

Neofunctionalism: A Success Story?

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Abstract: *Integration is one of the political catchphrases of the late 20th and the beginning of the 21st century. This paper will focus on the theoretical and practical role of neofunctionalism as an integrative theory in the process of European integration. Neofunctionalism will be critically analyzed regarding the margin and possibilities of its practical implementation in the integration process; furthermore, it shall be established how recent economic developments have been affecting the debate on integration at European level. It should be stressed that, due to its practical implementation at EU level, neofunctionalism is not merely a theoretical approach, but a phenomenon whose short term outcomes in real politics can be analyzed evaluating the actual situation of integrative processes. The main objective of this short analysis will be to determine the reciprocal influences of neofunctionalist theory and affiliated institutions within the integration process towards each other.*

Keywords: neofunctionalism, international relations theory, integration, European Union

Basic terms and theories

The term “integration” has been defined by Haas as a process “that pushes political actors of different national background and approaches to refocus their loyalties, expectations and political activities towards a new

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center or rally point whose institutions are supreme to national states”.¹ Nevertheless, the historical context from which the concept of integrative theories did emerge should be taken into consideration. It is quite true that even before the European Integration Process materialized, there existed in international politics distinct concepts aimed at easing international rapprochement through cooperation and common institutions. The most remarkable institution, capable of being defined as an international organization was the League of Nations – an ideal promoted and encouraged by US president Woodrow Wilson. According to von Arnould, the League of Nations was the first attempt to establish a system of collective security within a supra-national body.² Wilson was a famous supporter of the idealist school of international relations (IR), a theory advocating international cooperation in order to prevent the fatal development of conflicts of interest between states into warfare via the integration and entanglement of actors to each other. War as an acceptable action to reach political gains as continuity of politics with other means à la Clausewitz should not become just unattractive and unacceptable, but simply an unprofitable solution, as cooperation between international actors should be rewarding for all parties involved.

This approach has often been criticized as superficial, rather theoretical and unrealistic, as states are supposed to act rationally and with

¹ Thomas Diez, Antje Wiener, *Introducing the Mosaic of Integration Theory*, Oxford, Oxford University Press, 2003, p. 2.

² Andreas von Arnould., *Völkerrecht*, Heidelberg, C. F. Müller, 2016, p. 55.

the aim of increasing their influence without any moral considerations. International relations theorists like Zimmern, who, still under the impression of the aftermath of the Great War, tried to work out solution models for a more peaceful and cooperative world, had been pledging not so much for the seemingly-utopian concept of a world society, but for an international system founded on ethical principles bound by international law and the will of all actors to work together in harmony. Zimmern deeply believed in the supremacy of international law and is also quoted as the most prominent scholar establishing international relations as a distinct research theory.³ While recognizing that power would be the primary source to enforce political interests in world politics, Zimmern still hoped that, with time, a level of certain moral consciousness would arise that would solidify the foundations of a future world society based on the common acceptance of international law between all actors.⁴

After the failure of the League of Nations' efforts to sustain peace and provide international stability, which had become obvious with the Italian invasion of Abyssinia in 1935 and the outbreak of the Sino-Japanese War in 1936, idealistic views of international relations were more and more discredited. The Second World War with its devastating effects that also brought an end to a multi-polar international system naturally contributed to

³ Paul Rich, "Alfred Zimmern's Cautious Idealism: The League of Nations, International Education, and the Commonwealth", in: David Long, Peter Wilson (Eds.), *Thinkers of the Twenty Years' Crisis: Inter-War Idealism Reassessed*, Oxford, Clarendon Press, 1995, p. 81.

⁴ Alfred Zimmern, *Internationale Politik als Wissenschaft*, Berlin/Leipzig, Teubner, 1933, p. 15.

the fact that anything that represented idealist views in international relations was likely to be rejected as hopelessly outdated, mere theoretic and non-achievable in the “real world”. New patterns of thought, reflecting the reality of a bi-polar world divided into ideological camps, emerged with the rise of realism as a theory that seemed to adequately describe the situation of the upcoming Cold War. In a divided world in a state of anarchy, the quest for power and security becomes the focus of attention. Strength and deterrence are defined as the sole tools capable to prevent conflicts, even if the de-facto, or potential, state of war is seen as the natural state of relations between actors and peace is more or less a transitional period. Nevertheless, even during that pessimistic state of mind in the early Cold War, theorists such as Herz rejected models solely based on the principle of might, power and deterrence. Herz demanded a “realist idealism” as a solution for the security dilemma, in which he insisted on the highest possible cooperation level between states as single panacea against the renewed scourge of a global and all destroying war.⁵ Herz’ assumptions are not based on utopian models of harmony but the realistic assumption of achieving the highest possible common level of understanding between the actors. Using this method, he was hoping to present a model to establish a sustainable “balance of power” between the leading contemporary actors in world policy (USA and USSR) that might contribute towards diminishing conflict potential.

