

Between contraction of agendas and issue expansion: The impact of the Euro crisis on parties' issue attention

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Abstract

The goal of this paper is to explain how financial crisis affect the pattern of issue prioritization of policy-makers in a comparative perspective. Empirically, we conduct a novel and comprehensive longitudinal (pre- and post-crisis) comparison of variation in issue attention across time –1996-2014—, countries –Italy and Spain—, and agendas –annual speeches and laws—. We demonstrate economic and financial crisis limits policy maker's ability to prioritize issues according to party preferences, and thus issue attention of left and right parties tend to converge after 2008. Also we show bad economic conditions significantly affect the level of fragmentation of the symbolic agenda –the annual speeches of the Prime Minister get more concentrated in a few set of issues in both countries—, but not the legislative agenda. This illustrates policymakers' capacity to prioritize issues depends also on the level of institutional friction associated to different political activities.

Introduction

Since 2010, most of the Eurozone have been immersed in a deep financial and economic crises, degenerating in some countries into a public debt and banking breakdown. The collapse of major financial institutions and the ensuing liquidity crisis called for urgent and, sometimes, dramatic responses by policy-makers, mainly in the form of large-scale rescue packages for the banking sector, industrial bailouts, labor market reforms, and, in some cases, cuts in public service provision (Stiglitz 2012, Laeven and Valencia 2012). Government responses to the financial crisis only occurred when economic conditions crossed a threshold impossible to be ignored, but once they occurred, they captured a disproportional amount of attention in most political systems (Baumgartner and Jones 2005). In doing so, governments had to respond simultaneously to – at times contrasting - imperatives coming, on one side, from international markets and institutional lenders and, on the other, from social and economic actors at the domestic level (Mair 2011).

Despite the centrality of the financial crisis, little research has been directed to date at analyzing how governmental actors have modified the pattern of issue prioritization in this economic juncture in a comparative fashion. The goal of this paper is to contribute to this line of research, and thus, to explain how and to what extend the financial crisis has modified the issues prioritized in the symbolic and legislative agendas in two countries, Italy and Spain. Following previous research (Jennings et al 2011, Greene 2015, Chaqués Bonafont, Palau and Baumgartner 2015) we ask whether governmental agendas –Prime Minister Speeches— become increasingly concentrated in a few set of issues; to what extend the economic crisis has blurred the differences in the pattern of issue prioritization of left and right parties; and whether the financial crisis has a different impact on the legislative and symbolic agendas.

On the one hand, we argue the global financial crisis leaves little room for political parties to select which issues to prioritize in the first place. Economic issues are impossible to ignore and thus, they get priority over anything else with independence of whether political parties enjoys a reputational advantage over their competitors regarding the economy. As a

result, political agendas tend to converge in a similar set of issues, regardless party family.

Results indicate there are almost no significant differences in the list of issues prioritized by the conservative government of Mariano Rajoy (2011-2015) and the second socialist government led by Rodríguez Zapatero (2008-2011). By the same token, the conservative-coalition government of Berlusconi and the government led by Renzi prioritize the same set of issues, despite ideological preferences.

On the other hand, attention to economic issues generates a crowding effect on the governmental agenda, shifting out of the agenda those issues that are not directly linked with economic conditions (Jennings et al. 2011). Signals about non-crisis related issues are not completely shifted out in the Prime Minister speeches, but they do not receive a proportional response, like in routine times. Finally, results reveal that, indeed, the crisis coincided with a greater concentration of executive agendas, although this effect is only significant for the case of speeches. In contrast, laws follow a more stable pattern. The lawmaking agenda includes legislation oriented to respond to salient or unexpected events, but it also contains issues on which policymakers act on a regular basis, like budget laws, or issues that enter the agenda because of Europeanization pressures, regardless of changing economic circumstances. This illustrates policymakers' capacity to prioritize issues depends to a large extent on the level of institutional friction associated to different political activities.

The following analyses rely on the content-coding of all Prime Minister Speeches delivered and legislative acts passed in Italy and Spain from 1996 to 2014, following the comparative agendas project methodology.ⁱⁱ The selection of these cases allows comparing two parliamentary democracies, which differ from a political and institutional point view (Hopkin and Mastropaolo, 2001) but present similarity in terms of crisis effect. Both countries entered the financial crisis in 2008, once governmental authorities put into practice intervention measures aimed to respond to the significant losses of the banking system. But in contrast to Greece, Portugal or Ireland, both countries entered an “implicit” conditional lending program in 2011,

directly supervised by EU officials, which informally tied national governments hands to define their political agenda. Also, in both countries, the financial crisis resulted in cabinet replacement with important differences between the two countries. In Spain, government replacement was the result of an electoral process, following the electoral defeat of the socialists in the 2011 general elections. On the contrary, in Italy this was a process lead by the EU, which resulted in the appointment of a technocratic government, lead by Mario Monti supported by the Italian parliamentary majority.

