearly – the lending European North against the borrowing South. How can this decision be in any way technocratic or influenced by leading experts? This time technocracy is not spotted that easily, like it has been the case in Italy, but taking a more detailed look it is obvious.

The time frame we have observed so far shows the signing and ratifying of the fiscal pact. If we

take a closer look on how the fiscal pact was created the expert involvement becomes visible. First of all we need to add some additional actor groups to the process. Here we can observe President Herman van Rompuy, the President of the European Commission José Barroso, the Euro Group and the European Central Bank.

The most important actor here being the Euro Group. The Eurogroup is „the main forum for the management of the single currency area, is an informal body that brings together the finance ministers of countries whose currency is the euro. The Commission’s Vice-President for Economic and Monetary Affairs, as well as the President of the European Central Bank, also participate in Eurogroup meetings. The Eurogroup’s role is to ensure close coordination of economic policies within the euro area. It also aims to promote conditions for stronger economic growth, as well as to promote financial stability. As part of its duties, the Eurogroup prepares Euro Summit meetings and ensures their follow-up” (Portal, 2013). In this case it was not the Euro Group but, the Eurogroup Working Group or Working Group on a Fiscal Stability Union, which is a sub group of the Euro Group. “Following the mandate given by the Heads of State or Government, the Euro Group Working Group or Working Group on a Fiscal Stability Union has prepared a draft of the Treaty on Stability, Coordination and Governance in the EMU under the responsibility of the working group's Chairman” (Eurogroup-Workinggroup, 2012). Like the Euro Group the Euro Group Working Group (EWG) “provides assistance to the Eurogroup and its President in preparing ministers' discussions. It brings together representatives of the finance ministers of the euro area countries, the European Commission and the European Central Bank. The EWG is the main body providing assistance to both the Eurogroup and its President in preparing ministers' discussions. The group usually meets once a month ahead of Eurogroup meetings” (Portal, 2013). Named working group published a draft on the 19<sup>th</sup> of January 2012 which stated in the end: „*Done at Brussels* on the ... of ... in the year two thousand and twelve in a single original whose Bulgarian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish and Swedish texts are equally authentic, which shall be deposited in the archives of the Depositary which will transmit a certified copy to each of the Contracting Parties” (Workinggroup, 2012).

We can hence observe a group of experts, not unlike the usual expert committees which are for instance supporting the European Commission, which designed the document itself. Who are these experts? One observation made at an very early stage of this research was that trying to research who actually designed the fiscal treaty one can find loads of documents stating who signed it and who ratified it, but it is hard to impossible to find the people who decided upon the numbers, the exact clauses and the technical details within it. The closes hint on a specific person is Thomas Wieser, President of the Working Group. The President is elected by the group members for a period of four years. “Thomas Wieser has held the position of Eurogroup Working Group President since January 2012. It is full-time role, in line with the agreement by the heads of state or government of the euro area of 26 October 2011, and is based in Brussels in the General Secretariat of the Council of the EU” (Portal, 2013).

Just like Monti's list of positions the biography of the Austrian national contains loads of different positions and former positions. “He was born in the US (Bethesda, Md) in 1954. He has been appointed as President of the Euro Working Group.... prior to his present appointment, he was Director General for Economic Policy and Financial Markets in the Ministry of Finance, Vienna, in

charge of macro-economic policy, international and EU affairs, financial market legislation, and export credits and guarantees. After a degree in Economics (University of Innsbruck), he pursued post-graduate studies in theoretical and mathematical economics, and taught, at the University of Colorado, Boulder and the Institute of Advanced Studies, Vienna. Prior to his appointment in the Ministry of Finance he spent 4 years as an economist in EFTA in Geneva, where he also was in charge of negotiations with the EU on state aid affairs. Prior to that, he worked in banking in Vienna, and as a research economist... he chaired the OECD Committee on Financial Markets from 2005-2009. He served as the President of the Economic and Financial Committee of the EU from March 2009 to March 2011, after having been the Committee's Vice-President from November 2005. Following his re-election in January 2012, he is currently serving his second term as the President of the Economic and Financial Committee (Committee, 2013).