⁵ John Herz, “Idealist Internationalism and the Security Dilemma”, in: *World Politics*, vol. 2, no. 2, 1950, p. 179.

The integrative process that is encouraged through neofunctionalism develops its own dynamics that do not only aim towards strengthening international cooperation, but also fostering and promoting stability on the international level. As the first grand scale IR theory, realism somehow seemed to promote the clash of ideologies and enforced polarization during the heydays of the Cold War. Nevertheless, parallel and alternative readings did emerge during the same period and helped developing IR theories on a broader scale. For instance, David Mitrany, one of the masterminds of functionalist theory, cannot be omitted in any study on the subject. In the summer of 1943, when the world was still rocked by World War II raging on the battlefields stretching from the Caucasus to the Pacific Ocean, Mitrany was elaborating the reasons why the League of Nations had failed as an international institution which, in theory, should have prevented armed conflicts. Mitrany concluded that only if governments were bound by clearly defined, internationally-accepted, binding and enforceable legal norms and rules, it would be possible to prevent war being used as a political tool. Furthermore, Mitrany stated that only administrative entities, in other words solid institutions, would be able to function as effective control instances able to enforce those norms.⁶ Within international law, this concept has been developed and institutionalized in form of the United Nations. While the UN is not a panacea against conflicts per-se, its function as an international body within international law and the principle of the prohibition of the use of force as enshrined within article 2 (4) of the UN

⁶ David Mitrany, *A Working Peace System*, Chicago, Quadrangle Books, 1966, p. 55.

Charter should be seen as a distinct milestone in the history of international law and the theory of international relations.⁷

According to Mitrany, centrally-managed functional processes are of significant importance to solving any given problems: he cites President Roosevelt's "New Deal" economic recovery program of the 1930s as a successful model featuring centralized functions and processes. Mitrany rejects federalism as an integrative model citing historical failures, branding federalist approaches as too fragmented and dominated by particular interests that would hinder successful integration. Besides, Mitrany does not only rely on international bodies as means of conflict resolution, but does criticize the concept of borders as enforced by the classical national state. Instead, Mitrany focused on cross-border cooperation that would develop out of common interests, hoping for military conflicts to become obsolete within that system.⁸ Mitrany's central thesis is that every function within that system will be generating another function and creating a dynamic process which is dubbed "functionalism". One of the greatest proponents of functionalism, Jean Monnet, hoped that the forces of divisive nationalism could be checked by the common benefit gained through economic integration.⁹

⁷ Malcolm L. Shaw, *International Law*, Cambridge, Cambridge University Press, 2008, p. 469.

⁸ Michael Haas, *Polity and Society: Philosophical Underpinnings of Social Science Paradigms*, Westport/CT, Praeger, 1992, p. 219.

⁹ Karen A. Mingst, Ivan M. Arreguin-Toft, *Essentials of International Relations*, London & New York, W. W. Norton & Co, 2011, p. 202.

This thesis has been rethought and further developed under different auspices by proponents of the neofunctionalist school, who thought all institutions to be a decisive factor to stimulate more functional processes and proposed putting the focus of research on those models. It should not be forgotten that closer European integration under the auspices of the post-war European Economic Community had been carved out under the shadow of the Cold War reality. As an exclusive community of – at the time – Western European States with a liberal political and economic system founded on the principles of constitutionalism and free market economy, the EEC was a counter-model against the communist states of Eastern Europe, which were dominated by planned economy and single party rule. Nevertheless, besides all political motives, the creation of a functional integration paradigm in theory and reality was an indispensable prerequisite for the emergence of a model to coordinate the cooperation between the communities of states on a supranational level.¹⁰

Neofunctionalism and European integration: a self-explaining process?

Since the beginning of the European integration process, one of the main obstacles was the unresolved role of the nation state as an actor. It might be possible to define the respective roles of member states or European institutions according to their gains from the common system.

