

**The "Brexit" process understood under neofunctionalist and intergovernmentalist theories of European Integration.**

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## **Abstract /Resumen**

The concepts of contemporary political crisis and European integration cannot be separated from the recent phenomenon of the British intention to leave the framework of the EU. This undertaking was materialized in a referendum.

If the Brexit procedure is a new one and generally understood as a crisis of a system, theories of European integration have long debated issues such as this one. Therefore, we will observe the writings of theorists and politicians such as Ernst Haas, Jean Monnet, Denis de Rougemont, Leon Lindberg or Sergio Pistone commonly known as Federalists, Europeanists or Neofunctionalists and comparatively analyze them with the theories of Moravcsik, Alan Milward, Frances Lynch who are known as Intergovernmentalists. This paper will thus serve as a descriptive study of a revision of literature genre.

We will be able to observe that the "Brexit" phenomenon brings new difficulties but also theoretical and legal problems that have been experienced and debated in the past. If Europeanists will tend to consider the "Brexit" procedure as a mere setback in a trajectory that will nevertheless lead to a federated Europe, the intergovernmentalists will see it as a sovereign decision taken by a state to redesign its position among this European system of power delegation.

After this study, we will be able to observe in what ways is the "Brexit" procedure a new kind of event and how it fits into the history of European integration but also how would several theorists and politicians have debated such events.

## **The "Brexit" process understood under neofunctionalist and intergovernmentalist theories of European Integration.**

The results of the referendum held on the 23<sup>rd</sup> of June 2016 in the United Kingdom on whether this country ought to remain in the European Union (EU) or not, was met with great surprise all over the world as the results pointed to the effective desire of the British people to leave this political and economic union. 51,89% of the British citizens, therefore a majority of the population, gave the British government(s) the popular vote, through democratic procedures, to start the formal procedures for exiting this Union.

Besides the 73 British Members of the European Parliament (MEP's), the United Kingdom and the EU will also lose the British Commissioner as each country of the EU traditionally has one European Commissioner (although these positioning has changed occasionally and will change in the future).

The Article 50 of the Lisbon Treaty (Treaty on the Functioning of the European Union), the necessary and existing legal mechanism for the exit from this Union, is what provides Member States with the legal framework for such an exit, however, article 49, is also important as it provides the framework for a joining or rejoining of a country into the EU's political space:

### ***Article 49***

*Any European State which respects the values referred to in Article 2 and is committed to promoting them may apply to become a member of the Union. The European Parliament and national Parliaments shall be notified of this application. The applicant State shall address its application to the Council, which shall act unanimously after consulting the Commission and after receiving the consent of the European Parliament, which shall act by a majority of its component members. The conditions of eligibility agreed upon by the European Council shall be taken into account.*

*The conditions of admission and the adjustments to the Treaties on which the Union is founded, which such admission entails, shall be the subject of an agreement between the Member States and the applicant State. This agreement shall be submitted for ratification by all the contracting States in accordance with their respective constitutional requirements.*

### ***Article 50***

*1. Any Member State may decide to withdraw from the Union in accordance with its own constitutional requirements.*

*2. A Member State which decides to withdraw shall notify the European Council of its intention. In the light of the guidelines provided by the European Council, the Union shall negotiate and conclude an agreement with that State, setting out the arrangements for its*

*withdrawal, taking account of the framework for its future relationship with the Union. That agreement shall be negotiated in accordance with Article 218(3) of the Treaty on the Functioning of the European Union. It shall be concluded on behalf of the Union by the Council, acting by a qualified majority, after obtaining the consent of the European Parliament.*

*3. The Treaties shall cease to apply to the State in question from the date of entry into force of the withdrawal agreement or, failing that, two years after the notification referred to in paragraph 2, unless the European Council, in agreement with the Member State concerned, unanimously decides to extend this period.*

*4. For the purposes of paragraphs 2 and 3, the member of the European Council or of the Council representing the withdrawing Member State shall not participate in the discussions of the European Council or Council or in decisions concerning it.*

*A qualified majority shall be defined in accordance with Article 238(3)(b) of the Treaty on the Functioning of the European Union.*

*5. If a State which has withdrawn from the Union asks to rejoin, its request shall be subject to the procedure referred to in Article 49.<sup>1</sup>*

Although these articles and treaties come from decades in the evolution of European integration, we will focus our analysis on the schools of European integration and its main authors and how these schools can serve as ways to interpret the Brexit procedure. These main schools are federalism (Monnet, Schuman, Pistone), neofunctionalism (Ernst Haas, Rougemont, Lindberg), intergovernmentalism (Moravcsik, Alan Milward, Frances Lynch) and the more contemporary ones that attempt to unite some positive aspects of these two schools such as rational-choice theories. The authors we will analyze are mostly academic scholars but some works by politicians will also be debated.

