Abstract
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ends of a scale but as a concept. This becomes apparent when looking at the shop-floor (micro-level) of EU policies.

1 Introduction: Ever closer Union or Ever growing confusion?

“An ever closer union among the peoples of Europe” has been the main objective of European integration since the Treaties of Rome in 1957. Over the years, the term of ‘union’ has taken a federal connotation, the idea being that European integration could lead to a “political union”. In several ways have the Treaties of Maastricht (1992) and Lisbon (2009) brought this ‘union’ more into reach by making the EU more supranational and actually replacing the term of ‘community’ by ‘union’. At the same time member states have also returned central stage with the Lisbon Treaty. But is this an accurate presentation of what European integration has been about? In fact, the finality of an ‘ever closer union’ generates confusion rather than clarity about where the EU is moving towards and what this demands from member states and supranational institutions.

This confusion is apparent amongst practitioners and politicians spheres as well as in the media. It has become particularly marked with the implementation of the Lisbon treaty. Trends following Lisbon are apparently difficult to interpret. With a view to the alleged weakness of Barroso and the strength of Van Rompuy, The Economist noted early 2010 “in the new constellation of EU jobs, we have ended up with a federalist in charge of the most intergovernmental bit of the union, and an intergovernmentalist in charge of the federalist bit of the machine”. Others dispute whether ‘Lisbon’ makes the EU more federal or rather the opposite (Tosiek, 2008; Dougan, 2008). The draft constitution, on which this treaty is based, was in many ways a step towards federalism. On the one hand, ‘Lisbon’ solidifies further areas such as Justice and Home Affairs (JHA) and agriculture within a common European framework – previously known as ‘community method’.

On the other hand, the EU has been enriched with new functions such as the European External Action Service (EEAS) and the president of the European Council, which for some might reinforce the intergovernmental sides of the EU (Defraigne, 2010; Behr, 2010). Moreover, the way in which some Lisbon innovations are implemented seems to place member states even more at the heart of power. They have gained a shared right of initiative in the field of JHA together with the Commission, and the European Council (which has become a EU institution) is concentrating extensive powers. Furthermore, the influence of the big member states, particularly of France and Germany, is growing (Moïsi, 2009). The ambition to reduce the number of Commissioners was also dropped following the second Irish referendum on the Lisbon Treaty. Following the Irish request, the college of Commissioners will continue to work with one Commissioner per member state. The College continues to resemble a sort of ‘COREPER 0’ next to COREPER I and II.

Federalism has often been used as a synonym for neo-functionalism. It is sometimes understood as an attempt to centralize decisions in Brussels. In reality it has different connotations in different countries: while it might be understood as such in Great Britain, in other countries like Germany or Spain it is rather understood as a further decentralized system (Burgess, 2009:70). Here it is not the purpose of this paper to explore the concept of federalism in any detail.
The ‘ever closer union’ is also moving in different directions in European integration theory, leading to some similar confusion within academia. Some see a revitalisation of the member states (Moravcsik, 2001; Kassim and Menon, 2004; Kassim and Dimitrakopoulos, 2007; Tosiek 2008) and underline “the continuing significance of state-centric” theories (Rosamond, 2000: 130). Others are more nuanced about the interconnections between supranationalism and intergovernmentalism (Stone Sweet and Sandholtz 1997). However, this nuanced tone might still have an intergovernmental undertone (Wallace 2004; Rosamond p. 142: Moravcsik’s work is “decidedly intergovernmentalist”). In this vein Moravcsik argues that the last fifteen years of constitutional debate and institutional modification have ended up in reinforcing intergovernmentalism to the expenses of the community method (Moravcsik, 2005: 364). Also the alleged weakening of the Barroso Commission in 2009 (Schout 2009) and the increased use of European Council meetings mark the seeming intergovernmentalisation of the ‘Union’ (Van Stade 2009). The UK government tried - in the autumn of 2009 - to shift negotiations banking regulation from the ECOFIN (based on QMV) towards the European Council (deciding on unanimity).

Yet, there are also re-invigorations of supranational neo-functionalistic theories (Sandholtz and Stone Sweet, 1998; Pollack, 2010; Hooghe and Marks, 2008). Others simply assume that the EU is supranational. Anneli for example notes that the EU is a “highly integrated supranational organisation” (Albi, 2005:1). The confusion over finalite is not just present within the EU as is shown by a report from the CIA: "The evolution of the European Union (EU) from a regional economic agreement … in 1951 to today's supranational organisation of 27 … stands as an unprecedented phenomenon in the annals of history". Similarly, Allen (1998) sees patterns of ‘Brusselisation’ even in defense cooperation.

