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Abstract

During EU-level turbulence, even member states with decentralised coordination systems need to centralise to promote their preferences on the EU-level. Why does this not result in permanent centralisation? We argue that situational centralisation during turbulence triggers a three-step 'reactive sequence' that reinforces a decentralised system in the long run. First, exceptional problem pressure enables prime ministerial offices to shift the formalised, bureaucratic and horizontal 'ordinary mode' of coordination to an informal, politicised and hierarchical 'turbulence mode'. Second, the turbulence mode's characteristics depend on the bargaining goals. If a country wishes to change the existing EU policy framework, the prime minister assumes a hierarchical position; if a country favours the status quo or gradual change, the lead ministry is established as a domestic veto player. Third, when turbulence subsides, a decentralised system's underlying institutional factors endow the losers of centralisation with opportunity structures to push back. As line ministries acquire additional competences during turbulence, this sequence eventually strengthens the main defenders of the decentralised coordination system. We illustrate the suggested mechanism in a within-case comparison of the adaptation of German EU policy coordination to the Eurozone and refugee crises.

Keywords

1. Introduction[*]

The necessity for domestic EU policy coordination has increased substantially through the expansion of EU competences since the Single European Act. Even in times of growing populist and anti-European sentiment (Hooghe & Marks 2009), the EU and its institutions managed to expand their scope, for example in the Eurozone and refugee crises (Bauer & Becker 2014). At the same time, member states preserved their ability to control the deepening of the integration process in treaty negotiations (Moravcsik 1998). They also control the day-to-day management of EU policies through multiple influence schemes around the European Commission (Pollack 2003). The consensual nature of EU decision-making in the Council (Bickerton et al. 2015) increases the influence of individual member states further. Member states are thus capable to represent and in most cases defend their individual interests. However, the large scope of EU policies means that multiple domestic ministries and governmental agencies are responsible for preparing governmental positions. The EU policy process is, furthermore, less predictable than national processes due to its complexity and the multitude of actors involved (Kassim et al. 2000). This makes the EU a turbulent environment, characterised by an 'interaction of events or demands that are highly variable, inconsistent, unexpected or unpredictable' (Ansell et al. 2017: 2).[1] Any domestic EU coordination system faces the need to manage turbulent environments at any time: To defend their interests on the EU level, governments have to design coordination schemes that are able to mobilise expertise and to react to unexpected events timely and coherently. This is even more acute for decentralised EU coordination systems. Usually, these react slowly to sudden events and produce ambiguities in their national positions (Wessels & Rometsch 1996). Furthermore, in times of Euroscepticism and potential electoral consequences of EU positions, governments regularly face the pressure to react to turbulent environments. Nevertheless, the literature on Europeanisation observes no homogenisation towards agile centralised coordination systems (Kassim 2003; Ladrech 2010). Our study addresses the question why the turbulence-induced pressures to centralise EU policy coordination weighing on decentralised systems do not lead to permanent centralisation.

We explore a causal mechanism by which a decentralised system's initially centralising reaction to turbulence reinforces its decentralised nature in the long run. First, exceptionally high problem pressure induced by the potentially high costs of turbulence is necessary for the core executive to be able to circumvent the institutional constraints for centralisation. It enables prime minister's offices to change the formalised, bureaucratic and horizontal 'ordinary mode' of coordination into a more informal, politicised and hierarchical mode. Second, if there is acute domestic pressure to change the existing EU policy framework, this 'turbulence mode' allows the prime minister's office to assume a hierarchical position vis-à-vis the responsible lead ministry. If it is domestically sufficient to react to problem pressure by reacting within the existing EU-level rule framework during turbulence, the prime minister's office will install the lead ministry as a domestic veto player to block or mitigate EU-level changes. Third, when turbulence subsides, persisting institutional background factors endow government actors disadvantaged by the centralised turbulence mode with opportunity structures to fight for a return to the status quo ante. In this situation, lead ministries find it easier to defend their acquired competences than prime minister's offices whose role is to mediate among ministries rather than holding competences

[1] The concept of 'turbulence' is complementary but not equal to the concept of 'crisis'. 'A crisis occurs where an urgent response is required in an uncertain situation that threatens fundamental values or life-sustaining systems' (Ansell et al. 2017:2). Turbulence may also characterise non-crisis situations (such as rapid technological or societal change) and it can – unlike a crisis – remain unnoticed for a while (such as the Eurozone's woes before the Greek crisis) (ibid.).

themselves. In the end, this 'reactive sequence' (Mahoney 2000) responding to situational centralisation during turbulence even strengthens the core actors of a decentralised coordination system, namely line ministries.

The following section outlines the post-Maastricht reaction of domestic coordination systems to EU-induced turbulence. The subsequent theoretical section develops the aforementioned mechanism. Afterwards, we contrast the well-researched ordinary mode of EU policy coordination with our description of the turbulence mode. We explore the latter in a within-case comparison of German EU policy coordination during the Eurozone and the refugee crisis. This comparison allows us to (a) observe the activation of the turbulence mode, (b) explore how the underlying causes for the decentralised system allow actors to push for a return to the status quo ante and (c) how turbulence strengthens line ministries in the long run. The conclusion discusses the paper's findings and their implications. It argues that the paper contributes to core executive studies by demonstrating how decentralised systems achieve stability in turbulent times. In addition, it speaks to the literature on European integration by suggesting that the turbulence mode allows governments with decentralised policy coordination systems to manipulate their bargaining power in two-level games.