In other words, he and the EWG are the perfect example of an expert committee. We can hence observe two things. The head of states and parliaments (representing the democratic debate) debated and discussed within the council meetings but also in public via media on which clause to include and how strict to be on fiscal discipline but the structure behind the treaty, the mechanisms and the formulated was left to non-elected experts. But we can observe something else, too. Something that has not been the case within the Monti-decision. We observe a silent formulating and creating of the experts of the EU in cooperation with its own institutions like the Commission and the ECB but also international institutions like the IMF which is then democratically debated on in the public via Media, parliaments and of course majority among the member states themselves. But this is nothing new in the European Union and we can observe that democracy prevailed here as it clearly had the last say. The fiscal pact was debated in all national parliaments and could have received possible denial (which happened but was mostly however used as pressure tool like for example in Germany where the "Bundesrat" used it to reach domestic financial redistribution). Additionally countries which did not agree opted out. We cannot observe a neutralization of ideologies towards a strict rational decision-making intending to save the system like it has been the case in Italy (at this point one might add to the strong technocratic influence in Italy that Monti signed on behalf of Italy).

The how-aspect is democratic here after the Treaty had been formulated by experts, what gives the who-aspect a very technocratic image like before in Italy. Again we can observe a closure through democratic procedures giving the Treaty its legitimacy. But here one still gets the feeling that democracy dominates the process in the end. The procedures left sufficient space for political debate between the members in the council, within the European Parliament and within the domestic parliaments. So is this the described democratization of technocracy? Technocracy as a tool opposed to the previous observation made in Italy? The experts as idea and treaty formulators on which will then be debated and discussed until compromise and agreement is reached on the democratic level? Or can we even speak of democratic debate if the idea under debate did not arise from debate itself or in other words the democrats are only debating the solutions proposed by the technocrats. It thus becomes a 'this or that' or 'nothing'. Do the democrats really dominate in the end if they get to choose between the alternatives of the experts. Does that not imply that in the end it is an expert solution anyway. Clearly observable is that today's world complexity goes beyond the knowledge of parliamentarians and without wanting to doubt any qualifications most likely as well beyond the knowledge of every President or



head of state.

### **4.1.3. Third key decision under observation**

The third and last decision selected is the European Council meeting of last year (2012) in June. The European heads of states gathered together in Brussels. At the June 2012 European Council, the President of the European Council was invited "to develop, in close collaboration with the President of the Commission, the President of the Eurogroup and the President of the ECB, a specific and time-bound road map for the achievement of a genuine Economic and Monetary Union" (Rompuy, 2012). Named meeting was a real crisis meeting and the pressuring of financial markets and rating agencies demanded a common European standpoint to restore the financial creditability of the southern members but as well of the Union and its currency as a whole. As a result of the close cooperation between the mentioned institutions the European Council presented the "Report towards a genuine economic and monetary Union" and introduced it at the European Council summit on the December 5<sup>th</sup> within the same year. The report lays down the future of the economic and monetary Union. It is seen as a general guidance which provides the later more detailed policy implementations of the coming years with a general "roadmap" (Rompuy, 2012). It is thus of high importance and an influential document since it will characterize future European generations, the level of integration of the monetary Union and the future design of domestic economic systems and domestic banking systems.

As already observed within the previous decisions under analysis a very common trend regarding the search for crisis resolutions can be observed here as well. Short stating it in the press release like a side clause it says: "the Heads of State or Government gave a mandate to the President of the European Council, in close collaboration with the other three Presidents, to present an interim report by October 2012 and a final report before the end of the year. The interim report, which will be presented to the October European Council, will focus on further measures that could be introduced in the short term. The final report in December will also examine what can be done within the current Treaty framework and which measures would require Treaty changes" (Rehn, 2012).

The crucial part here is the short notion of "gave a mandate" (Rehn, 2012) notably mentioned in one sentence with " will also examine what can be done within the current Treaty framework" and " would require Treaty changes" (Rehn, 2012). Giving the mandate to by European representatives elected European experts is the key red line throughout all three decisions which is what Harcourt and Radaelli already described for the fields of lower politics, but more on that later. To keep the structure of analysis the who aspect of the decision under consideration will be the first described. Already mentioned were the president of the European Council represented by the danish Presidency at that point , the President of the Commission José Manuel Barroso, the Eurogroup President Jean-Claude Juncker (Luxembourg's Prime Minister) and the President of the European central Bank Mario Draghi.