As a starting point for the understanding of these schools these paragraphs by Sotirios Petrovas (2008) as relevant:

*“The first ‘grand’ theory of European integration is neo-functionalism, as developed by Ernst Haas. Derived from the more global theory of functionalism, neo-functionalism describes an independent dynamic of concentration of authority based on functions and needs. Evolving independently from the states (which are considered to be obsolete) and triggered by non-state actors in order to create supranational authorities, neo-functionalism is a linear process based on integration in specific and technical fields, which subsequently spreads to other areas (the spill-over effect).*

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<sup>1</sup> This treaty and articles are available at: [Accessed on the 29<sup>th</sup> March, 2017]; URL:< <http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=OJ:C:2016:202:FULL&from=EN>>.

*As a linear process, neo-functionalism was not able to provide explanations for any setbacks. With the crisis in the 1960's and the deceleration of the integration process, another grand theory was thus put forward: intergovernmentalism. Derived from the realist school of international relations, developed by Hoffman then refined by Taylor and Moravcsik, intergovernmentalism places the state at the center of the system. Integration is a zero-sum game: unanimity is the rule for major decisions, and supranational authorities have mere consultative or secondary powers.*

*Following these two grand theories, more specific and scope-limited approaches (re)emerged to provide partial explanations of European integration. These are the 'supranational governance' theory, liberal intergovernmentalism, and neo-institutionalism (with rational-choice, historical and sociological institutionalism sub-variants). [...] Indeed, in the 1950's and early 1960's the behaviorist approach criticized the importance given to institutions and centered the focus on the behavior of actors. Neo-institutionalism marks the return of the attention on institutions in the 1980's. The main assumption is that political behavior is strongly influenced by the institutional setting, its rules and procedures. Institutions thus come to develop interests and policies of their own, as a direct consequence of their environment and often independently from the human factor. Thus, Member States definitely are important actors, but they are certainly not the only ones affecting policy- and decision-making in the European Union. Inter-institutional competition is essential to the EU, and according to the Peterson and Shackleton, inter-institutional cleavages are as important as intergovernmental ones (Petrovas, 2008, pp. 15).*

Although these paragraphs do serve as a basic understanding for the appearance and development of the various schools on European political and economic integration several more detailed analysis are necessary if one wishes to comprehend the philosophies and the events to the fullest extent.

The "Brexit" procedure thus forces scholars of European integration to reinterpret these philosophies in light of a member-state leaving the Union. The attempts at establishing stronger European unity in political and economic patterns possibly date back to the Greek and Roman empires. However, it was only after the continuous belligerence and the two world wars of the XXth century that such ideas became practically possible. The first and successful attempt at this unity was the European Coal and Steel Community (ECSC). Naturally, nationalism became the concept partially responsible for the past hostilities and which needed to be replaced, in this case, by supranationalism.

In Rougemont's words: *"The evil of nationalism does not consist in its loyalty to the traditions of the past or in its vindication of national unity and right of self-determination. What is wrong is the identification of this unity with the ultimate and inclusive unity of*

*culture which is a supernational thing. [...] The ultimate foundation of our culture is not the national state, but the European unity*" (Rougemont, 1966, pp. 422).

The first federalist and neofunctionalist schools of thought, of which Rougemont was part of, were obviously combating such political needs:

*"The glorification of one's own country at the expense of the others, once accepted as the eleventh commandment, has suddenly become an absurdity"* (Rougemont, 1966, pp. 426).

Several concepts, necessary and recurrent to the understanding of political science and law, had to be revised in order to understand how and why such unity of interests could have achieved such a successful political entrepreneurship. Such concepts were, for example, supranationalism, political alliance, sovereignty and government.

One of the most important authors in European integration was Ernst Haas. His most important work was published in 1958 and was titled "The Uniting of Europe; Political, Social and Economic Forces", which is still one of the most important works on European integration. In it, he describes the reasons for the success of the ECSC when compared to former projects which had attempted similar objectives.

The need for political or governmental alliance was then for Haas:

*"(...) the process whereby political actors in several distinct national settings are persuaded to shift their loyalties, expectations and political activities towards a new center whose institutions possess or demand jurisdiction over the pre-existing national states"* (Haas, 1958, pp. 16).

The solution for (central) Europe's problems was then the delegation of traditionally sovereign powers to supranational institutions. This delegation first began by the coal and steel sectors and soon expanded into agriculture, transports, environment and every other possible political area. In Haas' words:

*"If economic integration merely implied the removal of barriers to trade and fails to be accompanied by new centrally made fiscal, labor, welfare and investment measures, the relation to political integration is not established. If, however, the integration of a specific section (e.g. coal and steel) or of economics generally (e.g., the General Common Market)" goes hand in hand with the gradual extension of the scope of central decision-making to take in economic pursuits not initially "federated" the relation to the growth of political community is clear"* (Haas, 1958, pp. 12, 13).