Apart from the confusion over the direction European integration is taking, some of the literature terminology seems imprecise, suggesting a need for a more careful examination of the relations between integration theories. The interrelation between intergovernmentalism has been presented as being on a “continuum” (Schmitter 1996; Saeter in Moravcsik 2005; Stone Sweet and Sandholtz, 1998) ; as being essentially indistinguishable (Allerkamp 2009); as mutually “embedded” (Stone Sweet and Sandholtz, 1997: 299); and as merely political terms to hide member states real intensions (Wallace 2004) or narrowly defined national interests in disguise (Dinan, 1994: 10). Wallace famously used the metaphor of a ‘pendulum’ movement oscillating between national and supranational oriented policies (Wallace H. and W. Wallace, 1996). Wessels suggested that, in the field of CFSP/ESDP, there is a dynamic process of ‘fusion’ via a ‘ratchet process’ on a cascading integration ladder. Basically there is a shift of national resources to the EU level “without necessarily implying a direct communautarisation in strict legal terms”. This integration follows a scale progressing

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2 Taken from internet on 8 May 2010 (https://www.cia.gov/library/publications/the-world-factbook/geos/ee.html)

3 Martin Saeter’s reformulation, for example, is cited approvingly by Haas. He sets up the central issue as follows: ‘European integration is seemingly moving along a continuum, without any logical end stage, leading from the present, predominantly confederal, type of system towards increasingly federal-type, supranational mechanisms and structures.’ Saeter, Comprehensive Neofunctionalism, 90 (quoted in moravcsik k 2005 384/5).
through a series of ‘plateaus’ (Regelsberger and Wessels, 2004). Although Stone Sweet and Sandholtz go some way to elaborate the embeddedness, more is to be said about this interrelation to better understand European integration, notably in a post-Lisbon era.

Given the different interpretations of European integration within the academic world, among practitioners and in the media, this paper argues that the move towards an ‘ever closer union’ is fundamentally about the interrelation between supranationalism and intergovernmentalism. Acknowledging that this interrelation will be different across policy areas, we argue that the debate has been about the two being on a ‘scale’ whereas in several areas they will probably be more combined as a ‘concept’. Looking at how some of the major developments since 2000 have affected the ‘union’, the paper notes that this recognition is missing in European integration literature. Introducing the paradox of Lisbon and the confusion surrounding the interpretation according to the traditional intergovernmentalism-supranationalism spectrum in the next section, the paper then explores the idea that it is time to approach the two not as scale but rather as a concept. By doing so, section three reviews issues of terminology and how the debate has so far led to ‘scale’ interpretation. Applying public management perspective to the cases of better regulation and of the European External Action Service (EEAS), Section five makes the case for viewing intergovernmentalism and supranationalism as preconditions for each other. This leads to a rather fundamental view on an essential element in European integration that seems overlooked by those arguing about where on the supranational/intergovernmental scale the EU is.

2 Ever closer union!? The paradox of Lisbon or the difficulty of interpreting trends

Although the EU witnessed its ‘dark ages’ in the 1970s and early 1980s, integration has been re-dynamised under Delors and the following widening and deepening (Dinan 1994; 2000). The formal trend towards the closer union continued albeit with slight but telling modifications to the objective. In 1992, the Maastricht Treaty, with the creation of the European Union, marked a “new stage in the process of creating an ever closer union among the peoples of Europe, in which decisions are taken as openly as possible and as closely as possible to the citizen” (Art. 1 TEU). Hence, European integration could take place as long as it was accompanied by the principles of transparency, subsidiarity and proportionality (respectively Art. 255TEC and Art5 TEC). The ‘ever closer union’ has remained, although slightly changed with reference to better regulation principles such as subsidiarity, traditionally a notion to protect the member states from overzealous integration (Bermann, 1994).

Similarly, the Lisbon Treaty reaffirms the creation of the Union but states that: ‘the European Union’ is created “hereinafter called "the Union" on which the Member States confer competences to attain objectives they have in common” (Art1 TFEU). Hence, resembling Moravcsik (1995), if there is to be an ever closer union, this is because the member states agree to confer competences to the Union.