2. Decentralised EU policy coordination in the turbulent post-Maastricht era

Due to the crosscutting nature of EU policies, member state governments have to coordinate their policy positions domestically to effectively defend their preferences within the EU. This creates the functional need for member state governments to (a) present a 'coherent programme' on the European level and (b) ensure that their proposals are compatible with their domestic actions (Kassim et al. 2000: 2). In other words, their coordination mechanism has to 'create a greater coherence, and to reduce redundancy, lacunae and contradictions within and between' their EU policy positions (Bouckaert et al. 2010: 16). Two forms of turbulence aggravate the general dilemma of domestic EU policy coordination: First, coordination operates within 'turbulent environments', i.e., a turbulent sector (Ansell et al. 2017). Asylum or fiscal policy, for example, are themselves variable, inconsistent and unpredictable. Second, coordination faces 'turbulence of scale' (ibid.). These are variable, inconsistent and unpredictable demands produced by one level in a multi-level polity that have turbulent consequences for other levels. We are interested in the ways in which domestic EU policy coordination schemes react to turbulence of scale, i.e., to domestic turbulence created by problems that can only be solved on the EU-level.

We can broadly distinguish between member states with centralised and decentralised EU policy coordination schemes (Goetz & Meyer-Sahling 2008; Kassim 2003; Laffan 2003). The UK and France are the archetypes of centralised coordination via one responsible office (Bulmer & Burch 2001; Menon 2000). Germany and Belgium, on the other hand, are prime examples for decentralised coordination processes that require coordination between ministries (Derlien 2000; Kerremans 2000). Kassim (2003) finds the causes for different coordination systems in specific historical and institutional factors supporting centralisation or decentralisation and ambitious or selective approaches to EU policy. For example, federal states, governed by multi-party coalitions and marked by cooperative administrative styles are very likely to develop decentralised coordination systems. In short, domestic legal, political and procedural structures provide actors with opportunities to stabilise centralised and decentralised EU policy coordination systems. Decentralised systems profit from the close interconnection of EU policy formulation with the substantive ministerial departments that hold deep expertise on the issue (cf. Menon 2000). At the same time, they are slower than centralised systems as they take decisions in lengthy, formal coordination procedures (Wessels & Rometsch 1996). This creates two functional problems: First, the turbulent and uncertain nature of the EU's policy process and its effects (Kassim et al. 2000; Trondal 2017) requires national coordination systems to regularly adapt within short time frames to protect a member state's interests. Second, the public pressure to develop coherent positions increased with the European integration of salient core state, capacity-building competences (Genschel & Jachtenfuchs 2018; Hooghe & Marks 2009). In these fields, governments have to swiftly identify their interests and preferences and act upon them. Consequently, already shortly after Maastricht scholars

wondered why countries like Germany do not centralise their EU policy coordination (Wessels & Rometsch 1996). However, homogenisation is unlikely as long as the underlying legal, political and procedural factors persist. Indeed, new member states also decided either for a centralised, core executive-focused or a decentralised, ministry-focused model (Gärtner et al. 2011).

This paper investigates this functional puzzle of decentralised coordination systems. Why did the turbulence-prone nature of the EU polity not lead to a permanent centralisation of domestic EU policy coordination? The following section claims that in order to manage turbulence even decentralised EU policy coordination systems have to centralise in order to formulate crisis responses timely and coherently. However, the above-mentioned factors which historically caused the development of decentralised coordination systems do not only ensure the regular return to the status quo ante after turbulence but are even able to strengthen the decentralised system in the readjustment period after turbulence.

3. Flexibility and resilience in decentralised coordination

In 'ordinary' times, change in decentralised EU policy coordination systems is very unlikely (Ladrech 2010). Governmental actors that profit from the status quo can rely on institutional factors to defend their interests. These institutions can take a legal form such as constitutional provisions, be political such as multi-party coalition dynamics or of a procedural nature such as decentralised vertical coordination structures in federal states. In the decentralised system, actors (a) formally interact with each other in interministerial coordination processes that are (b) usually dominated by bureaucratic instead of political appointees that interact (c) without interministerial hierarchic structures. In this system, the core executive in form of the prime ministerial office participates in interministerial coordination to represent the prime minister's positions and/or acts as a non-hierarchical mediator in conflict.