Ernst Haas was the first academic to successfully create a detailed analysis of what this new step in European integration was, what explained it and what its political consequences were. His detailed description is not only a historically important document it also serves as the basis for what is known as neofunctionalism, a variety close to federalism. If federalism ultimately intends to take supranationalism to its full, establishing a central government for all the member

states, neofunctionalism tends to observe these phenomena in a more controlled and economic aspect.

Robert Schuman, who was a known federalist (and a politician, not an academic and therefore more prone to ideological purposes and less to academic criteria), on the other hand, had, in a similar fashion, mentioned these historical words in the Schuman Declaration in the 9<sup>th</sup> of May in 1950:

*“World peace cannot be safeguarded without the making of creative efforts proportionate to the dangers which threaten it.*

*The contribution which an organized and living Europe can bring to civilization is indispensable to the maintenance of peaceful relations. In taking upon herself for more than 20 years the role of champion of a united Europe, France has always had as her essential aim the service of peace. A united Europe was not achieved and we had war. Europe will not be made all at once, or according to a single plan. It will be built through concrete achievements which first create a de facto solidarity. The coming together of the nations of Europe requires the elimination of the age-old opposition of France and Germany. Any action taken must in the first place concern these two countries.*

*With this aim in view, the French Government proposes that action be taken immediately on one limited but decisive point.*

*It proposes that Franco-German production of coal and steel as a whole be placed under a common High Authority, within the framework of an organization open to the participation of the other countries of Europe. The pooling of coal and steel production should immediately provide for the setting up of common foundations for economic development as a first step in the federation of Europe, and will change the destinies of those regions which have long been devoted to the manufacture of munitions of war, of which they have been the most constant victims.*

*The solidarity in production thus established will make it plain that any war between France and Germany becomes not merely unthinkable, but materially impossible. The setting up of this powerful productive unit, open to all countries willing to take part and bound ultimately to provide all the member countries with the basic elements of industrial production on the same terms, will lay a true foundation for their economic unification [...].*

*By pooling basic production and by instituting a new High Authority, whose decisions will bind France, Germany and other member countries, this proposal will lead to the*

*realization of the first concrete foundation of a European federation indispensable to the preservation of peace. [...]*<sup>2</sup>.

The argument of the neofunctionalists (and partially also the federalists) was that an intrinsic Europeanism or, in other words the desire for a politically united Europe, had existed for centuries in Europe, and Europe itself was predestined, almost teleologically, as Kant would say, towards political unity. Supranationalism was then the ultimate material achievement of this endeavor. By creating a supranational institution (the European Commission, originated from the High Authority in the ECSC times) that was delegated with the powers for the designing of common policies, where no nation would be unevenly compensated, a path was opened for the beginning of this process. After the positive initial results of this system a process of “spill-over” would then occur making more common policies fall under this system. The relationship between several states and this supranational institution would then change forever.

Haas therefore stated: *“State preferences are seen as resulting from changing domestic competitions for influence; there is no fixed and knowable national interest. Preferences of political actors are formulated on the basis of the values held; they, in turn, determine an actor’s sense of interest. In short, neofunctionalism carried the assumptions of democratic pluralism over into policy formulations relating to international matters by disaggregating the state into its actor-components”* (Haas, 1958, pp. xiv).

This system, according to neofunctionalists, was not implying or defending the need for a European state, consequently, according to Haas:

*“Political community, as here defined, need not presuppose the emergence of a federal state, though this is one possibility and certainly the aim of many contemporary European statesman and thinkers”* (Haas, 1958, pp. 7). Supranationalism and neofunctionalism are thus clearly separated systems from federalism although both share common ideals of a political unity in Europe. Haas demarcated himself from such beliefs and in analysis of the ECSC, advocating that there was a mix between the state and the supranational.

*“The feature common to most of the jurists who were active in the drafting of ECSC is an admission that supranationality refers to a type of integration in which more power is given to the new central agency than is customary in the case of conventional international organizations, but less than is generally yielded to an emergent federal government”* (Haas, 1958, pp. 34).

The views on these embryonic years of European supranationalism were vast and numerous and encompassed historians, politicians, academics, scientists, economists and civil

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<sup>2</sup> This speech is available at: URL: (Accessed on the 31-05-2016) URL:<[http://europa.eu/about-eu/basic-information/symbols/europe-day/schuman-declaration/index\\_en.htm](http://europa.eu/about-eu/basic-information/symbols/europe-day/schuman-declaration/index_en.htm)>.



society. Ludwig Erhard, as Minister of Economics in Germany under Chancellor Konrad Adenauer stated in 1952 that:

*“The Schuman Plan [plasmated in the Schuman Declaration] has two implications [...] One incorporates the principles of supranational [...] dirigisme under the scope of power of the High Authority. We also and simultaneously find in it the other principle, the preparation for free competition in a common market [...] We in Germany will certainly attempt to send people to the Schuman Plan organization who will stress the spirit of freedom – of the common market – and who will trust more to competition than to planning”* (Haas, 1958, pp. 129). Thus, depending on the person referring to these events at the time, some preferred to highlight the economic patterns of this endeavor, others the desire for political unity and peace, and even others the role of the states as autonomous and single entities in this development.