¹⁰ Paul Magnette, Calypso Nicolaidis, “The European Union’s Democratic Agenda”, in: Mario Telo (ed.), *The European Union and Global Governance*, London, Routledge, 2009, p. 44.

The question might be whether institutions are in fact acting like individuals; nevertheless we should be aware that institutions – state or supranational – are still made up of human actors with their very own agenda.

As assumed by one of the “fathers” of the liberal economic model, Adam Smith, individuals act out of self-interest and benevolence for themselves, thus creating favourable conditions for society as a whole.¹¹ Smith’s concept, which fits into the neofunctionalist theory only up to a certain point, should not be evaluated as based on mere personal self-interest or even greed. According to Malloy, Smith saw economic self-interest based on fairness, mutual respect and the wish to participate in the development of one’s community in a broader way.¹² The strong state as sole actor within the international system *per se* had been a traditional participant in political actions due to its unchallenged power. Supranational institutions, for their part, are also a construction by the state itself. Within that philosophy, supranational institutions did function only as the respective states “aide de camps” and the actions of states were determined by short-term political interests. We should add that the liberal attitude displayed by Smith regarded authority not so much from the state’s perspective, but within the broader context of community. Authority and utility were given factors that did not require functional explanations of

¹¹Adam Smith, *The Wealth of Nations*, New York, Cosimo Books, 2007, p. 20.

¹²Robin P. Malloy, “Adam Smith and the Modern Discourse of Law and Economics”, in: Robin P. Malloy, Jerry Evensky (eds.), *Adam Smith and the Philosophy of Law and Economics*, Dordrecht, Kluwer Academic Publishers, 1994, p. 116.

bargaining and inclusion.¹³ This does point out that, within IR theories, while functionalism, as well as neofunctionalism, incorporate certain liberal patterns, the definition of liberalist principles is different than in economic theory. Specifically, in IR theories, institutions as states or other examples of authority are treated as active, positive decision-makers. In contrast to the classical definition of liberalism in economics, those actors may actively contribute towards the integration process.

According to the liberal viewpoint of IR theories, the system is not only a structure but a process and all actors within the process develop their policy through learning and interaction.¹⁴ According to functionalism (and neofunctionalism), the state's power should be limited; it may be said that the role of the state is transferred to supranational institutions. A pertinent question would be whether functionalism is just trying to supplant supranational institutions in lieu of the state. Following the liberal thought in economic theory, society as a whole is expected to take the lead; nevertheless, this is unlikely given the directive nature of neofunctionalism. Gramsci's model of "civic society", embracing economic, spiritual and intellectual concepts, best represented through the interaction of lobbying NGOs and EU bureaucracy, does not seem to represent a realistic alternative to the national state. This leads to the conclusion that neofunctionalism *de facto* aims to transfer state powers to the aforesaid

¹³ *Ibidem*, p. 115.

¹⁴ Karen A. Mingst, Ivan M. Arreguin-Toft, *op. cit.*, p. 102.

institutions: one power system is replaced by another with changing actors.¹⁵

It should be specified that states, if defined as actors, seem to profit from a transformation of certain powers to supranational institutions. The level of freedom of action and sovereignty, which the involved states would have to transfer to the institutions in order to profit without giving up their character, has yet to be determined. Furthermore, Delhousse stresses that such a transformation process has to be made acceptable and attractive for national governments.¹⁶ Instead of a slowly developing political bargaining process in which the involved states are engaged, a more practical strategy has to be carved out. Neofunctionalism assumes that economic co-operation between states and non-state actors will automatically create the wish for greater integration. As the state is not expected to be able to foster this process, new institutions, bureaucratic in nature, are expected to steer the economic process of integration. Moreover, it is assumed that these institutions will be fully impartial, not obstructed by inter-state conflicts and clashes of interest.

If we analyze that assumption, we are able to see that neofunctionalism does build its model on clearly liberal postulates without being willing to employ the principle of laissez-fair capitalism. In a paradoxical way, states are classified in the same way as individual actors;

¹⁵ Sabine Saurugger, *Theoretical Approaches to European Integration*, Basingstoke, Palgrave MacMillan, 2014, p. 37.