EU turbulence of scale changes this power balance through increased (perceived) problem pressure. We distinguish three aspects of pressure. First, time pressure is the urgency a member state perceives to reach a decision on the EU-level. Second, political pressure consists of strong public demand for a specific government position on EU policies. Finally, functional pressures flow from the potentially high costs of either action or inaction on the EU-level. During turbulence, swift, flexible and effective coordination of EU policy is needed for functional reasons, to solve the policy-issue at-hand, and for political reasons, to signal to a domestic audience that the government is in control of the process. As a consequence, a decentralised coordination system faces powerful incentives to centralise during turbulence. To this end, structures, actors and processes – the essential components of EU policy coordination systems (Laffan 2003) – have to be re-arranged to act faster. This requires a circumvention of formal structures and the establishment of a clear-cut decision-making centre. In the emerging turbulence mode, the normally decentralised process (a) circumvents interministerial coordination through informal channels, (b) relies on political civil servants or even the direct involvement of (prime) ministers and (c) is backed up by interministerial hierarchisation. This mode has to operate in the shadow of hierarchy. Consequently, it is the – otherwise merely mediating – core executive that activates this mode.

The pressure a member state faces affects its bargaining goals and thereby the characteristics of the turbulence mode chosen. The crucial difference is between member state core executives that perceive high pressure to either change the existing EU rule-framework or to adhere to the existing rule system. For example, in the Eurozone crisis, all EU member states faced high potential costs and strong public opinion on how to solve the crisis. However, the economic consequences among member states were very unequal, leading to vast differences in the perceived urgency to solve the problem by moving towards fiscal solidarity. We argue that a member state government that perceives strong pressures to solve turbulence of scale via policy changes on the EU-level will activate its turbulence mode in a way that positions the prime ministerial office hierarchically above other actors. By putting the head of

government in sole charge of the member states' position, this version of the turbulence mode guarantees a coherent, timely and undisputed position in the European Council which is particularly relevant in crisis management (Wessels 2016). On the other hand, we argue that member state governments under strong public opinion pressures on a specific EU-level issue that perceive less necessity for rule changes will likely strengthen the responsible lead ministry. Especially if a prolific minister leads the ministry, this reinforces its bargaining power on the European level by installing the ministry as a domestic veto-player that constrains the prime minister's bargaining space (cf. Putnam 1988).

Situational centralisation during the turbulence mode, however, does not change the underlying institutional factors that had prevented a centralised ordinary coordination regime beforehand. Quite to the contrary, we argue that short-term centralisation in the face of turbulence of scale can unleash a 'reactive sequence' (cf. Mahoney 2000: 526-535) which reinforces and even strengthens a member state's decentralised coordination system in the long run. According to Mahoney (2000: 526), 'reactive sequences are marked by backlash processes that transform and perhaps reverse earlier events. In a reactive sequence, early events trigger subsequent development not by reproducing a given pattern, but by setting in motion a tightly linked chain of reactions and counterreactions'. In this vein, we expect that once the perceived problem pressure subsides, actors that lost competences through the turbulence mode – such as line ministries but also lead ministries now embedded in a hierarchical relationship with the prime minister's office – will push for a return to the status quo ante. We argue that this realignment process takes two forms. First, as the core executive's central task is to coordinate with and mediate between ministries, it is rational to return to the decentralised status quo ante to not take sides in future coordination conflicts. Second, lead ministries do not only have incentives to maintain potentially acquired competences – to permanently side-line horizontal EU coordination divisions – but can more easily exploit the institutional factors which support strong and independent ministry portfolios. Paradoxically then, temporary centralisation during turbulence reinforces the horizontal and decentralised nature of an interministerial coordination system in the long run.

To sum up, we argue that this is an instance of 'dynamic resilience' (Ansell 2017) in which turbulence management leads to change that maintains and stabilises the decentralised coordination system's ability to also function in a highly variable, inconsistent, unexpected or unpredictable environment. In times of turbulence, decentralised coordination systems' resilience operates in three steps. First, perceived problem pressure enables the core executive to activate a more flexible and faster turbulence mode. Second, the bargaining goals of a member state in turbulence of scale affects whether the core executive operates hierarchically above or on par with the lead ministry in the turbulence mode. Finally, in returning to the ordinary mode ministries can more easily defend the competences they acquired during the turbulence mode, leading to a reactive sequence. In the long run, multiple sequences of 'turbulence of scale' thus strengthen the decentralised coordination system.

4. The interplay between ordinary and turbulence mode in EU policy coordination

This study illustrates the existence of the mechanism described in the previous section. It relies on the selection of a 'typical' decentralised case (Gerring 2007) and investigates it in periods of turbulence. Furthermore, it requires differences in perceived problem pressure. We select Germany in the period from 2010 to 2017 as such a case, describe its normal mode of EU coordination and contrast it with the measures taken in two cases of turbulence.