The article is organized as follows. First we present the theoretical framework and develop hypotheses to explain issue prioritization over time, across countries and in different agendas. Next we explain the data and methodology used for the analysis. The last part of the paper tests our hypotheses and summarizes the main conclusions of the analysis.

1. *Preferences, external events and institutional factors*

Party preferences are one of the main sources of policy change (Ansolabehere and Iyengar 1994, Hall 1996, Boix 1998, Cox and McCubbins, 2005, [Petrocik, Benoit, and Hansen, 2003](#)). A vast set of research shows after elections, the list of issues the government prioritizes changes in relation to the previous government especially when different parties or coalitions of parties alternate in office. In this view, Letta government would prioritize issues in a different way than Monti technocratic government or the center-right coalition government led by Berlusconi. By the same token, after winning the elections, the conservative government of Mariano Rajoy will ignore many of the issues the socialist governments lead by Rodríguez-Zapatero considered as most important.

According to the issue ownership approach these differences in issue attention from one government to another are the result of strategic calculations of political parties aimed to maximize electoral rewards (Budge and Farlie 1983; Petrocik 1996; see Walgrave for a review). The issue ownership approach emphasizes that parties pay attention to issues in a different way

depending on whether they enjoys a reputational advantage over their competitors regarding an issue. In some occasions this advantage is related to the perceived ability of a political party to handle some issues in a competent way, while in others it is more the result of an spontaneous identification between parties and issues. In any case it is assumed, parties select which issues to prioritize taking into account the electoral costs associated to that action (Erikson, MacKuen and Stimson 2002, Singer, 2011, Lewis-Beck 1999).

The agenda dynamics approach emphasize political parties tend to prioritize some issues while giving their annual speeches or along the political campaign not only because this is rewarding in electoral terms, but especially because “their time has come”. In this view, elections are indeed fundamental elements of policy change. Policy priorities of the governing party reflect in many occasions the electoral program, but policy changes frequently stem from the emergence of new information or changes in the social or economic environment that are not so simply related to the electoral process (Jones and Baumgartner 2015). The policy agenda most of the time reflect long-term variations in problems and new flows of information coming from economic downturn, technological advances or environmental catastrophes (Baumgartner, Jones and Wilkerson 2011, Green-Pedersen and Mortensen 2010). As a result, one may expect the economic and financial crisis limits policy maker’s ability to prioritize issues according to party preferences, and thus issue attention of left and right parties tend to converge (H1).

On the other hand, policy-makers responses are never proportional to the severity of problems (Baumgartner and Jones 2005). Policy-makers reaction to external pressures – signals from the environment about problems that need to be solved—, only occur when issues reach a threshold, at which time they are impossible to be ignored. When signals from the environment are strong enough, policy issues can no longer be neglected, capturing a disproportional amount of attention in the political agenda (Baumgartner and Jones 2005). The problem is agenda capacity is scarce. Policy-makers cannot pay attention to all issues at the same time for cognitive and institutional factors, which implies there is a strong competition among issues to get some

room in the agenda. Disproportional attention to some issues intensifies issue competition and according to Jennings et al. (2011) generates a crowding effect, shifting out of the agenda those issues that are not directly linked with the “core” function of government, mainly defense, diplomacy, rule of law, and the economy.

Following this argument, we expect (H2) the financial crisis to generate increasing concentration of issue attention on this core functions of government, and especially on economic related issues, in both countries. Actually, both the Berlusconi and Rodriguez Zapatero governments downplay the signals of financial distress until worsening of economic conditions were clearly informed by national and international institutions, and this information was widely reported by the media and perceived by the public. In 2007, in the last speech of his first legislature, Rodríguez- Zapatero was still claiming Spain was among the strongest economies in the world, making promises that entailed increases in public expenditures –increment in family allowances and return of 400 euros of the IRPF—. By the same token, in his first speech after winning elections in May 2008 Berlusconi devoted 12% of his first speech to talk about economic issues, forty per cent less than Prodi first speech in 2006, promising sweeping liberal reforms in the Italian labor market and taxation policy. This situation was completely reversed one year later, when the effects of the sub-prime crisis originated in the US started destabilizing also financial institutions of the old continent and eventually reached the shores of Italy and Spain.