In Haas' perspective: *“[...] But economics played a very secondary handmaiden to politics in the priority of French governmental aims. Economics provided the attraction to make the political pill palatable to certain groups. Only to the extent that ECSC was to serve the rejuvenation of French industrial society did economic aims occupy an important part. Politically, ECSC was to serve simultaneously the aim of a federate Europe and the national needs of French security against German growth. Franco-German peace - the central aim of Schuman and his friends - was to be achieved by means of a "solidarity of facts," of creative measures to develop industrial resources in common, thus to achieve " a fusion of interests " in a " community of nations," subject to federal authorities which would make any new war physically impossible and spiritually unthinkable [...] Finally, as far as Schuman, at least was concerned, ECSC would provide a step toward the solution of the Saar problem by rendering the question of control over Saar coal and steel irrelevant: submersion in ECSC would give French and Germans equal access at market prices to these commodities, while leaving formally untouched the eventual political future of the area”* (Haas, 1958, pp. 243).

Not only were the opinions on European integration divergent, these same scholars and politicians, some of them still considered today as the founding fathers of European integration, discussed and criticized the views of one another. Haas stated this in 1958 when analyzing Monnet's political role: *“If economics is part of political tactics, it nevertheless also occupies an independent ideological role in Monnet's doctrine. He holds that the technological revolution of our era makes possible for the first time the fulfilment of all welfare demands of all classes of society, as achieved by the United States and about to be achieved by the Soviet Union. Europe has fallen behind because of entrepreneurial stagnation, induced and protected by sealed-off and protected national economies. The competitive common market is the remedy for this condition, destined to give Europe the same industrial*

*initiative and productivity which obtains in the United States, by multiplying the number of consumers. The common market will lead Europe's economic revival, political stability and ultimately – through federation – to a new world position of rivalling that of the super-powers (Haas, 1958, pp. 455).*

Haas posed a deep analysis on the role of Jean Monnet (when analysing Monnet's federalist idealism) by stating:

*“Federation, not a union of states, is the method for achieving unity because of Monnet's conviction that governments and politicians act only when prodded by a superior power. Hence, intergovernmental co-operation is condemned as futile”.* (Haas, 1958, pp. 455).

Taking into account these individualities, Monnet and Schuman, as politicians, therefore analyzed the ECSC as being much more federalist than Haas.

Sergio Pistone was another important and more contemporary federalist and academic that had an identical but also contrasting view of the inner construction and integration process of these institutions. His theorization is curious:

*“If by federation we mean the overcoming of absolute national sovereignty through the creation of a federal state (a state of people and states), i.e. of supranational democratic institutions with direct power over the citizens of the federation and with direct participation by the nation-states in the decision-making process, hence ensuring the preservation of their inviolable autonomy, then it is evident that Schuman's initiative contains a federal perspective. Despite not having led to the establishment of a fully-fledged federation, it achieved the overcoming of simple intergovernmental cooperation and it laid the foundations for the creation of a federal state, since only the brave and dramatic decision of relinquishing exclusive natural sovereignty was capable of preventing a prospect, i.e. the full re-establishment of German sovereignty, that was rightly perceived as full of extremely dangerous implications.”* (Pistone, 2010 pp.23).

However, we must remember that these initial years of European integration, though wanting to achieve a kind of federation, were no more than an embryo of such a process. The ECSC that developed into the European Economic Union (EEC) by the Treaty of Rome (with the addition of more common policies under supranational supervision) in 1957 and later transformed into the European Union in 1991 by the signing of the Treaty of Maastricht, by the creation of co-decision and European citizenship, and the successive enlargements achieved all through the decades, starting with the United Kingdom, Denmark and Ireland in 1973 and having reached a total of 28 member states (as of 2015), achieved a much higher level of federalized powers. However, with new political and economic events unfolding, newer perspectives of these initial times started to appear focusing their perspectives on the role of the state and not on supranational institutions. Leon Lindberg, though following on the works of Haas and neofunctionalism, was the one where a closer analysis of the role of the independent and sovereign states under this

system was to be researched. In his work of 1963 entitled “The political dynamics of European Economic Integration” he thus stated:

*“In Haas’s work, this definition [of political integration] is tied to an ideal-type analysis in which the institutions of the ECSC are compared to those of an ideal federal-type system. This kind of heuristic device is certainly above reproach and did in fact yield extremely valuable results. My own investigations, however, have led me to adopt a more cautious conception of political integration, one limited to the development of devices and processes for arriving at collective decisions by means other than autonomous action by national governments. It seems to me that it is logically and empirically possible that collective decision-making procedures involving a significant amount of political integration can be achieved without moving toward a “political community” as defined by Haas.”* (Lindberg, 1963, pp. 5).