First, Germany is a 'typical' case for a strongly decentralised EU policy coordination system that is very unlikely to centralise. Second, within the chosen period, two systemically threatening periods of 'turbulence of scale' caused by EU-level politics occurred. Turbulences of scale are EU-induced problems without clear-cut EU-level processes to solve them (Ansell et al. 2017). Both the Eurozone crisis and the refugee crisis also systematically threatened the EU's and member states' fiscal, monetary and asylum policies in light of strong disagreements among member states. In order to react swiftly and

coherently, the German EU policy coordination system faces strong centralisation and problem pressures in such situations of systemic turbulence. We are thus analysing two turbulence instances that are most likely cases for centralisation pressures in a least likely case for centralisation. Third, in the two instances, the German government experienced diametric problem pressure and bargaining goals. During the Eurozone crisis, the German federal government promoted a strengthening of existing fiscal rules and resisted the costs of burden sharing in the further integration of economic and fiscal policies, e.g. in the form of Eurobonds (for instance Schimmelfennig 2015). Despite high financial risks for the German banking sector and bailout payments, Germany faced public pressure for inaction and less time pressure to reform EU fiscal and redistributive policies than countries stronger affected by the crisis: As preventing a further escalation of the crisis was sufficient, Germany's preference was to maintain the Euro with as little burden-sharing as possible. On the other hand, during the refugee crisis, the German government was confronted with high domestic time, political and functional pressure and aimed for EU-level cost and burden sharing. Hence, it advocated a reform of the Common European Asylum System, for example in suggesting distribution and relocation programs which it had resisted before the outbreak of the crisis.

This within-case comparison, instead of a comparison of two slightly different decentralised coordination systems, gives the study an exploratory character. It aims at identifying a hypothesised causal mechanism that can subsequently be tested on other cases (Beach & Pedersen 2013). What are the observable processes that we are looking for in our within-case comparison? In order to analyse the shift from the normal to the turbulence mode, we have to identify three factors which characterise both modes as outlined in the theory section above. Firstly, the formal coordination processes and structures are circumvented during turbulence. Informalisation reduces the complexity of the coordination system. Secondly, the turbulence mode is characterised by politicisation, meaning that, in comparison to the usually bureaucratic participants of coordination processes, the involved actors are high-ranking politicians or administrators. Thirdly, we can identify the turbulence mode if the coordination process becomes more hierarchical. A lead ministry and/or the core executive, usually in form of the prime minister's office, take final decisions instead of relying on a consensual approach to coordination which allows a voice to all ministries involved. To explore the factors that lead to a return to the decentralised 'ordinary mode' of coordination, we observe the aftermath of turbulence management along the same lines.

To describe the ordinary mode of German EU policy coordination, we build upon existing secondary literature, governmental handbooks and documents. To analyse the turbulence management of the German federal government and its aftermath, the second part of the empirical section builds on documents, press releases on organisational changes and – with the necessary scepticism (cf. Beach & Pedersen 2013) – on newspaper articles. In order to obtain a complete picture as well as the impressions and evaluations of participants, the analysis also includes insights derived from expert interviews. These interviews were conducted between May and October 2018 under the guarantee of anonymity. They cover both the 'four musketeers' (Derlien 2000) of German EU policy coordination (Foreign Office, Ministry of Economics, Ministry of Finance and Chancellery), ministries that are heavily involved (such as the Ministry of the Interior) and European Commission officials who worked closely with the German government during the refugee crisis.

5. The ordinary mode of German EU policy coordination

Ordinarily, EU policy coordination among German federal ministries is formalised, bureaucratic and horizontal (for a simplified depiction see Figure 1). This ordinary mode of coordination builds on the constitutional principle of cabinet ministers' autonomous responsibility for the organisation of their departments and the formulation of their policies (*Ressortprinzip*). Article 65 of the Basic Law further stipulates the chancellor's leadership in defining the guiding principles of governmental policy (*Kanzlerprinzip*) and the cabinet's joint responsibility for decision-making (*Kabinettsprinzip*). While these three principles remain in 'permanent unbalance' (Fleischer & Parrado 2010), the departmental

principle has become the most characteristic for everyday policy-making (Mayntz 1987). The chancellor certainly ranks among the central institutional actors in German EU policy. However, in comparison to, for instance, the French president or the British prime minister, his or her position is more modest. Evidently, German ministers act under the shadow of the chancellor's hierarchy. In ordinary practice, however, the *Ressortprinzip*, the logic of multi-party coalition government and the chancellor's meagre organisational resources guard them from transgressions.

Figure 1: Ordinary mode of EU coordination
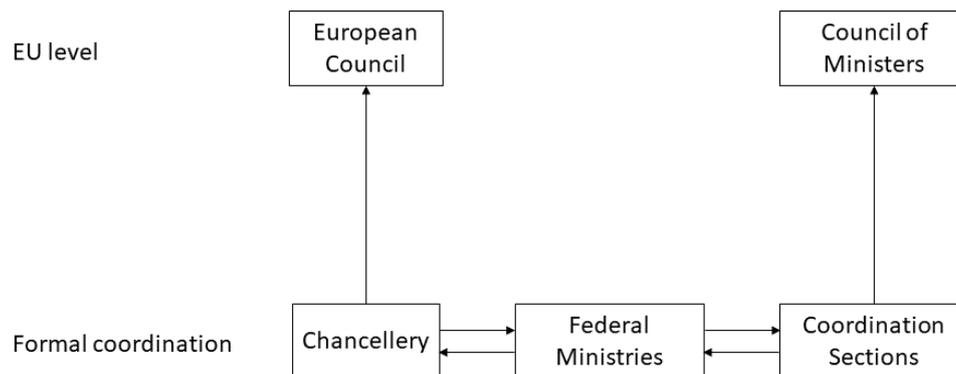
The responsibility for coordinating EU positions among federal ministries has never resided within the chancellery. Quite to the contrary, attempts to acquire such competencies foundered at various instances. Both Gerhard Schröder (Ladrech 2010b) and Angela Merkel (Rinke 2010; Sturm 2016) attempted to seize control of interministerial coordination for the General Affairs Council and the European Council. However, they failed to overcome the resistance of their respective minister of foreign affairs who, at both instances, was a member of the 'small' coalition partner. As expected, the dynamics of multi-party coalition government hamper attempts at centralisation and make it easier to fend off a chancellor's forays for the sake of a governing coalition's overall stability. In 2002, chancellor Schröder instead decided to turn the chancellery's general division (*Grundsatzabteilung*) into an EU policy division (division 5). The latter is relatively small, currently employing 20 staff and comprising a mere four sections (interview 2).