Finally, policymakers’ capacity to define which issues get into the agenda is not unlimited, and depends to a large extend on what Baumgartner and Jones (2005) identify as institutional friction –measured by the number of individuals and collective actors whose agreement is required for decision-making— (Jones et al. 2009). High levels of institutional friction –reduce the chances of sudden policy changes and thus the capacity of policymakers to respond rapidly to exogenous factors like changing economic circumstances. As the number of

individuals or collective actors whose agreement is required for a change in policy increases, the likelihood of external events to introduce rapid changes into the agenda decreases.

To introduce a new issue in the Prime Minister speech is a straightforward mission. In Italy and Spain, the Prime Minister can define the content and length of his speeches without any formal limits, although in most cases it reflects the main issues highlighted during the electoral campaign /or the main agreements reached by the party coalition (Chaqués Bonafont et al. 2015). In contrast, to pass a bill into law requires negotiating with the rest of parliamentary groups, especially when the executive has not the majority of seats in Parliament.

Policy makers' capacity to assert their policy preferences on the policy process is also limited by "compulsory" issues, namely those that have to be regulated and on which most of the time parties do not follow a partisan logic but a problem solving strategy (Adler and Wilkerson 2013). For example, as a result of EU pressures, both the Spanish and Italian governments implemented severe austerity measures aimed at reducing state spending and limiting the public sector deficit, contradicting in most cases previous electoral promises (Chaqués Bonafont et al. 2015). In Spain, some of these measures were strongly contested by opposition parties, like the pensions reform, but others like the constitutional reform to control public finance were passed with the agreement of almost all political forcesⁱⁱⁱ. This illustrates, according to Adler and Wilkerson (2013) that the lawmaking process is not always ideologically motivated but can also be problem driven, a response to "pressing problems" that demand legislative action. Hence we expect: (H3) variations in issue attention from one election to another are larger for the case of speeches than laws.

2. Data

To test these hypotheses we rely on the databases of the Prime Minister Speeches and laws developed by the Italian and Spanish Policy Agendas Projects following the methodology of the Comparative Policy Agendas Project (CAP). The CAP methodology consists of the classification

of every law and quasi-sentence in a Prime Minister speech across 21 major topic and 250 subtopic categories as detailed in table 1 in the annex. Speeches have been coded at the quasi-sentence level. For the sake of comparison we take into account only the speeches and laws from 1996 to 2014. In both countries, investiture speeches provide important information about the policy priorities of the government for the next legislature^{iv}. They are the occasion for PM candidates to present their program before asking the confidence of the Parliament for their cabinet. For the case of Spain, we also have data about the state of the nation debate, which takes place annually, with the exception of election years. Generally, the Prime Minister informs about future policy priorities, the fulfillment of electoral promises, or concerns about changing economic, social and political conditions without much restrictions in terms of length or content (Chaqués-Bonafont, Palau, Baumgartner 2015).

Since 1996 there have been three Prime Ministers in Spain, Aznar (1996-2004) and Zapatero (2004-2011) governed for two consecutive legislatures) while Rajoy has (to date) completed just one entire legislative mandate (2011 to 2015). Cabinet stability, along with other institutional rules created the conditions for Spanish cabinets to exert dominance over the agenda (Ajenjo and Molina 2013). The same does not hold for Italy, characterized by high cabinet turnover. In Italy, even when the legislative mandate lasted the official 5-year term, cabinets often underwent reshuffles to accommodate changes in the supporting coalition. During this period, Italian cabinets witnessed an average of two cabinet reshuffles in each legislative term. Each time, the candidate PM had to present a program and win the investiture vote of the two chambers. Our analysis includes also information about the legislative (or substantive) agenda measured by laws passed in the Italian and Spanish Parliament. This database includes information about all the decree-laws, executive and parliamentary bills passed from 1996 to 2014.

To measure the impact of economic conditions we use unemployment rates and GDP annual growth using the OCDE data. Following Laeven and Valencia (2012) we consider a

financial banking crisis exist if two conditions are met: (1) there are significant signs of financial distress in the banking system (as indicated by important bank runs, losses in the banking system, and/or bank liquidations), and (2) there are significant banking policy intervention measures in response to significant losses in the banking system. According to these criteria, the crisis starts in 2008 in both countries, when policy interventions in the banking sector were significant (extensive liquidity support, bank restructuring gross costs and, in the case of Spain, significant bank nationalizations (Bankia in 2012). Finally, to measure agenda diversity we used Shannon's entropy scores^v. This index measures the distribution of attention across the 21 CAP issue categories providing an indicator of the relative concentration or dispersion of data (Baumgartner et al. 2000, Talbert and Potoski 2002, Wolfe 2008, Bevan 2008, Boydston et al. 2014). It ranges from 0 to the natural log of 21 (3). A score of 0 indicates that attention is concentrated in a single topic; by the contrary, a score of 3 indicates that attention is perfectly distributed across issues. The higher the entropy, the less concentrated the agenda.

