



Initiating the European Communities

- Rival Conceptions of European Communities
 - Intergovernmentalism
 - confederalism
 - Federalism
 - Functionalism
 - Neo-liberal
 - neo-functionalism
 - Communitarian
 - Institutionalism/Public Admin
 - Marxian Critique
- Sources of the Integration moment and corresponding theory
 - Security:
 - Realism; Hegemonic Stability, Balancing.
 - Security & Economy
 - Functionalism; idealism, constructivism, rational public administration.



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- Bad news from WWII
 - Almost one in 20 people died globally.
 - 1% of Britains
 - 14% of Russians
 - 3.5% of Dutch
 - 10% of Germany Germans
 - 10-20% of Ethnic Germans outside Germany
 - 17% Poles
 - 1% of Italians
- Industrial capacity destroyed
 - Remaining industry carted off to Russia in Soviet controlled territory.
 - Massive population movements- 12 million Germans
 - Returning refugees



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- New Institutions and Policies
 - Bretton Woods Conference
 - IMF
 - Dollar set \$35 ounce of Gold. U.S. to help reflation in Europe.
 - IMF to help Europeans stabilize currencies.
 - World Bank- IBRD
 - Reconstruction loans
 - U.S. Marshall Plan
 - Followed destructive Morgenthau plan, realized advantage of Clay's policies and Soviet threat.
 - some \$13 billion in assistance (1950 billions) chiefly to England, Germany, France.



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- Initiation of NATO with Brussels Pact in 1948 then NATO in 1949. Response to Berlin blockade and Czech Coup.
- WEU in 1954 brought Italy and Germany into WEU.
- In addition, Monnet plan for management of Ruhr and limitation of German re-industrialization was considered.
- German de-industrialization was rejected by British because they couldn't afford German dependency
 - Rejected by the U.S. Marshall plan strategy



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- Monnet Plan
- May 9, 1950,
 - French Foreign Minister Robert Schuman announced a plan, conceived by French businessman-turned-advisor, Jean Monnet.
 - To control the forces of war, Monnet proposed pooling European coal and steel production under a common authority. The Schuman Declaration was regarded as the first step towards achieving a united Europe - an ideal that in the past had been pursued only by force.
 - Belgium, the Federal Republic of Germany, Italy, Luxembourg and the Netherlands accepted the French proposal, and signed the European Coal and Steel Community (ECSC) Treaty in Paris on April 18, 1951. The Six set up the ECSC High Authority, to which member governments transferred portions of their sovereign powers. The ECSC was so successful that coal and steel trade between the Six increased by 129 percent in the first five years.



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- Considerations of the times
- Security
 - 1. Contain Germany
 - debate on how to do this
 - De-industrialize
 - co-manage resources.
 - 2. Contain emergent Soviet threat.
 - Population transfers, removal of industrial capacity, manipulation of East German elections, Czech putsch, etc...
 - 3. Divergent U.S. and French goals
 - U.S. needed German partner against Soviets
 - French initially sought de-industrialization
 - 4. European economic recovery
 - stability, and reduce costs/needs of U.S. occupation
 - Electoral success against communists.
- Monnet Plan- perhaps a second order solution for France, but achievable.
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Realism and Europe- Realisms' Assumptions

- Realism
 - Human nature nasty, brutish short.
 - Rationality
 - Unitary Actor- nationalism motivates and define polity
 - Security Dominant issue
 - Power-seeking
- Structural Realism
 - International System constrains choices.
 - Defensive realists- Balancing, or bandwagoning, alliances possible
 - Offensive Realists- hegemonic efforts, alliances temporary, tenuous.
 - Hierarchy and hegemonic stability.



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Realism and Europe- Billiard Balls

Baltics

Poland

France

UK

GDR

USSR

Benelux

Czech

FDR

Hung

Alb

Bulg

USA

Italy

Greece

etc...

Yugo



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Realism and Europe- Realism

- Realism
 - Each Actor views the world and relations, choices through conditions of the system.
 - Defensive realism argues security pursuit more important than power.
- Realism and institutions
 - Argue that institutions arise to facilitate preferences of dominant states or to balance powers.
 - Institutions exist at pleasure of powerful states
- 2 levels of issues, Security and Society
 - Hoffman and Moravscik etc...
 - Security issues will never be Intra-governmental
 - Economic issues may be as a trade-off to bring in smaller states.



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Realism and Europe- Inter-governmentalism

- Realism's adjunct to integration theory
 - Organizations will not supplant states.
 - Organizations exist at pleasure of states
 - When Organizations threaten states interests or control states will undermine them.
 - States will not cede sovereignty on core issues of security.
 - notion of core issues seems to change.
 - Realism's political economy theorem is mercantilism/ neo-mercantilism.
- It is difficult to measure influence of organization even in intergovernmental structures.