The chancellery's EU division serves two overarching goals: First, it participates in the formal EU coordination process among federal ministries to ensure the representation of the chancellor's position on relevant dossiers. At the same time, the chancellery acts as an equal among peers. Long-serving EU coordinators of both the ministry of the economy (BMWi) and the federal foreign office (AA) insist that the chancellery 'never' relies on the constitutional chancellor principle in EU coordination (interviews 3 and 4). Instead, in cases of conflict the chancellery relies on the two ministries to exercise their respective 'coherence competence' (interview 4). Second, in close collaboration with the formally responsible AA, the chancellery prepares the government's positions in European Council meetings (interview 2). Since the Treaty of Lisbon the chancellor is no longer accompanied by the minister of foreign affairs in the European Council. As the European Council's significance in EU policy increased, this has strengthened the chancellor's standing vis-à-vis federal ministers. However, the chancellery remains constrained by coalition and constitutional considerations in formulating positions and thus coordinates *ex ante* with the affected ministries (Grünhage 2007).

The ordinary mode of German EU policy coordination and formulation is largely decentralised (cf. Beichelt 2015: 269-276; Grünhage 2007: 86-99; Sturm & Pehle 2011: 49-65), involving all levels of the federal bureaucracy (interviews 1, 3 and 4). Policy formulation starts at the bottom of the intraministerial hierarchy. Specialised sections within federal ministries are the workhorses of the system. They formulate the government's initial positions on EU policies which are subsequently coordinated and

adapted. They also devise proactive proposals to lobby the European Commission and other governments, usually at the behest of a ministry's political leadership (interview 1). Interministerial coordination then occurs via three specialised coordination sections, preparing the positions for COREPER I (responsibility of the BMWi), COREPER II (AA) and Euro Group (ministry of finance [BMF]) meetings. These sections serve similar purposes (interviews 3 and 4): First, they detect and inform about potentially controversial items. Second, they organise and prepare the agenda for regular interministerial meetings of 'EU designees' (*Europabeauftragte*), EU heads of divisions and EU state secretaries. Third, they act as 'honest brokers' (interview 4), arbitrating between conflicting parties and ensuring the consistency of the government's position. According to one estimate, 70 to 90 percent of all EU-related dossiers are cleared before they reach the minister level (Rudzio 2015: 498). Although unable to take authoritative decisions in cases of conflict, the coordination sections often make proposals on how to overcome gridlock. Finally, at the end of any coordination process, they instruct the permanent representative in Brussels.

In sum, the ordinary mode of German EU policy coordination is characterised by collegial arbitration among federal ministries, the key role of the departmental principle and the minor importance of the chancellor's shadow of hierarchy. This mode of coordination allows the federal government to exploit the deep sectoral expertise of its bureaucratic apparatus. In turn, various analysts emphasise its complex and cumbersome nature, especially in politicised cases of interministerial conflict (cf. Grünhage 2007). Sturm (2016: 65) concludes that '[w]hat seems like a sophisticated process in theory, is much less efficient in practice'. Beichelt (2015: 279) seconds that the coordination process and its lengthy deliberations were a 'source of the Federal Republic's frequently late position-taking in Council negotiations'. The fact that rarely but regularly (interview 3) Germany fails to achieve a coordinated position among federal ministries and consequently has to abstain in COREPER or even the Council has inspired a pejorative term in use among other EU member states – the so-called 'German vote' (Beichelt 2015: 279).

6. The turbulence mode of German EU policy coordination

Turbulence requires decentralised coordination regimes to act more pro-actively, quickly and decisively than usual. The Eurozone crisis between 2010 and 2012 and the refugee crisis in the years after 2015 are cases in point. In these instances, the German federal government flexibly adapted by employing what we refer to as the turbulence mode of EU policy coordination (s. Figure 2). It relied on constructing an informal 'dual centre' (Fleischer & Parrado 2010: 366) comprising the chancellery and the lead ministry, both of which collaborated either on par or in a hierarchical relationship. On the EU-level, the construction of the dual centre ensured pro-active position-taking, swift decision-making and effective implementation of policy decisions.