3. Towards more concentration of the political agenda?

In order to test whether the financial crisis generates more concentration of the political agenda, we developed a OLS regression model in which the dependent variable is agenda diversity (measured by Shannon's entropy score) for speeches and laws; and the independent variables are (1) economic conditions (measured by unemployment rates and GDP annual growth) and (2) lagged entropy (measured by the level of fragmentation of the agenda the year before) to control for autocorrelation. Results are summarized in table 1.

Table 1 about here

First, as expected, the economic and fiscal crisis initiated in 2008 generates increasing concentration in governmental speeches, but not the legislative agenda. Neither rising unemployment or declining GDP growth significantly generate higher concentration of the

legislative agenda in Italy and Spain. In contrast, in both countries Prime Minister Speeches get significantly more and more focused on a few set of issues after 2008 –in both cases coefficients are positive regarding variations in GDP growth and negative regarding unemployment—. Note results are only significant regarding variations of the GDP in the case of Italy; and regarding unemployment, coefficients are only significant for the case of Spain. This simply reflects the structural economic conditions of both countries. In the case of Spain, one of the major consequences of financial crisis is raising unemployment –from 2007 to 2014 unemployment tripled from 8,3 to more than 24%--, while in the case of Italy GDP growth has declined systematically from 2007, while in Spain GDP growth is positive and above 1,5% from 2013.

Next question is whether bad economic conditions generate a crowding effect shutting down those issues not related to the core function of governments from the political agendas. To test this hypothesis we run mean differences in percentage of attention for the case of laws and speeches in both countries. We compare two periods: before the financial breakdown (1996-2007), and after the crisis (2008-2014). Results are summarized in table 2. At first glance, table 2 clearly illustrates the financial crisis affects the pattern of issue prioritization in the symbolic agendas with more intensity in Spain, than in Italy, while the opposite occurs in the case of the legislative agenda. First, results indicate mean differences in percentage of attention in the symbolic agenda before and after the crisis are significant for most issues in Spain, with the exception of environment, transportation, housing, research and development, and governmental issues.

Table 2 about here

Second, variation in issue attention in the legislative and symbolic agendas in both countries follows a similar pattern for all issues but rights, labor, governmental issues, foreign affairs and crime and justice. Attention to foreign affairs, crime and justice and rights related issues tends to increase in Italy while the opposite occurs in Spain. In Italy, after the financial

crisis, there is a significant increment in the number of laws regulating freedom of speech and religion (seven out of seventeen laws passed after 2008 are related to religion). In contrast, in Spain right related issues occupied a marginal position in governmental speeches after the financial crisis. One of the milestones of Rodríguez Zapatero was to transform the regulation of moral issues —abortion, assisted reproduction technologies, and stem-cell research, same sex marriage—; to expand the provision welfare state related services and to deal with gender discrimination in a comprehensive way. Still, the implementation of these policy goals have been relegated to a second stage as a result of the economic crisis and the lack of political will of governmental actors. In his first annual speech Mariano Rajoy devotes just a couple of sentences to deal with right-related issues, despite one of the main policy promises of the PP is to revoke the regulation of same-sex marriage and abortion. Also, the decline in issue attention for some issues like terrorism (coded as crime and justice) are not necessary linked to the financial crisis. Terrorism occupied a dominant position in the speeches of the Prime Minister in Spain for decades, but after the cease of arms of the Basque terrorist group ETA in 2010, the problem seems to vanish.

The decline of foreign affairs in the speeches of Spanish leaders illustrates how from 2007 Spain becomes a subordinated player in the European and international arena. The EU dictates the goals and instruments of economic policy, imposing severe austerity plans, auditing financial institutions, and even forcing a reform of the Spanish Constitution in September 2011. In this new context, what was once one of the most important components of the Prime Minister's agenda and source of power, is relegated to a second stage. Both Rodríguez Zapatero (from 2008) and Rajoy devote less than 5% of the speech to deal with foreign policy, which indicates their wiliness to avoid foreign policy as a key element of the governmental agenda—. The same occurs in the case of Berlusconi and Monti which devote about 9% and 4% to the EU and foreign affairs in their speeches, a percentage quite below to previous Italian prime ministers (12%).