Lindberg wanted to divide his focus between the states and the supranational institutions, whether in legislation or in the materialization of the policies. His view is therefore important as it opened the door for the intergovernmentalist school which we will analyze briefly:

*“We have seen that in principle the States do not lose competences, and conversely that there is hardly an economic matter in which the Community does not have some competence. The institutions act to prohibit, or, more often, to complete, the actions of the States rather than substituting for them. Policy-making in the EEC may resemble a kind of intergovernmental negotiating process, but it is cast in a new framework that transforms its fundamental characteristics”* (Lindberg, 1963, pp. 46).

Lindberg cannot be considered as an intergovernmentalist as, in his view, it was the High Authority/European Commission the one responsible for the most political advancements in those decades: *“Our analysis has shown that although there was a convergence of support for some kind of acceleration, a decision would not have been achieved without the Commission. The inability of the governments to agree on a precise formula forced them to delegate the task of formulation to the Commission. None was willing to accept the possibility of a deadlock.*

*The ensuing negotiations illustrated in a striking manner the mediating and brokerage functions of the Commission. Throughout the two months of preparation and during the marathon sessions of the Council and the various working groups, the Commission continued to play an active role in many ways: campaigning for the adoption of its proposals, representing the Community interest, offering compromises when this seemed necessary, agreeing to modifications in its own recommendations – in effect, sharing the responsibility and the decision-making powers”* (Lindberg, 1963, pp. 202).

Federalism and neofunctionalism were the most important academic schools in the early years of European integration after the second world war. The most relevant author to effectively

establish a breach in these schools of thought was Andrew Moravcsik, a professor at Princeton University, whose most important publication was “The Choice for Europe: Social Purpose and State Power from Messina to Maastricht” first published in 1998. Although several authors such as Alan Milward, Frances Lynch (who we will also analyze) and others had published very important works on this subject and had started to criticize the neofunctionalists and federalists in their academic assumptions, this work by Moravcsik still remains as probably the most important study for the explanation of the (liberal) intergovernmentalist school.

Moravcsik criticizes the methodological, academic and historical claims that are taken for granted by federalists and neofunctionalists. Moravcsik thus claims: “*Neofunctionalism is only as valid as the individual theories that form the links in its chain of argument. And any test of the neofunctionalist framework as a whole against the track record of integration will be at best imprecise and at worst inherently inconclusive – particularly if, as we shall see is the case, the individual elements are underspecified*” (Moravcsik, 2005, pp. 355).

He thus continues: “*With neofunctionalism remaining underspecified, and few alternative frameworks at hand, a rule of thumb emerged in research on the EC: Whenever integration stagnated, scholars criticized neofunctionalism; whenever integration progressed, they rediscovered it*”. (Moravcsik, 2005, pp. 357).

Intergovernmentalism serves not only as an academic system for the understanding of this political and economic union, it can also serve political ideals as a return of the importance of the member-state, or even more precisely, the state. Moravcsik, as an academic and not a politician, therefore, is obliged to deviate himself from any ideological purpose. His criticisms are naturally directed at the founding fathers of the community, who all shared political beliefs than can have an effect on their methodological discourse, but also at Ernst Haas and others, pointing out the flaws in neofunctionalism and even in other intergovernmentalist theorists as Moravcsik developed its own individual system called liberal intergovernmentalism.

*“Their view [intergovernmentalists] rests on the premise that major steps toward regional integration result, as does global economic integration, from a three-step process: (a) national preferences develop in response to exogenous changes in the nature of issue-specific functional interdependence; (b) interstate negotiation proceeds on the basis of relative bargaining power; and (c) delegation to supranational institutions is designed to facilitate credible commitments. Their view does not differ much from neofunctionalism in its broad assumption that states are (often) rational and instrumental, or in its assumption that modern states place a high value on interests linked to the provision of welfare and security for the citizens of an advanced industrial democracy. Yet liberal intergovernmentalism departs in assuming that the primary sources of economic integration are exogenous rather than endogenous, interstate bargaining reflects intentional state action on the basis of relative power rather than*

*supranational entrepreneurship, and, unlike neofunctionalism, provides a clear theoretical starting point for explaining delegation to supranational institutions. This view, worked out in detail in the 1990's, is now often referred to as a "liberal intergovernmentalist" (LI) account"* (Moravcsik, 2005, pp. 358).

In Moravcsik's system, all of the advancements in European integration were done by exogenous economic movements and economic and political advantage by some states. Europeanism or a teleological assumption for a united Europe are therefore inapplicable.