Four individuals of whom naturally everyone have an enormous staff capacity at his disposal. In the case of the European Council President staff committees consists of the working committees

behind the European Council, Barroso as head of the Commission orders the probably largest number of expert and sub-expert committees also known as DG (Directorate General) of which every policy field addressed by in the commission has its own DG. Next the Eurogroup, an informal body providing a stage to Europe's Financial Ministers cooperates closely with the Eurogroup Working group as its preparatory worker. We recall from decision two Eurogroup Working group president Thomas Wieser.

Finally Mario Draghi as President of the ECB works in close cooperation with his own banking staff but also domestic central banks of European member states. A clear observation made here is even though discussed within the European Council later on the report is an ideal example of technocrats at work. Countless expert committees that analyze, study and try to predict the markets to carry their bundled knowledge and expertise into the European Institutions and influence not just minor policy fields but set out the general crisis management and future integration to prevent such a crisis from happening again.

Again we observe a legitimization of technocracy by concealing the expertise with democratic European decision-making which is in the reported noted by the following statement: "...Towards a genuine Economic and Monetary Union" presented at the June European Council. It incorporates valuable input provided by the Commission in its communication "A Blueprint for a deep and genuine EMU – Launching a European Debate" of 28 November 2012. The European Parliament has also made a valuable contribution." (Rompuy, 2012) and "The Member States and the European Parliament will obviously be closely associated to these reflections and consulted during the preparation of the reports." (Rehn, 2012). How has this report thus been created?

Again the supply of information starts with the report and continues over the council meetings debating on it. The exact who met whom and who actually wrote the document and how was consensus on which clause to include reached is hard up to impossible to track back.

We can however observe that the procedure itself took about three and a half years so far. "A project on which we have been jointly working on for the past two and a half years – and which will be with us, for sure, for at least two and a half years to come" (Rehn, 2012).

Close cooperation between experts is seen as a sign for consensus among the Europeans: "You have just discussed this strand of our work in detail with my colleague Michel Barnier and it was also a subject of your debate with the President of the ECB Mario Draghi, with both of whom I have worked in very close cooperation. If you want to take this as a sign of unity and mutual understanding, I do not mind. Let me yet outline the main elements of our proposal, as it is a cornerstone of our comprehensive crisis response and of the future of EMU and the euro" (Rehn, 2012).

A final aspect which is observable with the speech of the Commissions Vice-President is the plan to guarantee technocratic involvement at the European level now and already manifest it in the future by including it in today's decisions. So does the Vice -President state in this context that "We are convinced that moving the supervision of banks to the European level, as well as the envisaged further steps towards establishing a fully-fledged banking union, are necessary measures to ensure the stability of the integrated European economy and to break the negative feedback loop between sovereigns and banks. ...The Single Supervisory Mechanism will therefore apply to all

Euro area Member States, but will be open to the participation of other Member States that wish to embark on a path of deeper integration. In such cases, the member state concerned is expected to make a legal commitment and give assurances that the decisions taken by the ECB will be binding for their national authorities and banks...The ECB will have to be entrusted with the prime responsibility and with key supervisory tasks to ensure efficient and high-quality supervision. National supervisors, who have accumulated experience and developed expertise in prudential supervision, will continue to play an important role in this system...ensure that any risk of conflicts of interest in the decision making bodies of the ECB is excluded, in particular by ensuring the separation of supervisory functions from those related to the implementation of monetary policy...Finally, appropriate mechanisms of democratic accountability must be constructed: for supervisory duties, the responsibility of the ECB must be strengthened, compared to the independence it enjoys as an institution responsible for monetary policy.... these proposals, which will apply to all the 27 Member States, are crucially important, and they should be adopted by the Council and European Parliament as soon as possible” (Rehn, 2012).

Firstly the speaker presents these “crucially important” changes in a way that non-action seems like the guaranteed occurrence of a financial disaster. Secondly the ECB is entrusted with the surveillance, even strengthening its independence from other European institutions and the national authorities and banks. Democratic legitimacy seems to be of high concern to the speaker as well, which is why he not truly following the democratic logic proposes to separate the supervising function from the implementing function within the ECB. One board of bankers will hence be responsible for the implementation and an other one for the surveillance – but of course separated. We can observe a clear indication for the extension of non-political experts or technocrats in Europe's future. Experts which will be able to overrule national authorities and national banks ‘...in such cases, the member state concerned is expected to make a legal commitment and give assurances that the decisions taken by the ECB will be binding for their national authorities and banks...’ in a future in which politics and financial markets are closer related than ever. What happened to the limits of technocracy indicated in the theory? The last observation rather calls for an extension of the extension into the fields of higher politics.