Figure 2: Turbulence mode of EU coordination in the Euro (*left*) and the refugee crises (*right*)
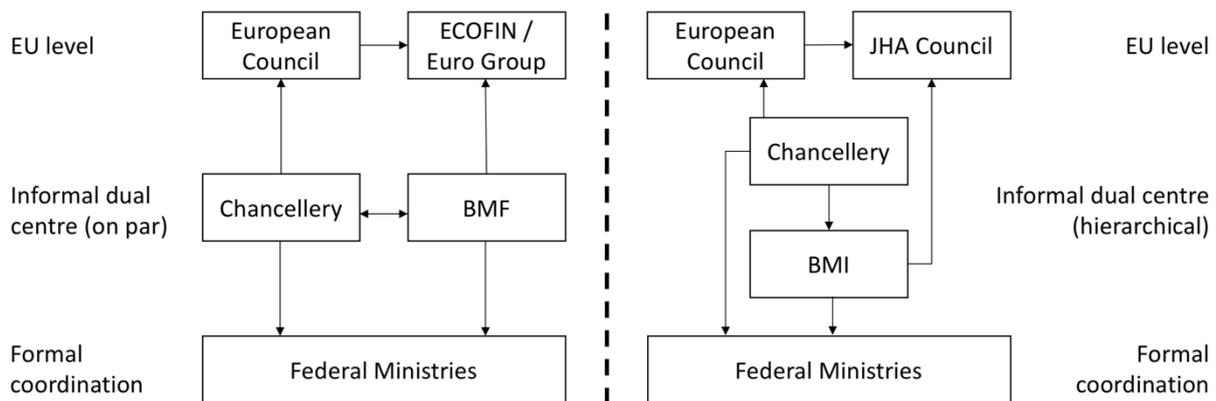
The chancellery controls when the turbulence mode begins. The chancellor's membership in the European Council and her office's formal responsibility to countersign instructions to the permanent representative provide the political and legal leverage to control position-taking (interview 6). Cautious as the chancellery is in its invocation of the chancellor principle, which ultimately implies suppressing the dominant departmental principle, it chooses its battles wisely (interview 4). The Eurozone and the refugee crisis provided the chancellor with the perceived necessity to take matters in her own hands (Interview 2, 8). In the Eurozone crisis, the chancellor relied on an informal grouping of executive actors which had already been established during the financial crisis. The group comprised the chancellor herself, the minister of finance, his state secretary and the chancellery's head of division 4 (economic and financial policy; interview 2). Faced with the BMF's expertise and formal responsibility for monetary and financial matters, other ministries with stakes in the EU's institutional development (AA) and economic affairs (BMWi), despite being led by the small coalition partner, largely toed the line (Behnke 2016: 189-190). While, the dual centre was thus already in place when the Eurozone crisis hit, the refugee crisis caught most administrative actors in Berlin by surprise (interviews 5, 6, 7). Their focus lay initially on registering and accommodating incoming refugees (interview 2). Only after some time it dawned on particularly the chancellery that the crisis might be largely felt domestically yet can be surmounted solely by a 'European solution' (interview 4, 5). This insight gradually shifted the focus towards an EU-level response, prepared and formulated by the chancellery (Sirleschtov 2015). When the minister of the interior, Thomas de Maizière, criticised the coordination among federal ministries and the *Länder* and demanded Angela Merkel and chancellery minister Peter Altmaier 'to switch to the crisis mode' (Bannas et al. 2016) in early October 2015, the turbulence mode was activated. This, the ministry of the interior (BMI) hoped, would allow the mobilisation of additional political, administrative and financial resources (interview 6). Reacting to the minister's demand, the chancellery decided to establish a task force (*Stabsstelle*) and to transfer the responsibility for 'overall political coordination' to the chancellery minister (Bundesregierung 2015), thereby disempowering the BMI. This was subsequently formalised by a cabinet decree adopting a 'Coordination Concept for Coping with the Refugee Situation' (Bundesregierung 2015). With the departmental principle de facto suspended, the BMI operated under the hierarchy of the chancellery in its management of the refugee crisis (interviews 2, 6, 7, 8, see figure 2 above).

Depending on the type of problem-solving pressure and bargaining goals, the chancellor can strategically employ the turbulence mode to control the German government's bargaining position and power on the EU-level (interview 2). In the Eurozone crisis, the German government perceived itself as only indirectly affected: Due to its comfortable budget situation, it did not perceive a need for large-scale rule changes towards more fiscal solidarity. It thus held a strategic interest in conceding as little as possible as late as possible (compare Schimmelfennig 2015). Acting on par with the powerful BMF aided the chancellery in signalling to its EU partners that its hands were tied by a strong domestic veto player. The way the turbulence mode was employed during the Eurozone crisis thus supported the