*In Moravcsik's words: My central claim is that the broad lines of European integration since 1955 reflect three factors: patterns of commercial advantage, the relative bargaining power of important governments, and the incentives to enhance the credibility of interstate commitments. Most fundamental of these was commercial interest. European integration resulted from a series of rational choices made by national leaders who consistently pursued economic interests – primarily the commercial interests of powerful economic producers and secondarily the macro-economic preferences of ruling governmental coalitions – that evolved slowly in response to structural incentives in the global economy* (Moravcsik, 1998, pp.3).

World economic interests became ever more fixed in the northern hemisphere; therefore, it was a natural and logical occurrence for states to pursue deeper economic ties among northern nations. In this shift, it was role of the state and its foreign policy the one responsible for a desire to participate in a system of delegation of powers towards supranational institutions. The search for a united Europe, even though an important factor due to the calamities of the second world war, was but a secondary objective in the attempt to explain the successes of the first years of European integration.

*"Haas also overrides evidence that, he acknowledges, demonstrates that the institutional structure of the EEC was less centralized than that of the preceding ECSC – an apparent anomaly for neofunctionalist thinking. Instead of acknowledging the disconfirmation, he redefines "supranational" to include any forward movement toward integration, even where it reduces central authority"* (Moravcsik, 2005, pp. 359).

As we have stated before, the founding fathers of the EEC and the EU and their philosophical assumptions were a natural target for intergovernmentalists. While Moravcsik merely pointed out the inaccuracies in their discourse, Alan Milward, who we will study briefly, actually accused the founding fathers as being detrimental in this process.

*"Monnet himself, far from being a successful political entrepreneur, played a counterproductive role for most of his period. He stuck to the theory – also at the heart of Haas' neofunctionalism – that integration would stem from regulated and technically sophisticated sectors of the economy like energy, nuclear and transport cooperation, rather than from market liberalization. He was thus so hostile to the customs union plan*

*in 1955-56 that he begged Spaak, Beyen, and Konrad Adenauer persistently to kill it. Nor was Monnet to enjoy much success later. Even his best and most sympathetic biographer admits that he had little impact after 1950 – precisely the opposite prediction from that of Haas. It is a mark of the tacit impact of neofunctionalist assumptions about the importance of entrepreneurship that neither the public discourse of the EU, nor scholarly studies of European integration, have taken note of these historical facts” (Moravcsik, 2005, pp. 362).*

Having an acute methodology focused on the role of states, intergovernmentalists, are naturally reluctant to any ideological purpose outside the realm of the state, whether in political representation in European institutions, common policies or any other European or supranational matter. States make supranationalism, therefore, the state is the noumenon to be analyzed. International institutions do not replace the state as it is the state that formed them and legalized them in every way.

*“The EU is thus condemned in perpetuity to be what one scholar terms a “regulatory polity” – a system with instruments of regulation, but little fiscal discretion. It is similarly condemned to delegate back to member states the implementation of its own regulations. Both aspects are critical because the most important issues that remain in the hands of national policy-makers – issues such as welfare provision, health care, pensions, defense, education, and local infrastructural policy – all involve both discretionary taxation and fiscal capacity, as well as complex systems of bureaucratic monitoring and implementation” (Moravcsik, 2005, pp. 368).*

The ECSC, the EEC and the EU are therefore, in a such a conceptual understanding, merely an extension of member states. Moravcsik, does not, however, diminish the importance of neofunctionalism as a veritable theory on European integration, despite pointing out its several flaws:

*“Neofunctionalism may be incorrect about the preeminence of endogenous economic change, political entrepreneurs, unintended consequences, and continuous movement toward centralization in the integration process. Yet at a deeper level it is valid, indeed visionary. In the 1950s Haas correctly perceived that the EU would not become a success by pursuing the federalist strategy of public debate, elections, and other techniques for building popular democratic legitimacy. Nor would it succeed by building up an army and taking strong positions on the military-political issues of the day, as realists have always recommended. Instead, as we now know, it established itself by helping to meet concrete functional challenges within the context of the power that national governments delegated to or pooled in it. In this Haas has been proven correct. Moreover, that strategy has not only been successful but has created more popular legitimacy and geopolitical influence than more direct federalist or realist strategies might have been expected to*

*generate. In an era in which the federalist and realist temptations have resurged, both among scholars and politicians, we would do well, even when we criticize its precise claims, to embrace the modernizing spirit of Ernst Haas's magnum opus" (Moravcsik, 2005, pp. 377).*

However, if one is to analyze the evolution of the EU, one cannot hide one of its most important developments which is the empowering of the European Parliament (EP) from a merely advisory organ to a veritable European institution able to change, through parliamentary method, the legislation taken at the EU level. The EP, after the Lisbon treaty possesses equal powers to those of the Council of the EU, particularly when codecision is discussed, a fact that did not exist before 2009. This aspect is where the thesis of the intergovernmentalists loses its luster. By focusing merely on the member states, internal developments in the institutions of the EU are overlooked. However, intergovernmentalism is nevertheless logical in its propositions so it is in the interests of this paper that intergovernmentalism and its defenders are also brought to trial as some of the developments in the EEC and the EU cannot be fully analyzed if one is to look at the states alone.