## **4.2. The Politicization of EU Public Policy**

The observations made in real life decision-making of the European Union since 2011 and in relation to the Euro-crisis management show several characteristics described by the existing theory. The theory suggests a depoliticization through technocracy and a politicization through democracy. Hence a democracy should be understood according to the amount of debate and political discussion occurring within it. A democratic deficit on the other hand can then be described as a lack of this political debate occurring within this system or a high amount of expert involvement which proposes one or few possible solution without leaving room for discussion on differentiated ideological approaches. It is not that clearly distinguishable when considering the three key decisions under observation. While the first one clearly is the one showing the most technocratic involvement and the least democratic debate due to a temporary suspension of party politics in Italy, the last two decisions demonstrate in a good way the underlying problem within the decision-making in the European Union. No clear politicization or depoliticization is observable

throughout the entire process of decision-making. The process is rather split in a depoliticized beginning, including the drafting of a resolution and the rather hard to observe process of creating a document or a possible solution, followed by the politicized second half of the process, including debate on a drafted solution by the member states in the council, the parliament and as well the media coverage. This conduct is absolutely promoted and inevitable considering the design of the Unions decision-making system.

Radaelli and Harcourt underlined their theory with the same problematic of the “decision-making system of the EU relying on a plethora of working groups, standardization bodies, and committees of experts” (Joerges *et al.* 1997; Pedler and Schaefer 1996). They claimed that the “policy-making has become the terrain of knowledge and know-how and that at the same time the public sphere has become depoliticized” (Radaelli, 1999, p. 759) creating a unfavorable environment for politicization to take place. The very last part of this statement is however not entirely true. Politicization still takes place, but too late to produce a purely democratic outcome. Following Harcourt and Radaelli “The issue at stake needs to remain depoliticized and kept within a closed circle of technical experts” (Harcourt, 1999, p. 112) to result in a high level of technocracy and expert influence. Until the point of debate the possibilities have already been created. Debate on the fiscal pact for example shows a depoliticization in the beginning by the extensive involvement of countless working groups and expert committees but political debate after introducing the draft. Consequently possible draft solutions never propose alternative solutions to the crisis but only propose solutions according to the existing system. This comes with little surprise as the theory stated before that technocrats are not elected and always represent the system not society, may it be the economic financial or legal system. They further argue that “a technocratic policy process is immediately endangered if technical and depoliticized discussions turn into debates over *political concerns* such as pluralism for example” (Harcourt, 1999, p. 108). Should this not suggest that after being open to discussion and to the media a wave of politicization should have broken free and it would have been hard to implement the technocratic solution. After all this is what Radaelli and Harcourt claimed and why they divided between such policy areas which are easily regulated and such which call for too much attention to pass simply pass and will always lead to politicization. “Technocracy can continue to operate in certain regulatory policies, but not in others” (Harcourt, 1999, p. 119).

Here it is important to name three arguments why we cannot truly observe political debate. Meaning yes, there is some political debate on the drafted solutions but no true democratic outcome representing society. We recall from the theory: A democratic outcome represents society a technocratic outcome the system. Why do we observe political debate but the solution still represents the system more than society. First of all Radaelli and Harcourt give an answer themselves. “Whether a policy is constructed under political debate or whether it is constructed under isolation by expert groups is according to both authors a question of “uncertainty”/“complexity” and “salience” of an issue (Harcourt, 1999, p. 108, 109, 116 – 118). The “uncertainty”/“complexity” is simply too high. Much higher than in the field of public policy within the European Union during 1999, which was the basis for Radaelli and Harcourt's analysis. Here they even observed an increase in politicization within the field of public policy during the last couple of years. Recalling the table constructed by Radaelli the Euro-crisis management can be found in the lower right side of the model named “epistemic communities and supranational policy entrepreneurship (EMU)” ( see figure 1 in 2.4.1.). And this is exactly what has been observed.