The integration dynamics in the EU have been a constant bone of content in the literature between those proposing a supranational reading (Haas, 1967; Sandholtz and Sweet, 1998; MacGowan, 2007; Hooghe and Marks 2008) and those arguing that EU member states are still in control of the integration process (Putnam, 1988; Milward et
al. 1992; Koenig-Archibugi 2004; Moravcsik, 2005). When ‘Lisbon’ entered into force at the end of 2009, many argued that the EU was getting closer to becoming a ‘union’ and defended the Treaty as a step towards further supranationalism by arguing that it was a step towards a European Constitutional law (Arnold, 2007). The abolition of the pillar structure and the extension of co-decision to 40 more domains (including agriculture and fisheries) under the new ‘ordinary legislative procedure’ provides both the European Commission and the European Parliament with extended powers. The Treaty also puts an end to the differentiation between structural expenses and non-structural expenses - allowing the European Parliament to control the financing of the common agricultural policy and the structural funds. Similarly the European Court of Justice also sees its jurisdiction extended and will for instance be able to review the acts of the European Council which becomes an EU institution (e.g. art. 269TFEU). There is also a move towards ‘good governance’ that strengthens the Commission’s relative power building on de-politicisation (Schout 2009). Beyond Lisbon, the integration trends that marked 2008-2010 include the re-election of Barroso, and the lingering effects of the convention to create a European constitution and streamlining the EU’s legal structure (Rovná and Wessels, 2006).

At the other end of the spectrum, the Lisbon Treaty can also be read as an effort in reinforcing the role of national politics and administrations. While member states managed to obtain a shared right of initiative in JHA, national parliaments have also seen the right of scrutiny reinforced via the reasoned opinion and early warning mechanisms; known respectively as the orange card and the yellow cards. Another instance is the emergency brake mechanism that member states can use when considering that a JHA proposal would affect the fundamental aspects of their judicial criminal systems. These steps largely involve the completion of the Nice Treaty by bringing more EU policies such as agriculture and JHA more fully into the supranational EU by strengthening the involvement of the EP and the Commission.

These doubts about the ‘union’ originate from the reinsertion of the member states as well as from the many complications ‘Lisbon’ created – despite the objective to make the Union “simpler and more efficient” (Laeken Declaration 2001). In reality, the developments surrounding the creation of the EEAS, the President of the European Council and the double-hatted High Representative compounded the number of players and procedures. For example, when the Eurogroup agreed to support Greece with €110 billion, Eurogroup chair Juncker and EC president Van Rompuy argued about whether the agreement achieved over the weekend could wait a few days because Van Rompuy wanted the scoop for the European Council on Friday (Euractiv 2 may 2010),

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4 See for instance the Protocol Number 2 on subsidiarity and proportionality and the use of impact assessments (as form of ‘soft constitutional law’, Meuwese 2008 275) which should enhance the technical details of policy proposals.

5 According to protocol No 1 on the role of national parliaments, in the case there would be a majority of national parliaments against a proposal, a reasoned opinion can be presented to the Council or the European Parliament (article 3). In addition, protocol No 2 “on the application of the principles of subsidiary and proportionality” introduces an “early warning mechanism” according to which if one third of national parliaments expresses concerns with a particular legislative proposal, the Commission must review it and eventually submit a redrafted version. This threshold is one quarter for proposals in the field of JHA.

6 This emergency brake can be triggered by member states under the mutual recognition of judgments and judicial decisions (article 69eTFEU) and when the definition of criminal offences and sanctions for serious crime with a cross border dimension (article 69fTFEU).
underlining just one of the competitions that has been created between EU leaders (Schout 2008). Such instances are not just a matter of compounded leadership, they are also clashes between unanimity and qualified majority voting, and of what the place of the Commission is.