*"The contemporary EU is far narrower and weaker a federation than any extant national federation – so weak, indeed, that we might question whether it is a federation at all. The EU plays almost no role – at most a weak sort of international coordination – in most of the issue-areas about which European voters care most, such as taxation, social welfare provision, defense, high foreign policy, policing, education, cultural policy, human rights, and small business policy. European Union institutions are tightly constrained, moreover, by super majoritarian decision rules, a tiny administration, radical openness, stringent provisions for subsidiarity, a distinct professional ethos, and the near-total absence of power to tax and coerce. The EU was designed as, and remains primarily, a limited international institution to coordinate national regulation of trade in goods and services, and the resulting flows of economic factors. Its substantive scope and institutional prerogatives are limited accordingly. The EU constitutional order is not only barely a federal state; it is barely recognizable as a state at all. To term it a "superstate" is absurd" (Moravcsik, 2001, pp. 163, 164).*

Frances Lynch, another important intergovernmentalist, follows most of Moravcsik's thesis claiming that:

*"The problem as Alan Milward noted, was that these participants [for example, in the European Commission] had little power or direct influence over their governments. With the exception of the Italian representative, the other governments appointed as their representatives 'senior civil servants who were already closely involved in the formulation of national reconstruction policy, but who remained only the executants and advisers of their ministers'" (Lynch and Guirao, 2011, pp. 69).*

Alan Milward, a British intergovernmentalist historian, which Lynch analyses in detail, has a somewhat different thesis. In his works, European integration actually strengthened the role of the states, rather than diminishing them as neofunctionalists and even intergovernmentalists might state. In his opinion, it was supranationalism that served as a basis for the survival of individual states in the aftermath of world war two. The welfare state, defense policies and economic upbringing were only salvageable if the interests of a majority of states allowed them to form international coalitions. Internationalization and a closer framework between states was what framed European integration. The European Free Trade Association (EFTA) was another example of these phenomena, one that lost its centrality only due to the fact that the UK had joined the EEC and the central European economies that formed the EEC had greater economic growth.

Lynch thus stated, when reviewing Milward's thesis:

*"[...] one of the inherent instabilities of the political economy of the post-war nation was that it had to be internationalized at certain points if it was to survive. All history is movement, and in its rescue the European nation-state was laying the basis of a new international order for the continent. Yet the feasibility of that order was, and continues to be, determined by the evolution of national economic life. [...] Although therefore the European rescue of the nation-state was necessarily an economic one, it is at the point where that economic rescue intersected with the problem of Germany's future in Europe that the common policies of the European Community developed. (Lynch and Guirao, 2011, pp. 87).*

Sovereignty, statehood and supranationalism were in this sense understood symbiotically where one could not survive without the other. Milward's research, as an intergovernmentalist, was mostly focused on the United Kingdom and its process for the entrance on the EEC.

As we have pointed out, the radicalness of the intergovernmentalists' perspectives on European integration and their understanding of the evolution of the powers of the EP as merely possible due to the consent of the member states, made researchers willing to develop theories in which the positive aspects of neofunctionalism could be mixed with intergovernmentalist doctrine.

*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-1990's, George Tsebelis Geoffrey Garrett, and many others sought to model both the choice and the functioning of EU institutions in rational choice terms (Wallace, Pollack and Young, 2010, pp. 22).*



European institutions, and greatly the European Parliament, started to be researched as individual actors each seeking to augment their powers and have their legislative proposals and amendments heard.

*“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 actor 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 hypothesis about the most important determinants of European integration”* (Wallace, Pollack and Young, 2010).

Literature debating these proposals has therefore increased significantly in recent years. Member-states and European institutions are observed singularly in their political behaviour. If one is to understand the Brexit procedure and vote, one must take such approach into consideration.

*At an overall political decision-making level, the attempt to push European policy-making forward by the open method of coordination and voluntary accords may be seen as a “third way” between supranationalism and intergovernmentalism, which is needed when moving into core areas of member states’ policy-making (Jacobsson 2001, 2)<sup>3</sup>. It offers a possibility to overcome the “joint decision trap” (Scharpf 1999)<sup>4</sup>, i.e. that trap encountered by member states which desire a closer cooperation in social issues, but are not willing to embark upon supranational decision-making (Jacobsson 2001, 5; Streeck 1995)<sup>5</sup>. From the viewpoint of democratic legitimation, advantages and disadvantages of the open method of coordination exist, too: Members of the European Parliament view the process with some scepticism since they are not involved in this soft mode of policy-making, and they opt for legislation instead. Yet, at the same time, if the public is strongly involved in debating cross-national performance in the areas chosen for benchmarking and best practices, this could create a European policy space. It could also add political*

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<sup>3</sup> Jacobsson, K. 2001. Employment and Social Policy Coordination. A New System of EU Governance. Paper for the Scancor workshop on ‘Transnational regulation and the transformation of the states.’ Stanford 22-23 June.