Epistemic communities are described by Radaelli as “a network of professionals with recognized expertise and competence in a particular domain and an authoritative claim to policy-relevant knowledge...regulatory states and bureaucratic politics....contrasted with the logic of politicization” (Radaelli, 1999, p. 760 -770). While simple technocracy and bureaucracy are oriented among the upper row of the scheme they both can only occur under low salience of a policy. Epistemic communities on the other hand occur under the same level of political salience like politicization (see figure 1 in 2.4.1.) but if the uncertainty about a policy or its complexity are high as well. High complexity thus leads to the insertion of supranational experts even though salience is high at the same time. The phenomenon can be nicely observed on the wave of demonstrations erupting Europe and especially its South during 2011 and 2012. Politicization, media coverage, the level of counter voices to the adapted decisions was high but the level of alternative solutions in public very low due to the immense complexity of the Single Market and the global financial system. The situation is hence different since salience and uncertainty are both high. In this case we observed politicization within the council for instance but, and this leads to the second argument, the political debate was not very much the kind of political debate on pluralism Radaelli and Harcourt meant when speaking of political debate.

It is about the distribution and who pays how much, receives how much or carries how much risk but not about the fundamental values and ideas behind the plan or the decision. Not about the neo-liberal approach versus - well versus what actually? Alternative solutions other than the ones restrengthening the neo-liberal market system in crisis are not observable on the European level. The last observation stands in line with two arguments made in the theory. First of all it has been observed that the solutions are designed by the supranational experts to be then discussed by the politicians. Democrats are elected representatives which always represent a society. Technocrats are not elected and represent the system. The solutions proposed are hence in line with the neo-liberal system. And secondly as stated in the theory the crucial aspect underlying this research is that democracy and technocracy clash regarding the number of possible solutions they produce or in other words, they clash in the fact that democracy can produce a variety of possible political outcomes whereas ideally the domination solution will always represent the ideological orientation of the party in government. Technocracy on the other hand does not leave room for debates on pluralism. Observing that the draft solutions are a product of expert committees and hence the supranational epistemic communities described by Radaelli they consequently do not see the need for pluralism and thus alternatives to the neo-liberal approach.

The third and last argument why we observe political debate but the solution still represents the neo-capitalist market system and not society is the fact that the society is the system. We recall again the famous slogan 'European Union democracy through economic integration'. An additional observation made in general is the clash regarding time. On the one hand efficient and fast and on the other hand supporting discussion and slow or sometimes even inefficient procedures or outcomes. Efficiency is secondary in democracy. The majority is the determining factor. But in times of crisis little time is available for extensive discussions. The European Union did not face a crisis of existence like that before, never has the membership of a member been questioned (Greece). In its beginnings time was still measured in other speeds on the markets. Today a state can bankrupted within minutes if not even within seconds on the stock market. Europe is out of time for democracy. Democracy is too slow. And when democracy is the one intending to save the society and the society is based on the system then the system has to be saved in order to save

society and this demands for the prevailing of fast and efficient system-rescuing expertise solutions in term of crisis. Europe does simply not have the time to be purely democratic.

This is why we today observe a supranational epistemic community working on possible future plans for Europe, interpreting every crisis for Europe and predicting the economic horrors of a crashing systems to propose few alternatives between which politics can select. The counter argument to Brown's: "if society involves and tries to influence/change science it will fail to represent the present reality" (Brown, 2009, p. 8), namely 'if expertise /science influences the politics it will fail to represent society', proves to be applicable to the decisions under analysis. Recalling again from the theory expertise or technocracy and democratic politics oppose each other, they take away each others true intentions. They change the other in a way that the pure character of the other can no longer exist in its original form. And this is due to the character described in the beginning – rational choice versus ideological debate (Brown,2009).

### **4.3. Concluding Remarks**

Looking at the three key decisions this non-pure form of democracy, shaped by the scientific influence is observable. We observed democratic debate, but not true democratic debate but only debate on the alternatives proposed by a supranational technocratic system of experts, working groups and representatives of the financial system. Concluding on sub-question number two: Who was involved and two what extend?, we hence observed a strong involvement of expert committees like the Eurogroup Workinggroup as well as executive boards of the European Central Bank or DG's of the European Commission who pre-design and lobby the presented solutions. Single characters like the Presidents of Commission, Council and Central Bank play an additional important role. We moreover observe an other group representing the democratic features of the Union. This group consists of the European Parliament, the national Parliaments and the elected representatives within the European Council. Remarkable is the spacial separation between both groups. While the technocratic actors create the policy solutions independently the second step of a decision is the political debate which is dependent on the expertise initiating the process.