Such a confusion can be seen with the discussion surrounding the creation of the EEAS as well as with the current economic crisis. The embryonic European diplomatic service can be interpreted on the one hand as a move towards a closer union in the ever-guarded high-politics ends (Hoffman 1966) with much closer coordination of external policies and integration of policies such as development cooperation. However, the EEAS can also be presented as an erosion of the Commission and its traditional function as ‘motor’ of European integration. The Commission is only very marginally involved in the foreign policy process, except when it comes to development cooperation, trade and enlargement policies. The right of initiative is shared between the High Representative and the member states and the Common Foreign and Security Policy (CFSP) remains governed by unanimity. Hence, Wessels and Bopp (2008: 29) argue that there is no real breakthrough of the traditional intergovernmental pattern. Although the negotiations between the EP, Commission, and member states are far from settled, all the ingredients for a supranational confusion are present: is the EEAS eroding the union, is it leading towards compromise on a scale between member states and supranational cooperation or is cementing a political union? Looking towards the future, it might be that the European Parliament’s power over the budget has further implications for the institutionalisation of the EEAS. The budget powers of the European Parliament have indeed proved to be highly important for maintaining the trend towards ever closer union (Rittberger 2007). Yet, the jury is still out on whether these powers can be gained in this field of high politics, especially given that the European Development Fund governing relations with African, Caribbean and Pacific Countries remains outside of the EU budget.

The economic crisis has, at an almost breathtaking speed, despite criticisms of lack of progress, put economic governance on the agenda. The EU was a ‘regulatory state’ (Majone 1996; Börzel and Hosli 2003) because it operated with hardly any fiscal authority. Yet, the economic crisis starting in 2008 with the near collapse of the banking system and leading towards the crisis over the debt and budget deficit in Greece and other EU member states reinforced the Commission involved in surveying the Growth and Stability Pact (GSP). It also led a sharp modification of the European Central Bank (ECB) by granting it powers to buy state bonds, even with ‘junk status’, by being involved in creating new regulatory structures for the banking sector, and by buying state bonds with a view to creating money. The European Investment Bank is preparing to issue a type of ‘Eurobond’ (Verhofstadt 2010). Finally, although not (yet?) a formal EU policy, member states are at least moving in a coordinated way towards stringent budget rules (Van Rompuy economic task force, FT 21 May 2010). Hence, the never wanted fiscal union (Szasz 2000) is now an informally reality.

Yet, the trend towards the fiscal union is not undisputed. Much of the actions taken in the EU were decided at intergovernmental level or even plainly unilaterally by member states such as the German ban on naked short selling – “with no bit of warning” - of some financial stocks and government bonds (FT 19 May 2010). France and Germany have, throughout the economic crisis proven to be highly central. A globalisation fund was bilaterally agreed in December 2008 much to the chagrin of other member states
like The Netherlands, one of the biggest net-payers. Similarly, the Dutch finance minister was expressing in the press he “expected a quiet weekend” on the same Friday France and Germany were, probably with Van Rompuy, planning a European rescue fund of the size of 750 billion Euro to support Spain and Portugal (Trouw 11 May 2010). Adding to the confusion, the first meeting of the Eurogroup to discuss plans for closer budgetary surveillance in the EU was chaired not by Juncker but by Van Rompuy.\(^7\) Can we conclude that there is stronger cooperation in the EU with stronger economic institutions – such as the central bank, new agencies and new roles for the Commission in the stability and growth pact – or that it is rather a stronger intergovernmental or even unilateral cooperation? Would this suggest move along a scale towards supranationalisation?

Although ‘Lisbon’ is determining the EU agenda, there are more developments influencing the trend the ‘union’ is taking. The Commission has been strengthened via a de-politicization of its policy making in particular with its better regulation agenda and a new culture of planning, impact assessments, evaluation and coordination (Peterson 2009). The European Parliament has seen its powers expanded beyond ‘Lisbon’ e.g. gained in the Barroso’s reappointment process in 2009 (Schout, 2009). In addition OMCs, agencies and the increasing use of networked governance have affected ‘the’ union (Schout and Jordan 2010; Sabel and Zeitlin 2010). Some argue that such new modes of governance have opened the door to the intergovernmentalist method with member states being able to limit supranational institutions (Schaffer, 2004). In this perspective, OMC has presented a challenge to the community method and to the integration by law since. As Dawson concludes, it has evolved towards “an extra-parliamentary procedure, with its official guidelines and objectives agreed by the European Council, implemented by national governments and monitored by the Commission” (Dawson, 2009:5). Others however have discussed new governance as a way to incorporate new policy areas into the EU’s competencies (Kelemen 2002).