¹⁶ Reanaud Dehousse, "From Community to Union", in: Reanaud Dehousse (ed.), *Europe after Maastricht. An Ever Closer Union?*, München, C. H. Beck, 1994, p. 14.

both are expected to act according to their best interests. In the same way as Adam Smith who coined the acronym “invisible hand” – allocating resources due to aggregate demand – neofunctionalism does expect actors – both state and non-state – to fulfill the same function. But this process is meant to be fostered by “all-knowing” institutions. In a sharp contrast to liberal economic thought, this is a strange reference to the model of planned economy.

Moreover, neofunctionalism postulates that the need for institutional change will be taken over by spillover processes, yet another adaption from the field of economics. Per definition, spillover effects are also known as “externalities”, usually generated in the distribution of public goods, whereas consumers that are not directly involved into market transactions are profiting from the external effects. Nevertheless, those effects may create positive or negative outcomes.¹⁷ A popular example for spillover effects is the role scientific research and technical improvements create in the production process. Usually with those factors, goods become more diversified, and the production process becomes cheaper, which has a positive impact for consumers. On the other hand, a negative spillover effect might be the loss of jobs due to automation and rationalization. We should mention, though, that economists deem those effects not negative in the long term. Schumpeter calls this process “positive destruction”, as new fields of employment are to be created that are more productive and avant-

¹⁷ Richard George Lipsey, Colin Desmond Harbury, *First Principles of Economics*, Oxford, Oxford University Press, 1992, p. 23.

garde.¹⁸ To cite a contemporary example, the US Federal Reserve's or the European Central Bank's policy of providing liquidity to constrained markets does create spillover effects, as the world economy as a whole is affected. In a short time frame, providing liquidity leads to lower interbank and credit gains, providing potential investors with capital and creating trust in the markets. On the long term, however, excessive capital – if the markets are not able to allocate that capital into investment – might create negative inflationary effects.

Nevertheless, different schools in economics (classics / neoclassics, Keynesians, monetarists) provide different viewpoints regarding that question. Neofunctionalists apply Schumpeter's approach of creative destruction in the field of integration theory. Traditional structures that are not effective anymore are expected to be replaced with better ones. Within that context, possible economic advantages would induce the market participants to put pressure on their respective governments to strengthen international co-operation.¹⁹ The loyalty of market participants will thus be shaped no longer by their national background and national prejudices would shrink in favor of potential gains made possible by international trade. Classical economists as Smith or Ricardo focus on the principle of value, gross value and the effective distribution of scarce resources, utilities

¹⁸ Joseph. A. Schumpeter, *Kapitalismus, Sozialismus und Demokratie*, Stuttgart, UTB, 2005, p. 137.

¹⁹ Ben Rosamond, *Theories of European Integration*, Basingstoke, Palgrave Macmillan, 2000, p. 51.

and goods.²⁰ Classical economic theory also regards prices, wages and labor as fully flexible factors which function as circulations of input and output. At the end of the day, the market is expected to regulate itself. The assumption that economic integration would accelerate the political integration process was most certainly based on the development of economic history and the theory of the liberalism as well as “classical” economic theories per se. Nevertheless, neofunctionalism does not believe in the ability of the markets to perfectly distribute goods in the field of economics, as well as politics. Neofunctionalists do prefer the interference of a wiser actor than the market or, so to speak, do shun populist interventions. As the classical nation state is, according to their principles, not competent enough, institutions guided by good-willed individuals are supposed to take the lead. Within that scope, European history in the 20th century did play a role in forming that opinion.

It had become obvious that the mere rising volume of the exchange of commercial goods alone was not sufficient to guarantee political stability. According to Hobsbawm, around the year 1914, world trade had reached a gigantic level as never seen before. Notwithstanding, protectionism and the promotion of national industries had created an international climate which, combined with economic rivalry, led to the collapse of the balance-of-power multipolar system and, finally, to the nemesis of the Great War.²¹ Combined with the hubris of World War II and

²⁰ Thomas Sowell, *On Classical Economics*, New Haven/CT, Yale University Press, 2006, p. 97.

