Lecture 2: Phases of Theorizing European Integration

(1) Important notions

(2) Early schools of thought: How to avoid war?
   a) Federalism
   b) Functionalism
   c) Transactionalism

(3) Explaining ongoing integration
   a) Neo-functionalism
   b) Neo-realism
   c) Constructivism

(4) The evolution of a European polity: how does the EC/EU work?
   a) Multi-Level-Governance
   b) Neo-Institutionalism
   c) Political System
   d) Consociationalism

(5) Important and/or cited literature
(1) Important notions

Theory:
Theories of politics contain three operations:

- Judgements of political facts, or estimates of probability
- Observation of causal relationships between elements of political facts (logical compatibility)
- Valuations and norms, which distort the perception of facts


European integration:
A process whereby political actors in several distinct national settings are persuaded to shift their loyalties, expectations and political activities toward a new centre, whose institutions possess or demand jurisdiction over pre-existing national states. The end result of a process of political integration is a new political community, superimposed over the pre-existing ones.


Four "locations" of European integration theory

- The EU as International Organization: what does the EU tell us about the broader category of international organizations?
- EU as a region within the global political economy: what does the EU tell us on states clustering into regional blocs?
- EU and policy-making: what does the EU tell us about the dynamics of policy-making in an interacting political system of nation states and an international organization?
- EU as a sui generis phenomenon: a) EU and European integration are not treated as an instance of anything other than itself; EU therefore cannot be a testing site for broader generalizations; b) EU as an historically-rooted phenomenon

### International Relations: the wider context

**"Interdependency theory"**:  
Basic assumption: European integration goes along with growing international interdependency.  
Reasons for growing interdependency:  
- Policy areas in which transnational politics and policies are needed (environment, terrorism etc.)  
- Institutionalisation of conflict areas (i.e. international trade)  
- Growing number of international organizations  

### European integration: lines of argumentation

<table>
<thead>
<tr>
<th>MIDDLE-RANGE THEORIES</th>
<th>CENTRAL FOCUS: Interests</th>
<th>CENTRAL FOCUS: institutional shape</th>
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</table>
| **Intergouvernementalism** | Basic assumption: European integration is based on actions and decision of European nation states. Topics:  
- Nature of European interests  
- Intergouvernemental / supranational balance  
- Pooling or sharing of sovereignty? | **Neo-functionalism** | Basic assumption: Economic integration in one sector will foster integration in other sectors (economic spillover) and will make political integration necessary (political spillover). Topics:  
- Which spillovers will occur? When? |
| **State centrism** | Basic assumption: The EU still rests on nation states. Hypotheses:  
- Supranational institutions within the EU function as agents of the collective will of the nation states  
- Two-level game: national politicians play on two fields: domestic and EU politics | **Multi-Level governance** | Basic assumption: European politics are transferred into a system of multi-level, non hierarchical, deliberative and apolitical governance. Characteristics:  
- Decision-making at various levels  
- Collective decision making  
- Interconnected political arenas |
| **Consociationalism** | Basic assumption: Divided societies can be governed by compromise bound political institutions  
- Segments of society are represented in decision-making forums  
- Political elites of the segments are interacting on a regular basis | **New Institutionalism** | Basic assumption: To catch the functioning of institutions, the following have to be incorporated: formal and informal procedures, practices, relationships, norms. Three types of New Institutionalism:  
- Historical: distribution of power through institutions in path dependent developments  
- Rational choice: constraints on political action by institutions  
- Sociological: cultural explanation of institutions |
| **Policy Networks** | Basic assumption: Policy processes and outcomes can be described and analyzed by looking at policy network arenas. Key variables:  
- Stability of network memberships  
- Insularity of networks  
- Relative strength of resources | |

Based on Neill Nugent (1999), chapter 18.
(2) Early schools of thought: How to avoid war?
Federalism, functionalism, transactionalism

a) Federalism

Federalists plan to form a small nucleus of nonconformists seeking to point out that the national states have lost their proper rights since they cannot guarantee the political and economic safety of their citizens


- "Theoretical" proposition shared by many political actors engaged in the early process of European integration
- Normative goal of Federalists: establish a federation of European states instead of competing nation states
- Guiding principle: study of federal systems (with their mixture of unity and diversity) helps designing an adequate European polity
- Political strategy: institutions first
b) Functionalism

"Classical theory of regional integration that holds that a common need for technocratic management of economic and social policy leads to the formation of international agencies. Such agencies promote economic welfare, thus eventually gaining legitimacy, overcoming ideological opposition to strong international institutions, and in the long-run evolving into a sort of international government, though perhaps not a true state."


