## Theories of European Integration

For many years, the academic study of the European Communities (EC), as they were then called, was virtually synonymous with the study of European *integration*. The initially modest and largely technocratic achievements of the EC seemed less significant than the potential that they represented for the gradual integration of the countries of western Europe into something else: a supranational polity. When the integration process was going well, as during the 1950s and early 1960s, neo-functionalists and other theorists sought to explain the process whereby European integration proceeded from modest sectoral beginnings to something broader and more ambitious. When things seemed to be going badly, as from the 1960s until the early 1980s, intergovernmentalists and others sought to explain why the integration process had not proceeded as smoothly as its founders had hoped. Regardless of the differences among these bodies of theory, we can say clearly that the early literature on the EC sought to explain the process of European *integration (*rather than, say, policy-making), and that in doing so it drew largely (but not exclusively) on theories of international relations.

In the first edition of this volume, Carole Webb (1977) surveyed the debate among the then dominant schools of European integration, neo-functionalism, and intergovernmentalism, drawing from each approach a set of implications and hypotheses about the nature of the EC policy process. Similarly, here we review neo-functionalism and its views about the EU policy process, and then the intergovernmentalist response, as well as the updating of ‘liberal intergovernmentalism’ by Andrew Moravcsik in the 1990s.

In addition, we examine more recent bodies of integration theory-institutionalism and constructivism-which offer very different views of the integration process and very different implications for EU policy-making.

## Neo-functionalism

In 1958, on the eve of the establishment of the EEC and Euratom, Ernst Haas published his seminal work, *The Uniting of Europe*, setting out a ‘neo-functionalist’ theory of regional integration. As elaborated in subsequent texts by Haas and other scholars (e. g. Haas 1961; Lindberg 1963; Lindberg and Scheingold 1970), neo-functionalism posited a process of ‘functional spill-over’, in which the initial decision by governments to place a certain sector, such as coal and steel, under the authority of central institutions creates pressures to extend the authority of the institutions into neighbouring areas of policy, such as currency exchange rates, taxation, and wages. Thus, neo-functionalists predicted, sectoral integration would produce the unintended and unforeseen consequence of promoting further integration in additional issue areas. George (1991) identifies a second strand of the spill-over process, which he calls ‘political’ spill-over, in which both supranational actors (such as the Commission) and subnational actors (interest groups or others within the member states) create additional pressures for further integration. At the subnational level, Haas suggested that interest groups operating in an integrated sector would have to interact with the international organization charged with the management of their sector. Over time, these groups would come to appreciate the benefits from integration, and would thereby transfer their demands, expectations, and even their loyalties from national governments to a new centre, thus becoming an important force for further integration.

At the supranational level, moreover, bodies such as the Commission would encourage such a transfer of loyalties, promoting European policies and brokering bargains among the member states so as to ‘upgrade the common interest’. As a result of such sectoral and political spill-over, neo-functionalists predicted, sectoral integration would become self-sustaining, leading to the creation of a new political entity with its centre in Brussels.

The most important contribution of neo-functionalists to the study of EU policy-making was their conceptualization of a ‘Community method’ of policy-making. As Webb pointed out, this ideal-type Community method was based largely on the observation of a few specific sectors (the common agricultural policy (CAP), and the customs union, see Chapters 4 and 15) during the formative years of the Community, and presented a distinct picture of EC policy-making as a process driven by an entrepreneurial Commission and featuring supranational deliberation among member-state representatives in the Council. The Community method in this view was not just a legal set of policy-making institutions but a ‘procedural code’ conditioning the expectations and the behaviour of the participants in the process. The central elements of this original Community method, Webb (1977: 13-14) continued, were four-fold:

1. governments accept the Commission as a valid bargaining partner and expect it to play an active role in building a policy consensus.

2. governments deal with each other with a commitment to problem-solving, and negotiate over how to achieve collective decisions, and not whether these are desirable or not.

3. governments, the Commission, and other participants in the process are responsive to each other, do not make unacceptable demands, and are willing to make short term sacrifices in expectation of longer term gains.

4. Unanimity is the rule, necessitating that negotiations continue until all objections are overcome or losses in one area are compensated for by gains in another.

Issues are not seen as separate but related in a continuous process of decision such that ‘log-rolling’ and ‘side payments’ are possible.