Third, attention to welfare issues –health, education—, environment, agriculture, immigration and defense declines in the symbolic and legislative agendas in both countries. It is interesting health issues are the only issue that declines significantly in both countries and agendas. In their first speeches, Letta and Berlusconi only talk about health issues once, in very general terms, refereeing to the importance of health services without mentioning any specific policy goal. Monti and Renzi go further than that, neglecting health as an issue in their first speech. This is quite a change from the speeches of the socialist Prime Ministers in the late nineties and later Berlusconi government, in which attention to health waiting lists, modernization of public hospitals occupied a major share of the agenda. A similar trend occurs in the case of Spain.

Finally, in both countries attention to economic issues grew significantly in the symbolic agenda, and to a lesser extends in the legislative agenda, with some important variations across countries. First, in the case of Spain, attention to economic issues including macroeconomics, commerce and banking and foreign trade increased from 19% to 44% in the symbolic agenda and from 36% to 41% in the legislative agenda. One of the first policy decisions was the creation of the *Fondo De Reestructuración Ordenación Bancaria* (the Fund for Restructuring and Reorganizing the Banking Sector, so called FROB), in June 2009 for restructuring the financial sector. Later in 2010 the *Ley de Organos Rectores de Cajas de Ahorro* (Law relating to the Ruling Bodies of Savings Banks) introduced one of the most radical changes in the financial sector designed to professionalize and de-politicize financial institutions.

Also, one of the key priorities of the governments of Rodríguez Zapatero and Mariano Rajoy were deal with rising unemployment, which almost tripled in less than three years. In contrast most policy measures taken by the Italian government were aimed to deal with the Italian public debt, which had already been a cause of general concern in Rome and other European capitals for decades. In the early 1990s the Italian debt crossed the symbolic threshold of 100% of GDP. In spite of several initiatives to take it under control, it has never receded

below this line ever since. Economic recession brought these imbalances into sharper relief. As a result, policy makers were increasingly paying attention to the structural factors that characterized Italian economy, mainly public debt, and lack of competitiveness, unemployment, and slow growth.

As in the case of Spain, economic regulatory reforms in Italy were closely monitored by the EU Commission and European Central Bank, which implicitly conditioned financial support to the implementation of wide-ranging reform programs. All these measures were important to increase the solvency and strength of the financial sector, but were not able to prevent the intervention of EU institutions in the political and economic sphere. For this reason, it has been argued that both countries entered an “implicit” conditional lending program (Sacchi 2015). Italian and Spanish cabinets were not forced to sign up a memorandum of understanding like other debtors countries like Greece and Portugal. Yet they informally tied their hands in domestic politics and passed painful measures abiding by the requests of EU lenders. Economic reforms and rescue plans had a radical impact, not only on economic and banking policy, but also on redistributive policies and welfare-related issues. Public expenditures had been redirected to pay interest debt payments, and to transfers of capital to cover unemployment benefits, having a dramatic effect on the quality and quantity of public services.

Our main argument so far is that most of the political debate in both countries has been increasingly focused on macroeconomics, and banking policy reform leaving aside the consequences these reforms may have on the provision of welfare services, mainly health. Also, results so far illustrate the financial crisis have altered the list of issues policymakers prioritize in the symbolic and legislative agendas. Next question is whether party preferences matter, this is whether significant differences in issue attention exist between the socialist government of Rodríguez Zapatero and the conservative government of Mariano Rajoy after 2008; or/and whether Mario Monti technocratic government prioritized issues in a different way than Berlusconi, or Renzi’s government.

To test whether the financial crisis generates increasing convergence in issue attention across parties we computed (t-test) mean differences for the case of speeches in Spain and Italy from 2008 to 2014 (table 3 and 4). Results give support to our initial hypothesis for the case of Spain.

Table 3 and 4 about here

As table 2 illustrates, mean differences of percentage of attention across issues are almost inexistent in the speeches of Mariano Rajoy (2011-2015) and Rodríguez Zapatero (2008-2011), with the exception of social policy and research and development. We reached the same results for the case of laws (not shown). The stability of issue attention of the socialist and conservative leader illustrates the agreement between these two parties to put into practice the “recommendations” of EU political elites to stabilize the Spanish economy. The milestone of this agreement was the reform of the Spanish Constitution in September 2011 designed to mitigate concerns over the willingness of Spanish governments to control public finance. Accordingly, article 135 was redefined in a way that obliges the Spanish government to prioritize interest and principal payments over any other public expenditure. Despite high institutional constraints and veto points, constitutional amendment took place in less than two months, as a result of the agreement of the PP and PSOE which accounted for 92% of the seats in the Spanish Parliament.