German government's passive or, in the words of a former chancellery official, 'pedagogic' (interview 2) approach, teaching the lesson of 'sound public finances' to ailing EU partners. In the refugee crisis, on the other hand, Germany was directly affected, with pressure for immediate problem-solving coming from within the country. As the minister of the interior had publicly indicated scepticism towards some of the chancellery's positions (interview 5, 8), it was rational to suspend the departmental principle to evade a potentially forceful domestic veto player and create a hierarchically-organised dual centre. Simultaneously, the case shows that in coalition governments it is arguably easier for the chancellor, particularly if also serving as party chair(wo)man, to degrade a minister of her own party without upsetting a coalition's sensitive power arithmetic (cf. Grünhage 2007: 55). Had the BMI been held by the 'small' coalition partner during the refugee crisis, the chancellery's reliance on the turbulence mode presumably would have unfolded differently and more in line with the less hierarchical pattern employed during the Euro crisis. This counterfactual can be illustrated by the government's reaction to the financial crisis, creating the predecessor of the Euro crisis dual centre. At the time, the minister of finance was a member of the smaller coalition partner. Despite Germany's substantial stakes in the EU reaction to the financial crisis, the chancellor refrained from seeking a hierarchical relationship with the BMF and accepted to act on par (interviews 1 and 2).

In the turbulence mode, the chancellery relies on flexibly mobilising administrative capacities. This way, it can engage in the proactive development of policy initiatives which can either be transferred to the European level right away or be elaborated further by sectoral experts within ministries. In both the Eurozone and the refugee crises, the chancellery combined the mobilisation of internal capacities with a recourse to the expertise of ministries and externals. In the Eurozone crisis, divisions 4 (roughly 60 staff) and 5 of the chancellery combined their resources. Nonetheless, the magnitude and complexity of the crisis rendered the chancellery structurally dependent on the BMF's sectoral expertise in divisions VII (financial markets) and E(urope). The latter BMF division substantially increased its capacities throughout the crisis, going from 10 sections in 2010 to 13 in 2015 (interview 1; McCowan 2017: 149). In contrast to the expertise-heavy financial and Euro crisis, the refugee crisis required less substantial knowledge. This made the chancellery less dependent on the sectoral expertise of the responsible line ministry (interviews 5, 6 and 8). The established task force comprised about 15 specialists, many of whom had been high-ranking officials of the BMI (interview 2). Its head, for instance, had led the section on 'aliens law' in the BMI.

In the turbulence mode, the dual centre establishes a hierarchy on top of the formal, horizontal interministerial coordination process (compare Figure 2 above) instead of wholly replacing it. Ordinary coordination continues (interview 6). Central EU proposals are continuously discussed in the monthly meetings of state secretaries and heads of divisions. However, 'political life goes on in other fields, too' (interview 4), reinforcing the dual centre's propensity to disregard the formal procedure, to formulate positions independently and to quickly pass them on to the EU-level (interview 5). When, during the Euro crisis, the European Financial Stability Facility, was proposed by France and Italy in an emergency meeting of the ECOFIN Council in May 2010, BMF and chancellery jointly negotiated the details of the instrument over the course of a mere weekend (interview 1). During the refugee crisis, the collaboration between the chancellery and the BMI played out similarly. The ministry's division E hammered out many details of the German proposals to introduce an EU-wide relocation scheme, to protect the Schengen area's external borders by means of a European Border and Coast Guard Agency and to reform the Common European Asylum System. However, it worked on political directives determined by the chancellery's task force (interviews 2, 6, 7). The task force's political responsibility entailed all international and EU aspects, including developing the chancellor's European Council positions together with division 5 (interviews 5 and 8; Sirleschtov 2015). Furthermore, the head of the task force negotiated the EU agreement with Turkey (interview 4). The division of labour between the task force and the BMI, and the hierarchy between both institutions, was felt in Brussels, too. The Commission's DG HOME, for instance, shifted its focus towards the chancellery while maintaining its ties to the BMI for more technical issues (interviews 7 and 9). For the Commission, it was clear that all decisions of importance were taken in the chancellery. For instance, concerning the central issue of

closing the so-called 'Balkan route', both institutions held widely differing views, with the chancellery's position prevailing (interviews 7 and 8).

When the perceived problem pressure abates, the turbulence mode is ended. This means a reduction of the additionally acquired administrative resources in the chancellery, a return to the formality of the ordinary coordination process and the reintegration of the dual core as collegial equals among the federal ministries (interview 2). As expected, the chancellery readily returns competences acquired during turbulence to its 'rightful owners'. This traces back to the constitutional, political and procedural dynamics of multi-party coalition government which might be suspended temporarily in times of turbulence yet continue to have an effect. Three reasons for this stick out: First, as a rather small and agile institution that takes on situational responsibilities instead of developing pockets of sectoral expertise, the chancellery's very *raison d'etre* would clash with an accumulation of ever more capacities. Additional capacities might, after all, stand in the way of handling the next instance of turbulence. Second, it is not in the chancellor's best interest to act from the centre of turbulence over an extended period of time. Consolidating his or her public attachment to the issue increases the likeliness of attributable policy failure. As the latter often becomes apparent only after a crisis has ended, it is rational to reduce the chancellery's involvement after acute turbulence has abated.[2] Third and most importantly, in both the Eurozone and the refugee crisis, the concentration of executive power in the dual centre was to the detriment of ministries led by the 'small' coalition partner, particularly the AA and the BMWi. These partisan actors pushed for a 'return to normal' and had both the argument of coalition stability and the departmental principle on their side (interviews 4 and 6).