This Community method, Webb suggested, characterized EEC decision-making during the period from 1958 to 1963, as the original six member states met alongside the Commission to put in place the essential elements of the EEC customs union and the CAP. By 1965, however, Charles de Gaulle, the French President, had precipitated the so-called ‘Luxembourg crisis’, insisting on the importance of state sovereignty and arguably violating the implicit procedural code of the Community method. The EEC, which had been scheduled to move to extensive qualified majority voting (QMV) in 1966, continued to take most decisions *de facto* by unanimity, the Commission emerged weakened from its confrontation with de Gaulle, and the nation-state appeared to have reasserted itself. These tendencies were reinforced, moreover, by developments in the 1970s, when economic recession led to the rise of new non-tariff barriers to trade among EC member states and when the intergovernmental aspects of the Community were strengthened by the creation in 1974 of the European Council, a regular summit meeting of EU heads of state and government. In addition, the Committee of Permanent Representatives (Coreper), an intergovernmental body of member-state representatives, emerged as a crucial decision-making body preparing legislation for adoption by the Council of Ministers. Similarly, empirical studies showed the importance of national gatekeeping institutions (H. Wallace 1973). Even some of the major advances of this period, such as the creation of the European monetary system (EMS) in 1978 were taken outside the structure of the EEC Treaty, and with no formal role for the Commission or other supranational EC institutions.

## Intergovernmentalism

Reflecting these developments, a new ‘intergovernmentalist’ school of integration theory emerged, beginning with Stanley Hoffmann’s (1966) claim that the nation-state, far from being obsolete, had proven ‘obstinate’. Most obviously with de Gaulle, but later with the accession of new member states such as the UK, Ireland, and Denmark in 1973, member governments made clear that they would resist the gradual transfer of sovereignty to the Community, and that EC decision-making would reflect the continuing primacy of the nation-state. Under these circumstances, Haas himself (1976) pronounced the ‘obsolescence of regional integration theory’, while other scholars such as Paul Taylor (1983), and William Wallace (1982) argued that neo-functionalists had underestimated the resilience of the nation-state. At the same time, historical scholarship by Alan Milward and others (Milward 2000; Milward and Lynch 1993) supported the view that EU member governments, rather than supranational organizations, played the central role in the historical development of the EU and were strengthened, rather than weakened, as a result of the integration process.

By contrast with neo-functionalists, the intergovernmentalist image suggested that ‘the bargaining and consensus building techniques which have emerged in the Communities are mere refinements of intergovernmental diplomacy’ (Webb 1977: 18).

And indeed, the early editions of *Policy-Making in the European Communities* found significant evidence of intergovernmental bargaining as the dominant mode of policy-making in many (but not all) issue areas.

## Liberal intergovernmentalism

The period from the mid-1960s through the mid-1980s has been characterized as ‘the doldrums era’, both for the integration process and for scholarship on the EU (Keeler 2004; Jupille 2005). While a dedicated core of EU scholars continued to advance the empirical study of the EU during this period, much of this work either eschewed grand theoretical claims about the integration process or accepted with minor modifications the theoretical language of the neo-functionalist/intergovernmentalist debate. With the ‘relaunching’ of the integration process in the mid-1980s, however, scholarship on the EU exploded, and the theoretical debate was revived. While some of this scholarship viewed the relaunching of the integration process as a vindication of earlier neo-functionalist models (Tranholm-Mikkelsen 1991; Zysman and Sandholtz 1989), Andrew Moravcsik (1993*a*, 1998) argued influentially that even these steps forward could be accounted for by a revised intergovernmental model emphasizing the power and preferences of EU member states. In other words, Moravcsik’s ‘liberal intergovernmentalism’ is a three-step model, which combines: (1) a liberal theory of national preference formation with; (2) an intergovernmental model of EU-level bargaining; and (3) a model of institutional choice emphasizing the role of international institutions in providing ‘credible commitments’ for member governments. In the first or liberal stage of the model, national chiefs of government (COGs) aggregate the interests of their domestic constituencies, as well as their own interests, and articulate their respective national preferences toward the EU. Thus, national preferences are complex, reflecting the distinctive economics, parties, and institutions of each member state, but they are determined *domestically*, not shaped by participation in the EU, as some neo-functionalists had proposed.

In the second or intergovernmental stage, national governments bring their preferences to the bargaining table in Brussels, where agreements reflect the relative power of each member state, and where supranational organizations such as the Commission exert little or no influence over policy outcomes. By contrast with neo-functionalists, who emphasized the entrepreneurial and brokering roles of the Commission and the upgrading of the common interest among member states in the Council, Moravcsik and other intergovernmentalists emphasized the hardball bargaining among member states and the importance of bargaining power, package deals, and ‘side payments’ as determinants of intergovernmental bargains on the most important EU decisions.