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Federalism

- In disagreement with Functionalism's early proponents, Federalists: Spinelli; Friedrich etc.
 - Envisioned a European polity organized in a supranational hierarchy:
 - A stronger central government with overlapping competency and authority with lower levels of government.
 - A hierarchical structure.
 - Why?
 - An effort to contain dangers of faction. Caused by nationalism and interest groups.
 - Move the locus of government, the locus of power to an entity above the state.
 - They didn't trust national politics or the politics of smaller entities.
 - Believed in efficiencies



Initiating the European Communities

Federalism

- Why?
 - An effort to contain dangers of faction. Madisonian dilemma.
 - Caused by nationalism and interest groups.
 - Move the locus of government, the locus of power to an entity above the state.
 - They didn't trust national politics or the politics of smaller entities.
 - Believed in efficiencies achievable through upward movement of policy competencies.
- Balance between horizontal and vertical governance structures.
 - Overlapping competencies allows for democratic oversight and participation.
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Federalism

- Requires a binding Constitutional order.
 - consent of the governed
 - diplomatic evolution gives too much sway to Power politics.
- Sought as a solution to nationalist competition and violence of Europe.
 - pit levels of government against each other, and factional groups (avoids nationalist corporatism.)
 - more levels of access and broader interests spanned and integrated prevents control by sectarian groups.
- Criticism from Functionalists, and Marxists
 - Functionalists dislike the creation of a “Superstate”. The dangers of nationalism are essentially scaled up.
 - Marxists disliked the project because it seemed to possess a distinctly capitalist character.



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Functionalism

- Mitrany- A Working Peace System
- A part of liberal and idealist traditions...
 - States are not rational or natural level of public administration.
 - Nationalism, and states per se, lead to conflict
 - A system based on states, with the delivery of services and identity centered at the national level, leads to inefficiency and competition.
- Economic areas and activities are not circumscribed by political areas.



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Functionalism

- The international system, based on states had become self-rationalizing, self-serving.
 - Artificial distinction between national and international stumps progress.
 - public administration efficiencies turned to self-preservation or expansion of the state.
- The problem of “German Aggression” is a symptom of this.
- French insistence on reparations.



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Functionalism

- Recommendations/ envisioning future...
- Re-organize public administration rationally, naturally and not centered around the state.
 - A system of international, or territorially diverse, poly-centric overlapping organizations.
 - States are not the natural or rational locus of authority and services delivery.
 - The appropriate level of authority, and most efficient/effective level of service delivery should be allowed to evolve (natural selection narrative.)
- Organization of services, authority, should be organized by the function the organization serves.
 - Technology (social and material) changes
 - Appropriate functional organization may change to match.



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Functionalism

- Functionalists like Mitrany and Monnet recognized the privileged position of states.
 - supported change to create functional organizations to supplant state in specific competencies.
- Recommendations
 - Create organizations that tackle trans-border issues.
 - Organizations with strong technocratic/rational leadership role.
 - As competency of organization expands, more authority ceded from the nation states.
 - Organization need to be flexible to take on new competencies, or re-organize at more efficient level.
 - Create a “Cob-web of diverse and overlapping institutions of governance”



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Functionalism

- Recommendations
 - Organizations will check and balance each other.
 - Organizations that serve as meeting places and coordination centers will foster new conceptions of problems as relevant to the unit of competency- not national identity.
 - Technocrats will have competency-based identity. National actors in the functional organization arena will acquire cooperative norms.
- Dismissive of Regionalism, and Federalist strategies
 - Regionalism seemed an arbitrary limit of functional institutions.
 - Federalism was feared to replicate dangers of the state on a larger scale.



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Functionalism

- Criticisms
 - Overly technocratic. Loose democratic input and oversight.
 - Who is better equipped to ID societies needs?
 - Overly idealistic/optimistic about rational capacity of individuals and societies.
 - Idealized separation of Public Policy and Politics is bogus.
 - Not successful in predication-
 - but more prescriptive than predictive.
 - Targeted for lack of scientific rigour. But it is eclectic in conception.



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Neo-Functionalism

- Another Liberal, neo-liberal theory. Unit of analysis is two-level or sub-national- Driven by rational self-interested actors.
- Actors of importance for integration are at the substate level:
 - Technocrats, innovative capitalists rising not rentier, labour and civil society groups.
- Separates Government Policy into ‘Low Politics’ and ‘High Politics’
 - Integration is to be initiated in areas of ‘Low Politics’ but important economic sectors.
- Increased management issues and increased technical capability will drive identification of new areas for shared management.
 - Integration in technical and economic areas will require political decisions-- and political integration.
 - This is spillover.