- Belongs to the liberal-idealist tradition of International Relations theory (Kant, Saint-Pierre, Rousseau, Woodrow Wilson: "utopian conceptions")
- Main figure: David Mitrany (1888-1975); "A Working Peace System" (1944)
- Political strategy: form follows function
- Criticism to Functionalism: technocratic, naïve, poor record of prediction, lack of scientific rigor

c) Transcationalism

Security communities (Ferdinand Tönnies: "Gemeinschaft") as entities where the component governments either retain their separate legal identities or form an institutional fusion. Main hypothesis: The sense of community among states is a function of the level of communication between states.


- Communication/transactions as a means for trust/loyalty as a means for amalgamation/mutual responsiveness as prerequisites for peace/absence of war
- Main figure: Karl Deutsch; "Nationalism and Social Communication" (1953), "Political Community and the North Atlantic Area" (1957)
(3) Explaining ongoing integration
Neo-functionalism, Neo-realism, Constructivism

a) Neo-functionalism
Integrate modestly in areas of "low politics" which are at the same time "strategic economic sectors". Create a high authority to promote the integration process. The integration of particular economic sectors across nations will create functional pressures for the integration of related economic sectors. The consequence is the gradual entangling of national economies. Gradually, social interests will shift their loyalty towards the new supranational center. Deepening economic integration will create the need for further European institutionalization. Political integration and supranational institutionalization are a therefore side-effects of economic integration.


- Challenge to traditional International Relations theory: replacement of power politics of states by supranational consensus politics
- Ernst Haas; "The Uniting of Europe" (1968)
- "Community method", followed by early figures like Robert Schuman and Jean Monnet
- Spillover as the most important driving process of integration: deepening of integration in one sector is expected to create pressures for further economic integration within and beyond that sector, leading to functional needs for a European authority.

- Criticisms to Neo-functionalism:
  - Implausibility (because of continuing relevance of states)
  - Dangerousness (because of implicit dangers of withering-away of liberal states guaranteeing justice and liberty)
  - Ernst Haas (1970s): Neo-functionalism should rather be seen as a "pre-theory", relying on a teleological assumption of progress rather than deriving predictions from a general theory
b) Neo-realism

An international system characterized by anarchy, composed of units that are formally and functionally equal (states). The key variable is the distribution of capabilities across units: how much power does state \( A \) possess in state \( B \) ? Anarchy can produce order, but cooperation between states is always limited by the strive of nation states to survive. Rational states seek to maximize the possibilities for their survival. Interests and actions of the most powerful states constitute the nature of the international system.


- Neo-realism rests on "realist" thinking (e.g. Hans Morgenthau): international politics is about the interaction of self-interested actors in an anarchic environment without an overarching authority
  - Neo-realism is a realist reaction on the empirical existence of institutions of international cooperation like the EC/EU

- Important authors: Kenneth Waltz, Andrew Moravcsik, John Mearsheimer, Stanley Hoffmann

- Gained ground vis-à-vis neo-functionalism during the "inter-governmentalist backlash" (empty chair policy, British budgetary debate...). Hypotheses:
  - Spillovers take place only in areas of "low politics"
  - "Negative integration": removal of barriers
  - Two-level-games

- Until 1990, European integration has been seen as a reaction to the Cold War; therefore Neo-realism predicts conflict rather than cooperation for the EU after 1990

- Critiques to neo-realism:
  - Does not explain well some European waves of integration (Single European Act, Maastricht Treaty)
  - Does not explain well the growing weight of Germany within the EC/EU
  - False assumptions: instrumental rationality of states, anarchy as main structural feature
c) Constructivism

Constructivists hold the view that the building blocks of international reality are ideational as well as material; that ideational factors have normative as well as instrumental dimensions, that they express not only individual but also collective intentionality; and that the meaning and significance of ideational factors are not independent of time and place.