The question of whether the EU is becoming more federal or more intergovernmental is important for practitioners and for EU integration theory. Suggesting a move towards intergovernmentalism, interviews with national officials show that there is an increased interest now in lobbying the member states through embassies rather than trying to influence the Commission (Schout et al. 2009). This not only marks a different focus but also a different operating logic in relation to where national officials look to defend their interests. The question however is whether they are right to relocate their attention away from the EU institutions. This is particularly important for those not coming from France and Germany. The Commission was generally seen as the best ally of the small countries. For academia it is important to understand the interconnection between federalism and intergovernmentalism to order data and to explain trends. Quite a few details need to be considered to conclude the impact of the president of the EC or of the Union at large. How the two interact has also implications for the relevance strengths of the drivers – i.e. of the theoretical perspectives of what drives EU integration.

The paradox is that despite its constitutional origin, ‘Lisbon’ seems to have spiralled the EU squarely back into an existential discussion about to whether it is becoming the ever closer union or an ever closer intergovernmental cooperation.

3 Supranational and intergovernmental: defining the terminology

The confusion created by Lisbon’s paradox is visible in the terminology used among practitioners and in the academic debate. Unfortunately, a clear set of definitions to structure the debate is lacking. Terminology in EU literature is seldom equivocal and also theories that try to grasp the meaning of notions suffer from demarcation problems and involve normative connotations. Rosamond (2000: 49) therefore concludes that “[t]he study of federalism, functionalism … show how difficult it can be to draw lines in the sand between ‘theory’ and ‘advocacy’ or between ‘theory’ and ‘practice’”. The concepts of supranationalism and intergovernmentalism can hardly be easily considered as weberian ideal-types.

One further complication is that the key concepts are difficult to compare over time. Treaty changes have modified and qualified supranationalism as it can be seen when examining one of the examples of supranationalism, i.e. the ‘community method’. According to the European Convention website, it refers to “the institutional operating mode for the first pillar of the European Union”. The four main features that characterize this method are the followings: the European Commission has the monopoly of the right of initiative, there is a general use of qualified majority voting in the Council, the European Parliament is active in co-legislating with the Council and the Court of Justice is in charge of ensuring a uniform interpretation of Community law. This “community method” has been traditionally opposed to the “intergovernmental method” according to which the Member states usually decide by unanimity, the European Parliament being merely informed or consulted, and where the Commission shares its right of initiative. With the abolition of the pillar structure however it becomes difficult to identify which operating modes apply to which policies. For instance, the communautarisation of the JHA policy entails that the “community method” applies to the previous intergovernmental third pillar. Nonetheless the right of initiative of the Commission is being shared with one quarter of the member states which shows blurring of the formerly widely consensual “community method”.

Changes in the supranational-intergovernmental setup of the Union stem also from changes in instruments (Kassim and Legales 2010) including agencies and networks, institutional changes (European Council moved from an informal to a formal Institution), formalization of the rotating presidency increasingly supranationalised this function (Allerkamp 2009), Commission reforms, and creation of team presidencies (Schout, 2007, 2008). Over time, also the intergovernmental cooperation has become formalised and evolved (Beyers 1998, Allerkamp 2009) and national leaders socialised in EU decision making (Schout 2008) but the basic notions of striving towards unanimity have remained.

While acknowledging the shifts over time and the perennial boundary problems, for our discussion we need to work with the terminology of supranationalism and intergovernmentalism. In crude terms, supranationalism is associated with the four elements of the Community method (now probably better called ‘normal’ method since ‘Lisbon’ abandoned the pillars), implying that the legitimacy is based on hierarchical political control by EP and Council. The operating logic is based on (as far as possible) depoliticised policy input from the Commission supporting by impact assessments and politicised negotiations between the co-legislators. Intergovernmental cooperation in
essence is based on unanimity voting and hierarchical control by national governments. Conceptually, it is possible to separate the two but because of the many interrelations distinguishing supranationalism and intergovernmentalism serves merely a heuristic function.

4 Supranationalism and intergovernmentalism: opposite on the European integration scale?

The question subsequently is whether the EU is currently moving in a particular direction when considering some of the more fundamental changes in the EU taken together? This boils down to a large extent to the question of the position of the member states in relation to the Commission. At first glance, the debate seems to have been about who wins with some arguing that the member states win (Kassim and Hussein 2004; Behr, 2010, Defraigne 2010) versus those that saw – or hoped to see – the a closer union (Pollack 1996, 1997). Although, state-centric theories seem on the winning side, the debate is unsatisfactorily and i.e. too much at a macro/general. Have European integration theories really come to grips with what European integration really means on the shop floor of day to day policy processes?