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Neo-Functionalism

- Process was conceived in several stages
 1. Low politics first
 2. Create an organization with a non-national authority to oversee integration and co-management of policy.
 3. Integration of important sectors will cause pressures for increased integration in cognate sectors
 1. Eventually also in political structures.
 4. Increased competence and breadth of institution will re-orient pluralist competition.
 1. Actors will see institution as best venue for policy and drop nationalist conceptions.
 5. Increased economic activity will increase pressures for regulation and institutional coordination- increased spillover.
 6. The spillover into political integration will lead to supranational integration, economic entanglement and peace in Europe.



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Neo-Functionalism

- Focused on processes of integration more than simply actors or end-states.
 - Processes were the mediation of pluralist actors competing and compelling policy changes.
 - As competence and domain of the regional body increased- due to spillover, or inter-governmental agreement, actors turn to institution as arena of pressing claims.
 - Attitudinal change in pluralist actors, challenges the dominance of the state as the appropriate center of governance, reinforcing the trend towards supranational integration.

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Neo-Functionalism

- Conditions for Integration.
 - Already trade and some interdependence.
 - High politics environment settled, or pushing interdependence.
 - Creation of regional institutions to handle 'low politics' policy.
 - Once the institution is established:
 - horizontal spill over into cognate policy realms
 - deepening of integration in initial areas
 - balanced pluralities
 - Initial tolerance of Elites to integration project.
- Attitudinal changes (transfer of idea of salient unit for policy from national to regional government.)



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Neo-Functionalism

- Criticisms and adaptations.
 - Automaticity of ‘spillover’ process not reflective of reality
 - Only explains one case.
 - Undermined by determined national actors hostile to integration.
 - possibilities of spillback, retrenchment, other forms of intergovernmental reassertion.
 - Fails to account for intention of actors.
 - Much of integration experience until 1986 could be explained by liberal intergovernmentalism, or neo-liberal institutionalism.
- Adaptations required accepting accidental, or exogenous conditions.
 - International systemic changes, security or economic challenges.
 - Internal actor dynamics, institutional competition, many actors and access points for policy.



Initiating the European Communities-Theories

Liberal Inter-Governmentalism:

- Reassertion of the national states' prerogatives.
 - but with recognition of multi-level sources of preferences.
- Drawn from realist tradition but with large dose of neo-liberal institutionalism introduced.
 - Putnam's two-level framework is an example of preference origination, and national constraints to international agreements.
- Breaks from realist traditions (like Grieco) in that it cracks open the shell of the state.
- But, it retains a predominant role for inter-governmental bargaining in the midst of other institutions.
 - the treaties of the European Union are treaties after all.
 - Even now with withdrawal mechanism.



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Liberal Inter-Governmentalism

- Assumptions of Liberal intergovernmentalism
 - The national governments and the prerogatives are dominant
 - Sub-national actors provide input into demands for policy, shape national interest
 - EU serves as an arena for intergovernmental bargaining pluralism.
 - Entry into the arena is voluntary as is participation and bargaining is non-coercive.
 - Major decisions are made unanimously, not in QMV.
 - Bargaining environment is information rich, that institutional actors don't have advantaged positions.



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Liberal Inter-Governmentalism

- Modifies Intergovernmentalism's Rejection of Institutions as players
 - Institutions are still arenas but they reduce transaction costs, foster issue-linkage (logrolling);
 - Nations pool sovereignty in institutions to constrain actions of their partners;
 - gain legitimacy and independence for policy vis-e-vis domestic actors.
- Outcomes are reflective of power relationships between states.
 - power mediated by salience of particular issues for each state.
 - threat of withdrawal by important states;
 - threat of abandonment by partners;
 - linkages to effect side-payments and bargains.



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Liberal Inter-Governmentalism

- Other breaks from Realism;
 - Liberalism's pluralist model of national interest formation.
 - domestic sectors establish preferences;
 - relative strength of domestic sectors dictate salience of issues and scope for negotiations. (Putnam.)
- Rejects strong role for institutional actors, or institutional constraints anticipated by neo-liberal institutionalists and other liberal theories.
 - Limited or no policy entrepreneurship by institution;
 - no information advantage for institutional actors;
 - no development of shared self-interest;
 - connection between society and institution is mediated by the state.



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Liberal Inter-Governmentalism

- Critiques;
 - Neglects power of institutions
 - information advantages
 - diffuse reciprocity of partners
 - Neglects direct connections between social actors or sectors and institutions, and actors in other states.
 - Neglects the role of supragovernmental branches- commission, parliament, ECJ.
 - Neglects bargaining between institutional actors.
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Liberal Inter-Governmentalism

Ag Serv
Deutschland
Indus.

Nederl.

Belgie/Belgiqur

E.U.

FRANCE

ENGLA



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Institutionalisms and Governance models of Policy Process

- Multi-level, multi-actor models of preference formation and venue shopping.
- That there can be a “Governance” approach to integration implies agency and independence in the institutions;
- There is an overlapping, interacting,