Secondly regarding the first sub-question about: How have the three selected key decisions been taken?, shows two main phases clearly related to the two groups of the who-aspect. The technocratic phase, which mostly not open to the public, involves the actual designing of the solutions, the writing of treaties, agreements, reports or policy papers, and the second phase – the democratic phase. This phase is a form of pseudo democratic debate on the presented alternatives. While the first phase is purely technocratic, the second phase did due to its secondary status loose its originally pure democratic form. The solutions debated upon here are biased solutions which show no alternative approaches than the approaches given by the current economic or financial system as it is believed as truly correct by the leading technocrats.

Last but not least the third sub-question: To what extent is there a clash between technocratic regulation (efficiency) and democratic decision- making (political debate). This clash can be observed in real life when one focuses on the outcomes which were produced. We observe a dominance of technocratic outcomes. The crisis of a system lead to the solidification of that system within the Euro-zone. The technocratic way of reaching a decision – namely efficient and system oriented created by a supranational technocratic system of experts blocks or hinders the pluralistic democratic debate. Democratic debate starts too late to be truly democratic. One would have to

switch the process. First democracy then technocracy. Only the first one is the one giving the bias and changing the second. The second one is the tool. Democracy will stay a tool as long as it is biased before it even takes place. For technocracy to become a tool again it has to design solutions according to democracy - be biased by democracy. Right now it is the other way around. The clash described by the theory of a impossible combination of both in their true form is observable here. However it is democracy which has been adjusted to technocracy over time. We thus observe a technocratization of democracy.

## 5. Conclusion

This research has shown that democracy and technocracy cannot co-exist in their pure forms. Moreover it has shown that the technocratic features within European decision making influence and actively determine the democratic outcome of a decision. Technocracy seems to be the stronger component since it is, so to say, sitting on the switch or in other words deciding which alternatives are to be presented to the decision-making system and which will not be selected as a possible proposed policy solution. At this point we recall the research question stated at the beginning of this research.

After having analyzed the selected examples and after having answered the three posted sub-questions the answer to the main question is the following.

The European Union stimulates democracy to the extent that the decision-making procedure within the European Institutions and according to EU law represents a representative democracy on EU-level. Especially the co-decision procedure used in most decision-making processes includes the European executive, legislative and is under surveillance of the European judiciary. A decision within the Parliament or the Councils or the Commission is reached via majority, may it be QMV or simple majority. So yes, the European decision-making procedure with the inclusion of all its institutions stimulates democratic decision-making procedures and democratic political debate. However, and this is where the European Union starts to stimulate technocracy, the political debate in the form in which it arrives at the institutions is already biased by technocracy. The European Union stimulates technocracy to the extent that the policy initiative lies at the Commission but as well the European Council if it feels a strong way to act accordingly. Both institutions work on the basis of countless working groups which brings us back to the argument made by Radaelli and Harcourt before: that the "decision-making system of the EU relies on a plethora of working groups, standardization bodies, and committees of experts" (Joerges *et al.* 1997; Pedler and Schaefer 1996). It is designed to promote the active selection of policy solutions by the expertise.

They claim that the "policy-making has become the terrain of knowledge and know-how and that at the same time the public sphere has become depoliticized" (Radaelli, 1999, p. 759) creating a unfavorable environment for politicization to take place.

Also the second argument about the unfavorable environment for politicization to take place has been observed. Yes, political debate arose between the institutions but not the kind of political debate Radaelli and Harcourt referred to. The kind of pluralistic political debate which would have included differentiated approaches to the solving of the crisis via non neo-liberal theories. But in

reality every party involved in the process seems to only discuss the different possibilities the neo-liberal approach presented offers and debates are often on how free neo-liberal will be or who pays for which parts of a bill. We hence conclude a combination of Radaelli's category of "epistemic communities and supranational policy entrepreneurship" (see figure 1 in 2.4.1) within a supranational technocratic system of experts that promotes Bell's End of Ideology opposed to the Idea of Brown that this would result in a democratization of technocracy but still in line with Brown's argument that a combination of technocracy and democracy, and this is clearly stimulated by the European Union, results in the transformation of both concepts. Democracy is transformed into a tool of decorating or closing or covering the process and most important to legitimize the outcome in public. Technocracy is transformed in the way that it designs the solutions to fit the decision-making process.