Third and finally, Moravcsik puts forward a rational choice theory of institutional choice, arguing that EU member states adopt particular EU institutions-pooling sovereignty through QMV, or delegating sovereignty to supranational actors like the Commission and the Court-in order to increase the credibility of their mutual commitments.

In this view, sovereign states seeking to cooperate among themselves invariably face a strong temptation to cheat or ‘defect’ from their agreements. Pooling and delegating sovereignty through international organizations, he argues, allows states to commit themselves credibly to their mutual promises, by monitoring state compliance with international agreements and filling in the blanks of broad international treaties, such as those that have constituted the EC/EU.

In empirical terms, Moravcsik argues that the EU’s historic intergovernmental agreements, such as the 1957 Treaties of Rome and the 1992 Treaty on European Union (TEU), were not driven primarily by supranational entrepreneurs, unintended spillovers from earlier integration, or transnational coalitions of interest groups, but rather by a gradual process of preference convergence among the most powerful member states, which then struck central bargains among themselves, offered side-payments to smaller member states, and delegated strictly limited powers to supranational organizations that remained more or less obedient servants of the member states.

Overarching the three steps of this model is a ‘rationalist framework’ of international cooperation. The relevant actors are assumed to have fixed preferences (for wealth, power, etc), and act systematically to achieve those preferences within the constraints posed by the institutions within which they act. As Moravcsik (1998: 19-20) points out:

The term *framework (*as opposed to *theory* or *model*) is employed here to designate a set of assumptions that permit us to disaggregate a phenomenon we seek to explain-in this case, successive rounds of international negotiations-into elements each of which can be treated separately.

More focused theories-each of course consistent with the assumptions of the overall rationalist framework-are employed to explain each element. The elements are then aggregated to create a multicausal explanation of a large complex outcome such as a major multilateral agreement.

During the 1990s, liberal intergovernmentalism emerged as arguably the leading theory of European integration, yet its basic theoretical assumptions were questioned by international relations scholars coming from two different directions. A first group of scholars, collected under the rubrics of rational choice and historical institutionalism, accepted Moravcsik’s rationalist assumptions, but rejected his spare, institutionfree model of intergovernmental bargaining as an accurate description of the EU policy process. By contrast, a second school of thought, drawing from sociological institutionalism and constructivism, raised more fundamental objections to the methodological individualism of rational choice theory in favour of an approach in which national preferences and identities were shaped, at least in part, by EU norms and rules.

## The ‘new institutionalisms’ in rational choice

The rise of institutionalist analysis of the EU did not develop in isolation, but reflected a gradual and widespread re-introduction of institutions into a large body of theories (such as pluralism, Marxism, and neo-realism), in which institutions had been either absent or considered epiphenomenal, reflections of deeper causal factors or processes such as capitalism or the distribution of power in domestic societies or in the international system. By contrast with these institution-free accounts of politics, which dominated much of political science between the 1950s and the 1970s, three primary ‘institutionalisms’ developed during the course of the 1980s and early 1990s, each with a distinct definition of institutions and a distinct account of how they ‘matter’ in the study of politics (March and Olsen 1984, 1989; Hall and Taylor 1996).

The first arose within the rational-choice approach to the study of politics, as pioneered by students of American politics. Rational choice institutionalism began with the effort by American political scientists to understand the origins and effects of US Congressional institutions on legislative behaviour and policy outcomes. More specifically, rational choice scholars noted that majoritarian models of Congressional decision-making predicted that policy outcomes would be inherently unstable, since a simple majority of policy-makers could always form a coalition to overturn existing legislation, yet substantive scholars of the US Congress found considerable stability in Congressional policies. In this context, Kenneth Shepsle (1979, 1986) argued that Congressional institutions, and in particular the committee system, could produce ‘structure-induced equilibrium’, by ruling some alternatives as permissible or impermissible, and by structuring the voting power and the veto power of various actors in the decision-making process. More recently, Shepsle and others have turned their attention to the problem of ‘equilibrium institutions’, namely, how actors choose or\ design institutions to secure mutual gains, and how those institutions change or persist over time.