<sup>4</sup> Scharpf, F. W. 1999. Governing in Europe: Effective and Democratic? Oxford: Oxford University Press.

<sup>5</sup> Streeck, W. 1995. From Market Making to State Building? Reflections on the Political Economy of European Social Policy. In European Social Policy. Between Fragmentation and Integration, ed. S. Leibfried, and P. Pierson, 389-431. Washington, D.C.: Brookings.

*credibility and legitimacy to national policy-makers, since open coordination would lend itself to avenues that press for accountability from below and help improve “good governance” in Europe (de la Porte et al. 2001, 14-15)<sup>6</sup>. However, it may still be premature to advocate that the future of the European policy-making system ought to become “a confederation of learning networks” (Beresford Taylor 2000, 21), centred around sharing knowledge and experience, and characterized by benchmarking, peer review, and public pressure (Héritier, 2001, pp. 17).*

Having taken into account several schools of thought in European integration, we are finally able to have a clearer perception on the implications of the “Brexit”. Despite the fact that this is still a very contemporary phenomenon, having occurred in June 2016, several readings or interpretations can already be made.

If one is to take a federalist or neofunctionalist approach, then the “Brexit” is merely a setback in an otherwise teleological path towards European federalization. Sooner or later, the United Kingdom, separately or as a whole, will change its political stance and make a new accession request. Since federalists believe in a Europeanist ideal where the peoples and governments of Europe are predestined for a political and economic unity, and since the EEC and the EU were the projects that have achieved the most in this regard, then either the same EU as it exists today or a similar one in the future shall be responsible for the re-entrance of the UK.

On the other hand, according to intergovernmentalists and their focus on the role of (member) state, the “Brexit” is merely a democratic decision by a government to exit this union, due to specific political and economic reasons that had the avail of its citizens which was itself expressed in a referendum. The UK will then pursue its own economic and political path not needing to delegate any power to a supranational entity or be part of any supranational system that it sees as unfit. All of the supranational common policies such as the common agricultural policy, common transports policy, common environmental policy or others shall cease to have an effect on British law (and vice-versa). Also, the European budget, which is a budget separated from individual state’s budgets created by handouts by the states and which accounts for around 1% of the entire GDP of the EU shall also not receive any more contributions by the UK, and automatically, the UK shall not receive any more contributions from the European budget.

The EU itself shall have to be redesigned, particularly in all of its legislative institutions: the European Parliament shall exclude its approximately 78 Members of the European Parliament, the Council of Ministers will lose the British Prime-Minister, in essence, it will now be formed

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<sup>6</sup> De la Porte, C., P. Pochet, and G. Room. 2001. Social Benchmarking, Policy-making and the Instruments of New Governance in the EU. Paper presented at European Community Studies Association Conference, Madison, Wisconsin, May 31 -June 2.

by only 27 members (one for each of its member states) and the European Commission will lose a British Commissioner<sup>7</sup>. The European Council shall also lose its British representative.

Taking into precedent the fact that enlargements in the EU almost always entailed a new treaty of the EU, then the “Brexit” shall also originate a new treaty although such fact is merely speculative.

The analysis of this paper was centred on schools of European integration and its relation with the “Brexit” procedure, in other words, the British intent to abandon the framework of the European Union due to a referendum where a majority of British citizens voted to leave this community. We observed the works of Ernst Haas, Lindberg, Schuman, Monnet (federalists and neofunctionalists) and Moravcsik, Lynch, Alan Lindberg (intergovernmentalists and liberal intergovernmentalists) and how their works help us to understand European integration and particularly the “Brexit”.

The fact that this phenomenon is almost practically unique in the history of European integration and has only happened less than a year before this paper was written brings many questions into the academic world. However, this contribution remains valid and important as it merges the schools of European integration and some of its most important authors and politicians with this extremely recent political event. Future studies can be directed at various other points of interest such as the economic situation of the UK before and after the “Brexit”, the internal dissensus between Scotland, England, Wales and Northern Ireland on post-Brexit negotiations, the reorganization of the EU after “Brexit”, particularly in its legislative institutions, the continuation and adaptation of several common policies of the EU after “Brexit”, among many other subjects. This study is therefore an introduction to a new field of studies on European integration that may focus on the EU, the UK and any other (member) state after the “Brexit”.

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<sup>7</sup> Julian King is possibly the last British Commissioner.

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