The conditional claim by Touraine, namely that "democracy is not simply a static political system. It is a permanent effort and battle" (Touraine, 1995) got lost in the European Union. Somehow one could say Europe's democrats became a bit lazy waiting on the experts to prepare possible solutions and thus giving the way free to system-oriented policy approaches. This is of course as well due to the fact that an average politician does not fully understand the complexity of possible solutions. The fact, that the European crisis management addresses the system better than the society reached its clearest expression in the wave of protest arising especially in the South of Europe, where a majority of the population does not seem to feel represented in this crisis-management. Central banks and mayor financial cooperations do not seem to feel a need to protest against Europe's new way of stabilizing and rescuing what they plunged into chaos. The crisis of a system lead to the solidification of that system within the Euro-zone. The technocratic way of reaching a decision – namely efficient and system oriented created by a supranational technocratic system of experts blocks or hinders the pluralistic democratic debate (Radaelli, 1999; Harcourt, 1999). Democratic debate starts too late to be truly democratic.

One would have to switch the process. First democracy then technocracy. Only the first one is the one giving the bias and changing the second (Brown, 2009). The second one is the tool. Democracy will stay a tool as long as it is biased before it even takes place. For technocracy to become the tool again it has to design solutions according to democracy - be biased by democracy. Right now it is the other way around. The clash described by the theory of a impossible combination of both in their true form is observable here (Brown, 2009). However it is democracy which has become inferior to technocracy over time and not the other way around like claimed by Brown. For the European Union to gain back the possibility to an open, pluralistic, and multi-perspective point of view political debate should start the process to establish a solution favored by the majority (Radaelli, 1999). This should then be handed on to the experts employed by the European Union since simply discussing it in parliament or any other institution does not bring the undeniable know-how a policy demands in our complex and global modern world today. Still the experts should be there to get a general road map and then design what is possible within this approach. Such a change is though, quite a challenge since the epistemic communities and supranational policy entrepreneurship has long become a self-sustaining system steering politics and education to go along with it.

Concluding we observe a technocratization of democracy and not a democratization of



technocracy what was suggested by Brown. The classical democratic input, throughput and output is rather a technocratic input, democratic throughput resulting in a mixed output in which a strong dependence is observable. A dependence of Europe's politicians on its experts. But not just because it is too complex for today's politics to manage decision-making without experts but because the market system with all its experts and academic elites step by step became the dominant party. Democratization of technocracy like it might have been the intention of the 70's and like Brown described it within his theory turned into technocratization of democracy. Bells claim of the end of ideology is valid for the European Union (Bell, 1962). The Union is even united through the fact that it does not promote ideological pluralism but only the market system. A supranational technocratic system leaving no room for ideological pluralism but for rationality gives less incentive for dispute to arise among many parties involved.

This research has shown that technocracy has definitely reached the fields of higher politics opposing Harcourt and Radaelli's claim that it would only occupy certain fields of day to day politics of the Union and minor regulatory functions (Harcourt, 1999; Radaelli, 1999). The limits of technocracy described by the authors have not been found in this research.

Reflecting on the forth sub-question stated by this research: What does this mean in the context of the often discussed democratic deficit of the EU and in the context of the key European values?, it is clear that *the* European value – democracy is under threat. A democracy is a political system based on pluralism itself, and hence the only form of political system which should in a functioning form always take all ideas into consideration. If one idea becomes dominant the minorities are threatened. In European democracy a non-political ideology became dominant. Democracy started to sub-order itself to the market integration. The original idea of peace through market integration is causing dispute among the European public now. The already little sophisticated “European feeling” among its citizens suffers under the crisis-management which fails to address European society. Tensions among for instance Spanish and German citizens arose. Solidarity among the citizens themselves is shrinking while the European leaders push for deeper fiscal integration. When looking at the slogan “peace through market integration” the peaceful living together should always stay the highest goal and not the market integration. Europe will have to learn again, or maybe for the first time, to set the representation of its society over the representation of its market system because in the end the market system is carried by society. It will hence be a question about whether Europe will choose the more democratic way and strengthen democracy and solidarity and thus the traditional values or if newly arisen values such as efficiency and market compatibility will become the overall priority. Quo vadis Europa? This research suggests a currently present trend towards the later.

## 6. References

- Harcourt, A.J. , C. M. R. (1999). Limits to EU Technocratic Regulation? *European Journal of Political Research*, 35, 107-122.
- Anthony, R. (2001). Epistemic Communities, Collective Entrepreneurship and European Integration. *Journal of European Public Policy*, 8(4), 585-603.
- Bell, D. (1962). *The End of Ideology: On the Exhaustion of Political Ideas in the Fifties*: Cambridge.
- Brown, M. B. (2009). *Science in Democracy: Expertise, Institutions, and Representation*.
- Burris, B. (1993). *Technocracy at Work*. State University of New York Press.
- Committee, E. a. F. (2013). President. Retrieved 22.05.2013, from [http://europa.eu/efc/president/index\\_en.htm](http://europa.eu/efc/president/index_en.htm)
- Council, E. (2013). *"Fiscal Compact" entered into force on 1 January 2013*. Brussels: European Council.