Shepsle’s innovation and the subsequent development of the rational choice approach to institutions have produced a number of theoretical offshoots with potential applications to both comparative and international politics. For example, Shepsle and others have examined in some detail the ‘agenda-setting’ power of Congressional committees, which can send draft legislation to the floor that is often easier to adopt than it is to amend. In another offshoot, students of the US Congress have developed ‘principal-agent’ models of Congressional delegation to regulatory bureaucracies and to courts, and they have problematized the conditions under which legislative principals are able-or unable-to control their respective agents (Moe 1984; Kiewiet and McCubbins 1991). More recently, Epstein and O’Halloran (1999), and others (Huber and Shipan 2002) have pioneered a ‘transaction-cost approach’ to the design of political institutions, arguing that legislators deliberately and systematically design political institutions to minimize the transaction costs associated with the making of public policy.

Although originally formulated and applied in the context of American political institutions, rational-choice institutionalist insights ‘travel’ to other domestic and international contexts, and were quickly taken up by students of the EU. Responding to the increasing importance of EU institutional rules, such as the cooperation and co-decision procedures, these authors argued that purely intergovernmental models of EU decision-making underestimated the causal importance of formal EU rules in shaping policy outcomes. In an early application of rational-choice theory to the EU, for example, Fritz Scharpf (1988) argued that the inefficiency and rigidity of the CAP and other EU policies was due not simply to the EU’s intergovernmentalism, but also to specific institutional rules, such as unanimous decision-making and the ‘default condition’ in the event that the member states failed to agree on a common policy. By the mid-1990s, George Tsebelis, Geoffrey Garrett, and many others sought to model the selection-and in particular the functioning-of EU institutions, including the adoption, execution, and adjudication of EU public policies, in terms of rational choice. Many of these studies drew increasingly on relevant literatures from comparative politics, and are therefore reviewed in the second part of this chapter.

By contrast, sociological institutionalism and constructivist approaches in international relations defined institutions much more broadly to include informal norms and conventions as well as informal rules. They argued that such institutions could ‘constitute’ actors, shaping their identities and hence their preferences in ways that rational-choice approaches could not capture (see next section).

Historical institutionalists took up a position between these two camps, focusing on the effects of institutions *over time*, in particular on the ways in which a given set of institutions, once established, can influence or constrain the behaviour of the actors who established them. In its initial formulations (Hall 1986; Thelen and Steinmo 1992), historical institutionalism was seen as having dual effects, influencing both the constraints on individual actors *and* their preferences, thereby making the theory a ‘big tent’, encompassing the core insights of the rationalist and constructivist camps.

What makes historical institutionalism distinctive, however, is its emphasis on the effects of institutions on politics *over time*. In perhaps the most sophisticated presentation of this thinking, Paul Pierson (2000) has argued that political institutions are characterized by what economists call ‘increasing returns’, insofar as they create incentives for actors to stick with and not abandon existing institutions, adapting them only incrementally in response to changing circumstances. Thus, politics should be characterized by certain interrelated phenomena, including: *inertia*, or ‘lock-ins’, whereby existing institutions may remain in equilibrium for extended periods despite considerable political change; a critical role for *timing and sequencing*, in which relatively small and contingent events at critical junctures early in a sequence shape events that occur later; and *path-dependence*, in which early decisions provide incentives for actors to perpetuate institutional and policy choices inherited from the past, even when the resulting outcomes are manifestly inefficient.

Understood in this light, historical institutionalist analyses typically begin with rationalist assumptions about actor preferences, and proceed to examine how institutions can shape the behaviour of rational actors over time through institutional lock-ins and processes of path dependence. In recent years, these insights have been applied increasingly to the development of the EU, with various authors emphasizing the temporal dimension of European integration (Armstrong and Bulmer 1998).