Table 2 also illustrates policy convergence only occurs after 2008. Actually mean differences in the percentage of issue attention are significant for most issues when comparing the PP government led by Rajoy and the two legislatures governed by Rodríguez Zapatero, and this is especially the case for the economy. The PSOE leader devoted less than 4% of his first speech in 2004 to talk about macroeconomics, and only 10% in his last speech of 2007 despite the fact that, at the end of his first mandate, it was evident Spain was getting into the deepest economic recession of the democratic period. In 2007, Rodríguez Zapatero happily argued Spain was one of the wealthiest nations in the world, with the capacity to surpass Germany and Italy in

terms of GDP per capita. Actually in 2007 Spain was a country with governmental surplus (7.1% of the GDP), unemployment rates below 9% for the first time in the recent democratic period, and an economy growing faster than most other EU countries, at more than 3.5%. One year later, Spain was entering in one of the worse economic recessions of the last decades.

In the case of Italy, differences in issue attention are especially relevant between the technocratic government of Mario Monti and the rest of governments –the conservative coalition of Berlusconi and the government led by Renzi—. Attention to economic issues in Monti's first speech is three times larger than the rest of prime Ministers—more than 35% of his speech is aimed to talk about the economy, versus 12% in the case of Berlusconi and 11% in the case of Renzi—. In a way this reflects Monti's intention to fulfill its mandate. Monti was appointed as Prime Minister by the head of the state, Giorgio Napolitano to reverse the economic situation. Italians never elect Monti, but he had a clear mandate: to stabilize the economy. He was chosen because his professional background as a technocrat, and his well-known reputation of economic management. Hence during his mandate the governmental agenda was focused in a few set of issues, mainly the economy, leaving aside any other issue not related with the economic crisis.

Results also show mean differences in issue attention from one government to another are less acute in the case of Italy. Actually, issue attention of both, Berlusconi and Renzi seem to follow a quite similar pattern. This may be linked to Italian institutional features. In Italy, even when the legislative mandate last the official 5-year term, cabinets often undergo reshuffles to accommodate changes in the supporting coalition. Actually, from 1996 to 2014 Italian cabinets witnessed an average of two cabinet reshuffles in each legislative term. This means, in a period of about 18 years, eight different Prime Minister' candidates had to present a program and win the investiture vote of the two chambers. In doing so, each candidate followed an idiosyncratic pattern, not necessary linked to the previous PM speeches, even when both belong to the same party. In contrast, Spain has been always governed by single-party governments, with strong

party leaders that ruled during two consecutive legislatures with the only exception of Mariano Rajoy.

Conclusion

The global financial crisis has altered the structure of the symbolic and legislative agendas in Spain and Italy in two different ways: first, agenda fragmentation declines in the case of speeches, which implies those issues that are not directly linked with economic conditions do not receive a proportional response, like in routine times. Second, under bad economic conditions, both the symbolic and legislative agendas tend to converge in a similar set of issues, with independence of which party is governing. After the banking and financial crisis, issue priorities became more and more similar in both countries. This is, under bad economic conditions there is little room for political parties to select which issues to prioritize in the first place. Economic issues are impossible to ignore and thus, they get priority over anything else with independence of whether political parties enjoys a reputational advantage over their competitors regarding the economy.

Finally, we also demonstrate that policymakers' capacity to prioritize issues also depends on the level of institutional friction associated to different political activities. Under bad economic conditions, in both countries variations in issue attention from one election to another are larger for the case of Prime Minister Speeches than laws. The speeches get increasingly focused in a few set of issues in both countries no matter which party is governing. In contrast, variations in issue attention in the legislative agenda are not significant before and after the economic crisis. In this article we present what we hope to be a first step in a broader research agenda oriented to better understand how external factors affect policy-makers capacity and willingness to prioritize issues across time and policy activities.

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Tables and Figures

Table 1. Explaining the impact of economic crisis on agenda fragmentation (OLS regression)