²¹ Eric J. Hobsbawm, *Das imperiale Zeitalter*, München, DTV, 1995, p. 57.

the emergence of the Cold War, alternative models of thought to guarantee stability and peace that seemed more “realizable” were discussed by academicians and bureaucrats.²² The very trauma of two World Wars made political actors realize that only a close cooperation between European states could guarantee peace, prosperity and stability. As neofunctionalism focuses more on the practical side of integration than on empiric theory, it is often dubbed a “real life approach”, building less on the good will of participants than on specific obligations created by the aforementioned spillover effects. Rosamond mentions that bureaucratic institutions just have to create appropriate conditions for participants to enhance their level of co-operation even further.²³

The European Economic Community's development really seemed to work along those lines: supranational market interests first led to a lowering of tariffs between the member states which increased the level of trade. Closer trade links created the need to regulate and deregulate the process of trade between the actors. As states employed the support of supranational European institutions, the very states that had created those institutions had to adapt their respective national legislation according to the structure and working process of those institutions which had created the trade surpluses. The next step was the creation of more stable and sustainable exchange rates between the member states, creating more

²² John H. Fraser, *The Iron Curtain. Churchill, America and the Origins of the Cold War*, Oxford, Oxford University Press, 1986, p. 74.

²³ Ben Rosamond, *op. cit.*, p. 52.

reliable markets and better possibilities for national economies to specialize in certain goods: the closer cooperation of financial institutions would finally lead to the creation of a European Central Bank and, after the customs union, of a common European currency. Nevertheless, the main function of the newly-created institutions lay not so much in taking a leading role, but in creating an environment which favored the smooth functioning of free markets.²⁴

Neofunctionalism in theory and practice

According to Haas, the “grand seigneur” of neofunctionalism, integration has to be ensured via “supranational decision processes” which contribute through “institutionalized instances” to the bundling of common interests. Through the accomplished institutionalization, it is assumed that spillover processes will be created. Those incorporating mechanisms are supposed to foster closer cooperation that will lead to auto-dynamic processes further strengthening international cooperation.²⁵ Neofunctionalism itself enjoys a high level of popularity within the relevant literature, a situation that according to Diez / Werner is based on the fact

²⁴ Stephen George, Ian Bache, *Politics in the European Union*, Oxford, Oxford University Press, 2001, p. 325.

²⁵ Ernst E. Haas, “International Integration: The European and the Universal Process”, in: *International Organisation*, vol. 15, no. 3, 1961, p. 368.

that “neofunctionalism” is more or less seen as the “official ideology” among wide parts of the EU bureaucracy.²⁶

The primary aim of neofunctionalism is, in the long term, the creation of a federal entity. Nevertheless, the levels and final shape of a clear and outspoken definition of Europe's future as a federal state differ widely between politicians of different nations. It is assumed that national governments just do not possess the capacities needed to create institutional cooperation on the highest levels. This fact contributes to the attractiveness of creating independent institutions and being able to act independently under the supervision of European bureaucrats.²⁷ Contemporary theoreticians such as Moravczik do recognize neofunctionalism as a simple integration model which is not to be developed further as the future of the EU and the final goal of the process of integration is not yet defined clearly. It is not yet fully understood whether the integration process will really lead to a federal entity worth bearing the name “United States of Europe”, especially considering challenges such as the prospective exit of the United Kingdom from the EU and isolationist tendencies in foreign and economic policy.

Given all that criticism, it should not be ignored that, as already suggested, a process of integration does not necessarily have to take place

²⁶ Thomas Diez, Antje Wiener, *op. cit.*, p. 14.

²⁷ Ralph Rotte, “Zur Didaktik politikwissenschaftlicher Theorien der eutopäischen Integration“, *Zeitschrift für Hochschuldidaktik (ZFHD)*, no. 5, 2005, available at <https://www.zfhe.at/index.php/zfhe/article/view/169/298>, accessed on 1st November 2018, p. 66.

only at European level, but is expandable to larger international fields on a global level, whereby it is hard to define the institutionalized final points and aims of such developments.²⁸ As a matter of fact, spillover effects in legal issues are promoting economic harmonization especially regarding the labor market.²⁹ According to Höreth, the neofunctionalist approach is particularly influential in the field of law, since the judges of the European Court, due to their institutional independence from national states, are able to distinguish between legal reality and political preferences. While certain interest groups promote the process of integration, supranational institutions (as the European Commission) are able to show support and take practical advantage from each other's existence. Alliances between the different groups of interests may in the long run further accelerate integration. Those alliances reflect political and economic trends within European institutions. National governments, interest and lobby groups or European institutions might try to "externalize" issues (i.e. environmental issues) that were not solved at national level, trying to enforce those issues through the EU. Höreth further stresses that the European Court as a supranational institution actually has the power to establish contacts with subnational participants on every level, proving that jurisdiction already promotes an important process of integration driven by the will to homogenize European

²⁸ Ralph Rotte, *op. cit.*, p. 62.