## Pierson’s (1996b) study of path-dependence in the EU, for example, seeks to understand

European integration as a process that unfolds over time, and the conditions under which path-dependent processes are most likely to occur. Working from essentially rationalist assumptions, Pierson argues that, despite the initial primacy of member governments in the design of EU institutions and policies, ‘gaps’ may occur in the ability of member governments to control the subsequent development of institutions and policies, for four reasons. First, member governments in democratic societies may, because of electoral concerns, apply a high ‘discount rate’ to the future, agreeing to EU policies that lead to a long-term loss of national control in return for short-term electoral returns. Secondly, even when governments do not heavily discount the future, unintended consequences of institutional choices can create additional gaps, which member governments may or may not be able to close through subsequent action. Thirdly, the preferences of member governments are likely to change over time, most obviously because of electoral turnover, leaving new governments with new preferences to inherit an *acquis communautaire* negotiated by, and according to the preferences of, a previous government. Given the frequent requirement of unanimous voting (or the high hurdle of QMV) to overturn past institutional and policy choices, individual member governments are likely to find themselves ‘immobilized by the weight of past initiatives’ (Pierson 1996*b*: 137). Finally, EU institutions and policies can become locked-in not only as a result of change-resistant institutions from above, but also through the incremental growth of entrenched support for existing institutions *from below*, as societal actors adapt to and develop a vested interest in the continuation of specific EU policies. In the area of social policy, for example, the European Court of Justice (ECJ) has developed jurisprudence on issues such as gender equity and workplace health and safety that certainly exceeded the initial expectations of the member states; yet these decisions have proven difficult to roll back, both because of the need for unanimous agreement to overturn ECJ decisions and because domestic constituencies have developed a vested interest in their continued application.

At their best, historical institutionalist analyses offer not only the banal observation that institutions are ‘sticky’, but also a tool kit for predicting and explaining *under* *what conditions* we should expect institutional lock-ins and path-dependent behaviour.

More specifically, we should expect that, *ceteris paribus*, institutions and policies will be most resistant to change: where their alteration requires a unanimous agreement among member states, or the consent of supranational actors like the Commission or the Parliament; and where existing EU policies mobilize cross-national bases of support that raise the cost of reversing or significantly revising them. Both factors vary across issue areas, and we should therefore expect variation in the stability and path-dependent character of EU institutions and policies. To take one example, the EU structural funds might at first glance seem to be an ideal candidate for path-dependent behaviour, much like the CAP. By contrast with the CAP, however, the structural funds must be reauthorized at periodic intervals by a unanimous agreement among the member states, giving recalcitrant states periodic opportunities to veto their continuation.

Furthermore, because the structural funds are explicitly framed as redistributive transferring money from rich states and regions to poor ones, we see an uneven pattern of reliance upon and support for the structural funds among member states and their citizens. The practical upshot of these differences is that EU governments have been able to reform the structural funds more readily, and with less incidence of path-dependence, than we find in the CAP, which has indeed resisted all but the most incremental change (see Chapters 7 and 9).

In sum, for both rational-choice and historical institutionalists, EU institutions ‘matter’, shaping both the policy process and policy outcomes in predictable ways, and indeed shaping the long-term process of European integration. In both cases, however, the effects of EU institutions are assumed to influence only the incentives confronting the various public and private actors-the actors themselves are assumed to remain unchanged in their fundamental preferences and identities. Indeed, despite their differences on substantive issues, liberal intergovernmentalism, rational-choice institutionalism, and most historical institutionalism arguably constitute a shared rationalist research agenda-a community of scholars operating from similar basic assumptions and seeking to test hypotheses about the most important determinants of European integration.

## Constructivism, and reshaping European identities and preferences

Constructivist theory did not begin with the study of the EU-indeed, as Thomas Risse (2004) points out in an excellent survey, constructivism came to EU studies relatively late, with the publication of a special issue of the *Journal of European Public Policy* on the ‘Social Construction of Europe’ in 1999. Yet since then constructivist theorists have been quick to apply their theoretical tools to the EU, promising to shed light on its potentially profound effects on the peoples and governments of Europe. Constructivism is a notoriously difficult theory to describe succinctly. Indeed, like rational choice, constructivism is not a substantive theory of European integration at all, but a broader ‘meta-theoretical’ orientation with implications for the study of the EU. As Risse (2004: 161) explains:

[i] t is probably most useful to describe constructivism as based on a social ontology which insists that human agents do not exist independently from their social environment and its collectively shared systems of meanings (‘culture’ in a broad sense). This is in contrast to the methodological individualism of rational choice according to which ‘ [t] he elementary unit of social life is the individual human action’. The fundamental insight of the agency-structure debate, which lies at the heart of many social constructivist works, is not only that structures and agents are mutually co-determined. The crucial point is that constructivists insist on the *constitutiveness* of (social) structures and agents. The social environment in which we find ourselves, ‘constitutes’ who we are, our identities as social beings. (references removed) For constructivists, institutions are understood broadly to include not only formal rules but also informal norms, and these rules and norms are expected to ‘constitute’ actors, i. e. to shape their identities and their preferences. Actor preferences, therefore, are not exogenously given and fixed, as in rationalist models, but *endogenous* to institutions, and individuals’ identities shaped and re-shaped by their social environment. Taking this argument to its logical conclusion, constructivists generally reject the rationalist conception of actors as utility-maximizers operating according to a ‘logic of consequentiality’, in favour of March and Olsen’s (1989: 160-2) conception of a ‘logic of appropriateness’. In this view, actors confronting a given situation do not consult a fixed set of preferences and calculate their actions in order to maximize their expected utility, but look to socially constructed roles and institutional rules and ask what sort of behaviour is appropriate in that situation. Constructivism, therefore, offers a fundamentally different view of human agency from rational-choice approaches, and it suggests that institutions influence individual identities, preferences, and behaviour in more profound ways than those hypothesized by rational-choice theorists.

A growing number of scholars has argued that EU institutions shape not only the behaviour, but also the preferences and identities of individuals and member governments (Sandholtz 1993; Jшrgensen 1997; Lewis 1998). This argument has been put most forcefully by Thomas Christiansen, Knud Erik Jшrgensen, and Antje Wiener in their introduction to the special issue of the *Journal of European Public Policy (*1999: 529):

A significant amount of evidence suggests that, as a process, European integration has a transformative impact on the European state system and its constituent units. European integration itself has changed over the years, and it is reasonable to assume that in the process agents’ identity and subsequently their interests have equally changed. While this aspect of change can be theorized within constructivist perspectives, it will remain largely invisible in approaches that neglect processes of identity formation and/or assume interests to be given endogenously.

In other words, the authors begin with the claim that the EU is indeed reshaping national identities and preferences, and reject rationalist approaches for their inability to predict and explain these phenomena. Not surprisingly, constructivist accounts of the EU have been forcefully rebutted by rationalist theorists (Moravcsik 1999; Checkel and Moravcsik 2001).

According to Moravcsik (1999: 670) constructivist theorists raise an interesting and important set of questions about the effects of European integration on individuals and states. Yet, he argues, constructivists have failed to make a significant contribution to our empirical understanding of European integration, for two reasons. First, constructivists typically fail to construct ‘distinct falsifiable hypotheses’, opting instead for broad interpretive frameworks that can make sense of almost any possible outcome, and are therefore not subject to falsification through empirical analysis. Secondly, even if constructivists *do* posit hypotheses that are in principle falsifiable, they generally do not formulate and test those hypotheses so as to distinguish clearly between constructivist predictions and their rationalist counterparts. Until constructivists test their hypotheses, and do so against prevailing and distinct rationalist models, he argues, constructivism will not come down ‘from the clouds’ (Checkel and Moravcsik 2001).

Constructivists might respond that Moravcsik privileges rational-choice explanations and sets a higher standard for constructivist hypotheses (since rational-choice scholars typically do not attempt to test their own hypotheses against competing constructivist formulations). Many ‘post-positivist’ scholars, moreover, dispute Moravcsik’s image of EU studies as ‘science’, with its attendant claims of objectivity and of an objective, knowable world. For such scholars, Moravcsik’s call for falsifiable hypothesis-testing appears as a power-laden demand that ‘non-conformist’ theories play according to the rules of a rationalist, and primarily American, social science (Jшrgensen 1997: 6-7). To the extent that constructivists do indeed reject positivism and the systematic testing of competing hypotheses, the rationalist/constructivist debate would seem to have reached a ‘metatheoretical’ impasse-that is to say, constructivists and rationalists fail to agree on a common standard for judging what constitutes support for one or another approach.

In recent years, however, an increasing number of constructivist theorists have embraced positivism-the notion that constructivist hypotheses can, and should, be tested and validated or falsified empirically-and these scholars have produced a spate of constructivist work that attempts rigorously to test hypotheses about socialization, norm-diffusion, and collective preference formation in the EU (Wendt 1999; Checkel 2003; Risse 2004: 160). Some of these studies, including Liesbet Hooghe’s (2002, 2005) extensive analysis of the attitudes of Commission officials, and several studies of national officials participating in EU committees (Beyers and Dierickx 1998; Egeberg 1999), use quantitative methods to test hypotheses about the nature and determinants of officials’ attitudes, including socialization in national as well as European institutions. Such studies, undertaken with methodological rigour and with a frank reporting of findings, seem to demonstrate that that EU-level socialization, although not excluded, plays a relatively small role by comparison with national-level socialization, or that EU socialization interacts with other factors in complex ways.