- Theoretical approach in International Relations theory (IR); interest in European integration has only started recently. Diez (1999) identifies two kinds of constructivist approaches
  - Social constructivism: asks for the character or quality of social reality (Giddens, Katzenstein)
  - Theoretical constructivism: asks for the condition and the status of our knowledge of reality (constructivist assumptions are extended to any kind of knowledge; self-reflection / autopoeisis)

- Important authors: Antje Wiener, Thomas Diez, Thomas Risse

- Typical research questions in Europe-related constructivism:
  - Consequences of social interaction of states on the international system (e.g. Alexander Wendt)
  - Consequences of national norms on international politics (e.g. Peter Katzenstein)
  - Impact of European norms on changes in domestic politics (e.g. Thomas Risse)
  - Relevance of images of governance (e.g. cooperation of states, federal state, Economic Community, network) on political actors in Europe (e.g. Thomas Diez)

(4) The evolution of a European polity: how does the EC/EU work? 
Multi-Level-Governance, Neo-Institutionalism, Consociationalism

a) Multi-Level-Governance:

The point of departure for the multi-level-governance (MLG) approach is the existence of overlapping competencies among multiple levels of governments and the interaction of political actors across those levels. Member states executives (…) are only one set of actors in the European polity. States are not an exclusive link between domestic politics and intergovernmental bargaining in the EU. Instead of two-level-games assumptions, MLG theorists posit a set of overarching, multi-level policy networks. The structure of political control is variable, not constant, across policy areas.


- Governance: governing with or without government (Rosenau, J. / Czempiel, E.-O., 1992: "Governance Without Government")
- MLG approach offers a "framework for the use of policy network analysis" (Rosamond 2000: 111)
- Approach by Jeremy Richardson:

<table>
<thead>
<tr>
<th>Stage of the policy process</th>
<th>Theoretical tools</th>
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<tbody>
<tr>
<td>Agenda setting</td>
<td>Epistemic communities</td>
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<tr>
<td>Policy formulation</td>
<td>Policy communities / network analysis</td>
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<tr>
<td>Policy decision</td>
<td>Institutional analysis</td>
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<tr>
<td>Policy implementation</td>
<td>Interorganizational / behavioral analysis</td>
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b) New institutionalism

"Institutionalist approaches are built around the claim that 'institutions matter'. They matter particularly because of the ways in which institutional configurations have an impact upon political outcomes.


- Three types of New Institutionalism (Hall/Taylor, Rosamond, Nugent):
  - **Historical:**
    - distribution of power through institutional arrangements
    - ways in which these arrangements result in path dependence and unintended consequences
    - relationship between institutions and other factors that shape political activities and outcomes
  - **Rational choice:**
    - How do institutions shape, channel, and constrain political actors?
    - constraints on political action by institutions
  - **Sociological:**
    - How can institutional forms and practices be explained culturally?
    - Sociological New Institutionalism is made up by similar approaches as in constructivism

➡️ New Institutionalism is a very diverse approach made up by fundamentally different schools of thought
c) Consociationalism

Consociationalism is a model providing insights into central features of entities (usually states) which are divided sharply internally and able to function in a relatively smooth and stable manner.


- Term "consociationalism" is from: Arend Lijphart
- Consociational states contain the following features:
  - Societal segmentation
  - The various segments are represented on a proportional basis
  - Political elites dominate decision-making processes
  - Decisions are taken on the basis of compromise and consensus

  ➔ Consociationalism is a valuable model in explaining the nature of the balance between fragmentation and cooperation/integration: costs of fragmentation can be overcome, while power and authority of both the segments and the collectivity are strengthened

  ➔ Therefore: EU membership does not fundamentally undermine the sovereignty of member states

- Main authors (besides Lijphart): Paul Taylor, Dimitris Chrysochoou
(5) Important and/or cited Literature:


Deutsch, Karl, 1953: Nationalism and social communication. Cambridge, Mass: Technology Press of the MIT.