²⁹ Markus Höreth, *Stille Revolution im Namen des Rechts? Zur Rolle des Europäischen Gerichtshofs (EuGh) im Prozess der Europäischen Integration*, Discussion Paper, Zentrum für Europäische Integrationsforschung, Bonn, 2000, available at http://www.zei.de/download/zei_dp/dp_c78_hoereth.pdf, accessed on 30th July 2018, p. 27.

law.³⁰ Participants such as trade unions, federations and / or corporations / companies do possess the right to examine the compatibility of their respective national jurisdictions with European law by legal authorities. This has led companies to enforce their interests directly at the European Court of Justice rather than relying just on national jurisdiction.

Successful integration can easily be documented on the basis of implementation into “real life”, this being a remarkable and distinguishing characteristic of neofunctionalism in relation to other IR theories. While for example „the real-world potential “of theories such as realism could only be evaluated after the end of the Cold War, the success of institutionalized integrationist processes may be determined on the basis of its practical effects regarding the economy and / or the political agenda. Perhaps one of the most important aspects of recent interpretations of neofunctionalism is a new approach related to the analysis of political processes. While traditionally political science consisted of the analysis of preset political variables” (i.e. constitutional aspects), neofunctionalist scholars have started to research patterns of political behaviour.³¹ As those patterns are easily depictable in numerical terms, i.e. through the statistical analysis of data (questionnaires, opinion polls etc.), the success potential of neofunctionalist policies seems to be determinable beforehand – an attractive choice for potential political actors.

³⁰ Markus Höreth, *op. cit.*, p. 29.

³¹ Ben Rosamond, *op. cit.*, p. 52.

The comprehensive view of an idealized, enlightened and accountable “World State”, as promoted by early representatives of functionalism has been given up in favor of concentrating on regional (in particular European) integration processes. However, the ideal of a compact “political unit” has been preserved in a more limited form.³² Given that fact, neofunctionalism is definitely not just a slightly modified version of functionalism, but has to be regarded as a fully independent and equal IR theory. A frequently criticized aspect of neofunctionalism is the premise of a political elite (bureaucrats, judges etc.) remaining the most important decision-makers, keeping watch over the structure of all relevant institutions. Criticism regarding the existence of a *de facto* elite in neofunctionalist theory as substantial decision-makers is certainly not totally unjustified. It should not be omitted that neofunctionalism might be an easy and comfortable justification for an all-powerful bureaucracy. From a historian’s perspective, that point of view is understandable: the all-logical interpretation of events and integrationist processes by neofunctionalist scholars is a clear expression of a deeply deterministic and positive understanding of history in Hegelian tradition.³³

Perhaps the most striking aspect of neofunctionalism in relation to its practical implementation is the approach that policy is not to be rated as an interest-centered phenomenon, but that the political process is actually

³² Dimitris N. Chrysochoou, *Theorizing European Integration*, London, Sage, 2001, p. 40.

³³ Siegmund Schmidt, Wolf J. Schünemann, *Europäische Union. Eine Einführung*, Baden-Baden, Nomos, 2009, p. 12.

already being treated as part of the solution of a problem.³⁴ It should be pointed out that neofunctionalism with all its variations is purely an integrationist theory and does not claim to be an all-comprehensive IR theoretic approach. For that reason, neofunctionalism does have a less important role in foreign and security policy.³⁵

Neofunctionalism: a critical outlook

Critically, it has to be stressed that current restrictions towards new EU member states in Eastern Europe (i.e. regarding the freedom of job markets) or culturally-uttered sentiments against potential EU membership candidate states as Serbia or Turkey are in no way compatible with the liberal character of the EU, as well as neofunctionalist thoughts. Similarly, recent sentiments against EU member states struggling to regain financial stability (i.e. Greece) also might enforce the fear of a two-class Europe with strong “core members” and “peripheral states” as addendum.³⁶

³⁴ Armin Schäfer, *Vier Perspektiven zur Entstehung und Entwicklung der Europäischen Beschäftigungspolitik*, Discussion Paper, Köln, 2002, available at http://www.mpi-fg-koeln.mpg.de/pu/mpifg_dp/dp02-9.pdf, accessed on 30th July 2018, p. 6.