After turbulence, the involved lead ministries do not return their additional resources. We find evidence supporting the argument that short-term centralisation might unleash a 'reactive sequence' which reinforces and even strengthens a member state's decentralised coordination system in the long run. In both observed crises, it was the responsible ministries rather than the chancellery which profited from instances of situational centralisation in the turbulence mode. Throughout the Eurozone crisis, the BMF substantially increased its administrative capacities to deal with future turbulence in the Euro system. The BMF's institutional build-up has also served to consolidate its interministerial coordination position on all things related to the Euro, attracting the ire of the traditional coordination actors in the AA and BMWi (interview 4). In the course of the refugee crisis, the BMI and the ministry for development cooperation expanded their activities in external migration policy (interview 8).

7. Conclusion

Our study illustrates why member states' decentralised EU policy coordination schemes do not centralise in an era of protracted, EU-induced turbulence. In a first step, we show that governmental actors are able to switch flexibly into a more centralised turbulence mode when the perceived problem pressure is high. This temporal centralisation mechanism exists even in Germany. In a second step, however, we argue that the process is accompanied by a 'reactive sequence' (Mahoney 2000) once EU-induced centralisation pressures abate. Actors who lost influence in the turbulence mode harness pre-existing institutional factors such as constitutional provisions, multi-party coalition dynamics or federal arrangements to push for a return to the status quo ante. As these factors favour the autonomy of ministries over prime ministerial leadership, they allow lead ministries to maintain acquired and to secure additional competences. Somewhat paradoxically then, situational centralisation during turbulence ultimately serves to reinforce a country's decentralised mode of coordination in the long run.

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[2] Chancellor Merkel's avoidance of a testimony in the 2009 parliamentary investigation concerning the nationalisation of the Hypo Real Estate bank or her 2017 refusal to publicly comment on a corruption scandal at the Federal Agency for Migration during the refugee crisis speak to this conjecture.

For a variety of reasons, the causal mechanism we identify with respect to Germany should be corroborated in studies of other decentralised member states.[3] First, the identified mechanism speaks to the central research interest of the turbulence literature, i.e., the means by which governments achieve stability despite a variable, unpredictable and inconsistent environment. In this context, German EU policy coordination serves as an example of dynamic resilience via the described reactive sequence. The latter also explains why the literature on Europeanisation found no homogenisation towards agile centralised coordination. While the chancellery is able to initiate temporary centralisation in the face of problem pressure, the relative losers of centralisation strive for a return to the status quo ante once the problem pressures subside. This is a delicate process. For instance, a coalition partner controlling the respective lead ministry during turbulence certainly complicates if not inhibits the chancellor's reliance on the hierarchical-type turbulence mode. Exploring the ways in which, after turbulence, institutional opportunity structures and actor preferences tilt the balance in favour of the status quo ante therefore promises insights into the dialectical qualities of dynamic resilience.

Second, our study provides novel insights into the internal determinants of member state bargaining power in EU-level negotiations. In the refugee crisis, Germany was under pressure to change the EU policy framework in order to solve its domestic problems, leading the chancellery to employ the turbulence mode in a manner which centralised policy-formulation within its purview. The resulting monolithic decision-making centre allowed the chancellor to pursue EU-level solutions via both the European Council and, indirectly, the Council. In the Eurozone crisis, Germany perceived the need for policies that strengthened the existing fiscal policy framework. The chancellery thus utilised the finance ministry's influential position to its advantage, establishing a split centre with a powerful veto player which constrained it in EU-level negotiations. Eventually, the mechanism we identify implies that member state governments with decentralised policy coordination systems can use domestic administrative arrangements to control their bargaining power in two-level games.

Third, our findings have implications for member states' EU policy preference formation which is a core aspect of EU integration theories. Decentralised coordination automatically leads neither to functional (Haas 1976) nor to fully liberal intergovernmentalist (Moravcsik 1998) preference formation. Instead, EU-level bargaining positions depend on which governmental actors are involved in the turbulence mode and, more importantly, which can be side-lined. In times of core state power integration and rising Euroscepticism, understanding these elite struggles for policy positions, we argue, is important to grasp the driving forces behind the European integration project.

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[3] It would also be interesting to see whether and how centralised coordination systems react to turbulence and whether they are capable of striking a similarly flexible balance between mobilising deep expertise and ensuring effective decision-making as decentralised systems.

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List of interviews

- Interview 1: current official of the BMF, Berlin, 8 May 2018
- Interview 2: former official of the chancellery, Berlin, 9 May 2018
- Interview 3: current official of the BMWi, Berlin, 18 May 2018
- Interview 4: current official of the AA, Berlin, 30 May 2018
- Interview 5: former official of the chancellery and the BMI, Berlin, 7 June 2018
- Interview 6: former official of the BMI, Berlin, 12 June 2018
- Interview 7: former official of DG HOME, on the phone, 27 July 2018
- Interview 8: current official of the BMI, Berlin 24 September 2018
- Interview 9: current official of DG HOME, on the phone, 5 October 2018

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