	Speeches	B	t	Sig.	R adj. Sq	Laws	B	t	Sig.	R adj. Sq
Italy	Constant	2,640	2,035	,179	,307	Constant	1,426	2,723	,016	,465
	Lagged speeches	-,218	-,427	,711		Lagged laws	,437	2,151	,048	
	GDP annual growth	,104	1,148	,370		GDP annual growth	,034	2,253	,096	
Spain	Constant	,857	2,244	,039	,526	Constant	3,207	6,582	,000	,094
	Lagged speeches	,590	3,540	,003		Lagged laws	-,359	-1,726	,104	
	GDP annual growth	,036	2,775	,014		GDP annual growth	,024	1,394	,183	
	Speeches					Laws				
Italy	Constant	3,379	3,210	,085	,172	Constant	,860	1,489	,157	,376
	Lagged speeches	-,183	-,288	,801		Lagged laws	,635	2,996	,009	
	Unemployment	-,062	-,881	,471		Unemployment	,007	,448	,661	
Spain	Constant	2,423	4,197	,001	,597	Constant	3,056	5,522	,000	,097
	Lagged speeches	,116	,546	,593		Lagged laws	-,276	-1,279	,089	
	Unemployment	-,025	-3,445	,003		Unemployment	,000	,022	,982	

Table 2. Mean percentages of attention in the speeches and laws agendas in Italy and Spain before and after the financial crisis (T-test)

	Period	Italy		Spain	
		Speeches	Laws	Speeches	Laws
Economy	1996-2007	19,16	9,28	14,33	19,86
	2008-2014	21,55	19,70	29,08	17,93
Rights	1996-2007	3,54	1,87	2,53	1,86
	2008-2014	1,68	4,33	2,13	0,63
Health	1996-2007	2,84	5,77	2,96	3,19
	2008-2014	0,40	3,04	0,84	1,71
Agriculture	1996-2007	0,16	4,79	0,97	4,98
	2008-2014	0,00	1,81	0,65	2,05
Labor	1996-2007	7,41	3,21	8,62	5,64
	2008-2014	7,53	3,13	14,06	7,8
Education	1996-2007	6,29	5,44	5,63	1,81
	2008-2014	8,13	3,83	4	1,49
Environment	1996-2007	1,21	4,39	1,36	3,77
	2008-2014	1,48	4,29	0,64	2,8
Energy	1996-2007	0,24	1,75	0,62	1,28
	2008-2014	1,58	0,62	1,94	2,97
Immigration	1996-2007	1,89	0,86	3,14	1,56
	2008-2014	0,80	0,48	0,65	1,31
Transportation	1996-2007	1,97	4,48	1,96	4,66
	2008-2014	2,63	3,55	1,96	4,42
Crime and Justice	1996-2007	7,77	13,60	15,33	10,67
	2008-2014	8,33	13,97	4,74	11,13
Social Policy	1996-2007	8,54	2,41	2,33	1,85

Housing	2008-2014	4,83	1,34	5,55	2,37
	1996-2007	0,33	2,31	1,67	0,93
Commerce	2008-2014	1,13	2,69	2,41	1,74
	1996-2007	4,47	6,93	1,57	14,22
Defense	2008-2014	4,73	6,84	7,65	19,73
	1996-2007	3,19	6,49	3,41	3,34
R&D	2008-2014	0,88	5,07	0,61	2,53
	1996-2007	2,39	2,05	3,01	2,52
Foreign Trade	2008-2014	1,03	0,79	2,02	2,6
	1996-2007	1,60	0,73	1,06	0,53
Foreign Affairs	2008-2014	3,35	0,29	4,6	1,82
	1996-2007	7,66	7,92	11,89	3,38
Government	2008-2014	6,38	9,33	4,89	3,55
	1996-2007	17,69	10,75	14,52	10,43
Public Lands	2008-2014	20,50	10,48	11,19	7,96
	1996-2007	0,29	1,39	1,36	2,91
Culture	2008-2014	1,58	2,23	0,2	2,72
	1996-2007	1,47	3,58	1,73	0,63
	2008-2014	1,63	2,21	0,18	0,76
Number of significant variation		3	6	14	3

Table. 3 Mean differences percentage of attention in Governmental Speeches, Spain (1996-2015)

Issue	Aznar (1996-2004) Zapatero (2004-2008)	R. Zapatero (2004-2008) R. Zapatero (2008-2011)	R. Zapatero (2008-2011) Rajoy (2011-2015)	Rajoy (2011-2015)- Aznar (2000-2004)
Economy	7,8	-15,7	-11,8	19,0
Government	-5,1	1,9	3,9	-0,2
Labor	1,8	0,9	-0,1	-1,1
Crime & Justice	0,7	0,3	-1,2	-0,7
Foreign affairs	-3,0	-0,6	-4,2	10,3
Social Policy	-0,7	0,6	2,5	-3,1
Rights	0,0	0,1	1,3	-2,5
Education	0,0	-1,1	-0,2	1,4
Transportation	-3,2	4,3	0,7	-4,8
Defense	-1,3	-0,9	3,6	-2,2
Commerce	-0,9	9,5	3,9	-16,4
R&D	-0,6	-3,2	4,6	2,1
Health	-2,3	-1,3	4,3	-0,2
Agriculture	1,6	-8,0	1,4	5,7
Environment	1,5	1,6	0,4	-2,2
Energy	0,2	-0,7	3,1	-2,2
Immigration	-0,2	-2,0	-2,8	5,3
Housing	5,6	4,1	-1,0	-9,7
Foreign Trade	0,6	6,3	-8,7	3,5
Public lands	-0,4	1,2	0,4	-1,6
Culture	-2,0	2,8	0,1	-0,4