³⁵ Gunter Hellman, Wolfgang Wagner, ”Zivile Weltmacht? Die Außen-Sicherheits- und Verteidigungspolitik der Europäischen Union“, in: Marku Jachtenfuchs, Beate Kohler-Koch (eds.), *Europäische Integration*, Opladen, Leske + Budrich, 2003, available at www.soz.uni-frankfurt.de/hellmann/mat/GASP-Endfassung2.pdf, accessed on 30th July 2018, p. 574.

³⁶ Gilbert Ziebur, “Europa zwischen globaler Angliederung und regionaler Identität“, in: Ingeborg Tömmel (ed.), *Europäische Integration als Prozess von Angleichung und Differenzierung*, Opladen, Leske+ Budrich, 2001, p. 31.

Despite that unpleasant background, neofunctionalism has – in the case of European integration – proven to be the most successful theoretical model in IR integration theory. The European model might show that the cornerstone for political integration is successful economic integration. In order to achieve that outcome, economic, as well as political, players must be willing to change their organizational structure significantly in order to enable a supranational system. It is difficult to establish loyalties bound to abstract and impersonal-seeming ideas, explaining a certain reluctance of great parts of society towards the concept of integration. Neofunctionalist scholars defend themselves stating that only small steps will lead to a sustainable and satisfying result, warning against short-term expectations set too high.

Regarding the example of the EU, a lot of criticism is directed towards neofunctionalism with its market-orientated approach that has created an entity not bound by common moral values but a “soulless giant.”³⁷ Nevertheless, the much criticized EU also is able to present certain successes in its structure: despite the ongoing constitutional debate, EU institutions have been reformed significantly, commissary posts are rotating and member states do possess a greater level of participation than ever before. Evaluating the neofunctionalist model of thought also means realizing that the growing number of actors in an integrative system simply makes it impossible to harmonize all particular interests. Moreover, supranational institutions are in no way immune against high-jacking

³⁷ Gilbert Ziebura, *op. cit.*, p. 23.

attempts by powerful coalitions of interest groups, politicians or other actors, meaning that temporary coalitions are able to use supranational institutions against their intended functions. The only alternative, the strengthening and creation of an even bigger bureaucratic apparatus is neither an attractive model.

Additionally, supranational institutions need to be able to lead and direct certain processes, a fact often associated with an undemocratic and patronizing stance. Proponents of neofunctionalism such as Moravcsik, continue to present the EU as a success model for applied institutionalized policy that also shows the limits of “realpolitik”.³⁸ It has to be stressed that, without a sufficient level of identification of citizens with integrationist processes, the success rate decreases dramatically, a fact most often omitted by integrationist theorists. While most authors don't express this as openly as Moravcsik, it is a matter of fact that neofunctionalist approaches did play a decisive role for cooperation and integration processes in the past, but the expected results do not seem really satisfying anymore. That the transfer of powers to supranational institutions remains attractive enough for political players despite all the odds is explainable by the fact that a consensus for broad decision processes leaves more space for the involved parties on the supranational level compared with the national level.³⁹ Likewise,

³⁸Andrew Moravcsik, “Preferences and Power in the European Community: A Liberal Intergovernmentalist Approach”, in: Simon Bulmer, Andrew Scott, (eds.), *Economic and Political Integration in Europe: Internal Dynamics and Global Context*, Oxford, Oxford University Press, 1994, p. 29.

³⁹ *Ibidem*, p. 63.

politicians can more easily act without the hindering influence of lobby groups on the national level, therefore being able to externalize national or local problems.

Conclusion

Haas' thesis that neofunctionalism with its "spillover processes" will automatically transform economical processes into a politico-economic continuum towards a political union has been discussed and widely criticized. As long as political processes are dependent on freely acting interest groups, a fully-fledged automatism will hardly emerge. Criticism appears to be justified to a certain extent, as within the institutions of the European Union frequent personnel changes do appear, often leading to changes in substantial political questions, despite the balancing factor of a well-established bureaucratic system. In conclusion, despite all criticism, neofunctionalism remains one of the few IR theories that is applied in daily political processes and still leads to measurable successes in terms of integration. In the long term, neofunctionalism should be evaluated as a theory that, within its own set of preconditions, explains itself best in practical application. A close eye on the further development of the EU will provide the best outlook towards the applicability of neofunctionalism.

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