Other studies, including Checkel’s (1999, 2003) study of citizenship norms in the EU and the Council of Europe, and Lewis’s (1998, 2003) analysis of decision-making in the EU’s Coreper, utilize qualitative rather than quantitative methods, but are similarly designed to test falsifiable hypotheses about whether, and under what conditions, EU officials are socialized into new norms, preferences, and identities.

As a result, the metatheoretical gulf separating rationalists and constructivists appears to have narrowed considerably, and EU scholars have arguably led the way in confronting and-possibly-reconciling the two theoretical approaches. Three scholars (Jupille, Caporaso, and Checkel 2003) have recently put forward a framework for promoting integration of-or at least a fruitful dialogue between-rationalist and constructivist approaches to international relations. Rationalism and constructivism, the authors argue, are not hopelessly incommensurate, but can engage each other through ‘four distinct modes of theoretical conversation’, namely:

competitive testing, in which competing theories are pitted against each other in explaining a single event or class of events;

a ‘domain of application’ approach, in which each theory is considered to explain some sub-set of empirical reality, so that, for example, utility-maximizing and strategic bargaining obtain in certain circumstances, while socialization and collective preference formation obtain in others;

a ‘sequencing’ approach, in which one theory may help explain a particular step in a sequence of actions (e. g. a constructivist explanation of national preferences) while another theory might best explain subsequent developments (e. g. a rationalist explanation of subsequent bargaining among the actors); and

‘incorporation’ or ‘subsumption’, in which one theory claims to subsume the other so that, for example, rational choice becomes a sub-set of human behaviour ultimately explicable in terms of the social construction of modern rationality.

Looking at the substantive empirical work in their special issue, Jupille, Caporaso and Checkel (2003) find that most contributions to the rationalist/constructivist debate utilize competitive testing, while only a few (see, for example, Schimmelfennig 2003*a*) have adopted domain of application, sequencing, or subsumption approaches.

Nevertheless, they see substantial progress in the debate, in which both sides generally accept a common standard of empirical testing as the criterion for useful theorizing about EU politics.

## Integration theory today

European integration theory is far more complex than it was in 1977 when the first edition of this volume was published. In place of the traditional neo-functionalist/ intergovernmentalist debate, the 1990s witnessed the emergence of a new dichotomy in EU studies, pitting rationalist scholars against constructivists. During the late 1990s, it appeared that this debate might well turn into a metatheoretical dialogue of the deaf, with rationalists dismissing constructivists as ‘soft’, and constructivists denouncing rationalists for their obsessive commitment to parsimony and formal models. The past several years, however, have witnessed the emergence of a more productive dialogue between the two approaches, and a steady stream of empirical studies allowing us to adjudicate between the competing claims of the two approaches.

Furthermore, whereas the neo-functionalist/intergovernmentalist debate was limited almost exclusively to the study of European integration,3 the contemporary rationalist/ constructivist debate in EU studies mirrors larger debates among those same schools in the broader field of international relations theory. Indeed, not only are EU studies *relevant* to the wider study of international relations, they are in many ways the *vanguard* of international relations theory, insofar as the EU serves as a laboratory for broader processes such as globalization, institutionalization, and socialization.

Despite these substantial measures of progress, however, the literature on European integration has not produced any consensus on the likely future direction of the integration process. At the risk of overgeneralizing, more optimistic theorists tend to be drawn from the ranks of neo-functionalists and constructivists, who point to the potential for further integration, the former through functional and political spillovers, and the latter through gradual changes in both йlite and mass identities and preferences as a result of prolonged and productive cooperation. In empirical terms, these analysts frequently point to the rapid development of new institutions and policies in the second and third pillars, and the increasing use of the so-called ‘open method of coordination’ (OMC) to address issues that had been beyond the scope of EU competence. Rationalist and intergovernmentalist critics, on the other hand, tend to be sceptical regarding claims of both spill-over and socialization, pointing to the poor record of Commission entrepreneurship over the past decade and the sparse evidence for socialization of national officials into European preferences or identities, noting that the Commission has proven to be a poor stimulator of political spill-over in recent years. For these scholars, the EU may well represent an ‘equilibrium polity’, one in which functional pressures for further integration are essentially spent, and in which the current level of institutional and policy integration is unlikely to change substantially for the foreseeable future (Moravcsik 2001: 163).