Table 4. Mean differences percentage of attention in Governmental Speeches, Italy (1996-2015)

	Prodi- D'Alema	Prodi- Amato	Prodi- Berlusconi	D'Alema- Amato	D'Alema- Berlusconi	Amato- Berlusconi	Monti- Letta*	Monti- Renzi*	Letta- Renzi*	Berlusconi- Monti	Berlusconi- Renzi
Economy	10,1	7,15	-1,25	-2,95	-11,35	-8,4	18,9	10,5	-8,4	-9	1,5
Government	-1,85	0,75	3,25	2,6	5,1	2,5	1,9	4,3	2,4	-3,6	0,7
Labour	0,4	-0,6	-1,3	-1	-1,7	-0,7	-1	0	1	3,4	3,4
Crime & Justice	0	0,2	0,1	0,2	0,1	-0,1	0	0	0	0,1	0,1
Foreign affairs	-3,5	-5,15	2,65	-1,65	6,15	7,8	6,3	9,5	3,2	-10,2	-0,7
Social Policy	2,5	0,25	1,51	-2,25	-0,98	1,26	0,5	-17,5	-18	1,23	-16,26
Rights	-0,4	1,4	-0,36	1,8	0,03	-1,76	-1,9	-0,8	1,1	1,76	0,96
Education	-0,05	-0,6	0,2	-0,55	0,25	0,8	-4,8	-1,5	3,3	0	-1,5
Transportation	2,55	0,45	1,88	-2,1	-0,66	1,43	0	0	0	1,56	1,56
Defense	0,8	-0,25	-1,95	-1,05	-2,75	-1,7	0,8	3,7	2,9	-0,1	3,6
Commerce	3,15	-0,75	0,38	-3,9	-2,76	1,13	6	3	-3	-0,93	2,06
R&D	-1,05	4,35	2,58	5,4	3,63	-1,76	1,1	7,3	6,2	-0,43	6,86
Health	-0,6	-1,1	-0,86	-0,5	-0,26	0,23	-1,9	0	1,9	0,86	0,86
Agriculture	-4,15	-5,1	-2,03	-0,95	2,11	3,06	-5,6	1,5	7,1	1,23	2,73
Environment	2,5	1,85	-2,28	-0,65	-4,78	-4,13	0,2	1,2	1	4,03	5,23
Energy	-0,35	0,1	1,9	0,45	2,25	1,8	-2,3	0,6	2,9	0,3	0,9
Immigration	-0,25	0,95	-2,85	1,2	-2,6	-3,8	-1,4	-7,5	-6,1	3,8	-3,7
Housing	1,6	-0,95	0,15	-2,55	-1,45	1,1	-3,7	2,6	6,3	3,2	5,8
Foreign Trade	-12,05	-3,95	-1,98	8,1	10,06	1,96	-9,3	-9,5	-0,2	1,03	-8,46
Public lands	-0,35	-0,05	0,25	0,3	0,6	0,3	-1	-5,3	-4,3	0	-5,3
Culture	0,9	1	0	0,1	-0,9	-1	-2,9	-2,3	0,6	1,8	-0,5

Significances cannot be calculated in these cases

NOTES

i Laura Chaqués-Bonafont is the corresponding author. This article is an output of the project (CSO-2012-31214) Interest groups in Spain: Participation in the governmental and parliamentary arenas.

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ii The databases were created respectively by the Italian and Spanish teams of the Comparative Agendas Project.

iii Only five negative votes out of a total of 321 votes

iv As defined in article 99 of the Spanish Constitution, the proposed candidate (designated by the King after consultation with the representatives designated by parliamentary group with representation in the Spanish Parliament) has to submit to the Parliament the political program of the Government he intends to form.

v Shannon's H Entropy = $-\sum p(x_i) \cdot \log p(x_i)$ where x_i represents a dimension, $p(x_i)$ is the proportion of total attention the dimension receives, and $\log p(x_i)$ is the log of the proportion of attention the dimension receives, using the total number of possible dimensions as the base of the log.