- Dahl, R.A. (1994). A Democratic Dilemma: System Effectiveness versus Citizen Participation. *Political Science Quarterly*, 109(1), 23-34.
- DPA. (2012). Bundestag sagt Ja zu Rettungsschirm und Fiskalpakt. *Mitteldeutsche Zeitung*. Retrieved from <http://www.mz-web.de/politik/parlament-bundestag-sagt-ja-zu-rettungsschirm-und-fiskalpakt,20642162,17086546.html>
- Draft: Treaty on Stability, Coordination and Governance in the Economic and Monetary Union (2012).
- Fischer, F. (1990). *Technocracy and the Politics of Expertise*. London: Sage.
- Greven, M.Th. , P. L. W. (2000). Democracy Beyond the State? The European Dilemma and the Emerging Global Order. *Rowman & Littlefield Publishers Inc.*, Boston.
- Joerges C. , K. H. L., E. Vos. (1997). Integrating Scientific Expertise into Regulatory Decision-making. *National Traditions and European Innovations*.
- Kurki, M. (2011). Democracy Through Technocracy? Reflections on Technocratic Assumptions in EU Democracy Promotion Discourse. *Journal of Intervention and Statebuilding*, 5(2), 211-234.
- Maier, C. S. (1970). Between Taylorism and Technocracy: European Ideologies and the Vision of Industrial Productivity in the 1920s. *Journal of Contemporary History*, 5(2), 27-61.
- Mahony, H. (2012). Twenty-five EU Leaders Sign German-model Fiscal Treaty. *Alliance of Liberals and Democrats for Europe*. Retrieved from <http://euobserver.com/political/115460>
- Marangoni, F. (2012). Technocrats in Government: The Composition and Legislative Initiatives of the Monti Government Eight Months into its Term of Office. *Bulletin of Italian Politics*, 4(1), 135-149.
- Marshall, A. G. (2011). Italy in Crisis: The Decline of the Roman Democracy and Rise of the 'Super Mario' Technocracy *The Peoples Book Project*. <http://thepeoplesbookproject.com/tag/technocratic-government/>.
- McDonnell, D. (2013). On Technocracy and the Idea of Party Politics. <http://blogs.lse.ac.uk/euoppblog/2012/04/16/italy-monti-democrac/>
- Oxford, P. (2013). Oxford University Press. *University of Oxford*.
- Pedersini, R., D. C. (2012). *Eurofound Italy Annual Review 2011* Italy: Università degli Studi di Milano.
- Pedler R.H. , G. F. S. (1996). Shaping European Law and Policy. The Role of Committees and Comitology in the Political Process.
- Portal, E. (2013). Eurogroup. Retrieved 23.05.2013, from <http://www.eurozone.europa.eu/eurogroup?lang=de>
- Putnam, R. (1977). Élite Transformation in Advanced Industrial Societies: An Empirical Assessment of the Theory of Technocracy. *Comparative Political Studies*, 10(3), 383-412.
- Radaelli, C. M. (1999). The Public Policy of the European Union: whither Politics of Expertise? *Journal of European Public Policy*, 6(5).

- Rehn, O. (2012). *SPEECH/12/584: Towards a Genuine Economic and Monetary Union*.
- Rompuy, H. V. (2012). *Towards a Genuine Economic and Monetary Union*: European Council.
- Sartori, G. (1987). *The Theory of Democracy Revisited*: Chatham House Publishers.
- Sklair, L. (2002). Democracy and the Transnational Capitalist Class. *Annals*, 581.
- Treaty on Stability, Coordination and Governance in the Economic and Monetary Union (2012).
- Treaty on the Functioning of the European Union (2008).
- Touraine, A. (1995). *Critique of Modernity*. Oxford: Blackwell.
- Williams, R. (1971). *Politics and Technology*: Basingstoke: Macmillan.
- Workinggroup, E. (2012). Draft: Treaty on Stability, Coordination and Governance in the Economic and Monetary Union.