So far, integration theories have remained at a fairly general level. In the sixties and seventies most of the debate revolved around the neofunctionalists incarnated by Ernst Haas and the international relation tradition of intergovernmentalism lead by Stanley Hoffman. Both approaches have laid down the foundational basis for EU scholarship. The debate had resulted in both schools being incomplete and inaccurate. Ernst Haas in his book on the Uniting of Europe explained European integration through the phenomenon of “spill-over” in a functional reading. Being interested in the mechanisms of European integration, neofunctionalists explained that cooperation amongst member-states would necessarily grow, since once member states decide to cooperate in one field such as the coal and steel industry, this would necessarily create pressures to cooperate in other policies like transport, tariff barriers, industrial policy, etc....While Haas (1975) concluded the “obsolescence of regional integration theory”, Hoffman (1966) concluded that the national state is quite obstinate but also elaborated that he argued that he did not want to be seen as a (neo)realist (Hoffman, 1995).

Although Hoffman accepted that the traditional concept of sovereignty dear to realists was now obsolete with the blurring of borders between the nation state and international organization (Cini, 2007:104), he saw the European integration process as driven by a ‘logic of diversity’. This logic of diversity is about a diversity of “domestic determinants, geo-historical situations, and outside aims among its units; any international system based on fragmentation tends, through the dynamics of unevenness (…) to reproduce diversity” (Hoffman, 1966:864). Both schools became incorporated in the multilevel governance approach or, using Haas’ terminology, “turbulent” which can “sub-national, national, regional, inter-regional and global – all at the same time” (1976 179). Yet, state-centrism remained the dominant model in many (but not all) areas (Pollack 2010 p. 19) although theories about why member states fail to keep control have progressed as well (Pierson 1998).

Given the expansion of the EC institutions and law over the national institutions and legal order, the “supranational governance” school has developed further the premises
of neofunctionalism developed in the fifties by Ernst Haas. Acknowledging the problems of neofunctionalism, and getting rid of the spill-over concept, Sandholtz and Stone Sweet have contributed to the revival of neo-functionalism. Even though they distanced themselves from neofunctionalists writings, their argument is that increasing transnational exchanges have naturally led to furthering supranational governance. Like Haas in his time, they looked at how transnational groups such as lobbies, business associations, professional confederation, etc, have pushed the EC to create more rules and be involved in more policy areas (Sandholtz and Stone Sweet, 1998: 2). It also counters liberal intergovernmentalism to show that European integration also happens outside of “grand bargains” via day-to-day intergovernmental or supranational decision-making. They actually acknowledge, “intergovernmental bargaining is an ubiquitous feature of supranational governance” (Sandholtz and Stone Sweet, 1998: 26). Finally, in response to the argument elaborated by Stanley Hoffman the two authors also recall that during the difficult times of European integration, progresses have been achieved also thanks to the activism of the European Court of Justice.

However, new dynamics emerged leading to new theories and new perspectives on the strengths of supranational actors. New (or neo) institutionalist and multi-level governance approaches (flourishing in the nineties) discussed the erosion of member states from within and in relation to dominant role of the Commission in EU decision making based on information advantages (Pierson 1998; Pollack 1996, 1997) but others within the same school have used rational choice theories to see member states as winners. New institutionalism starts with the assumption that “institutions matter” and that European integration can be explained via the interaction between institutions and actors. Not going into details about the different approaches, new institutionalist schools study European integration using among others rules, memory, legacy and culture (March and Olsen 1989). This allows a wider view on how member states adapt to a European reality.

Milward (1992), as a critic of neo-functionalism, had already presented the EU as a way so strengthen the member states. Others emphasized that the strength of the member states has been underestimated: “the ability of the latter to assert themselves and their capacity to learn, and overestimated the power of the supranational institutions, in particular, the European Commission, and the obstacles faced by governments in altering the institutional balance” (Kassim, H. and A. Menon, 2004: 2).

Over the years, the debate between supranationalism and intergovernmentalism has become more diverse. Rather than being regarded as opposites the discussion has moved on towards addressing the overlap. Careful reading however shows that more clarity is still needed about the interrelation between supranational and intergovernmental.

One interpretation of the link between supranationalism and intergovernmentalism is from Wallace who essentially posits that supranationalism is to a large extent intergovernmentalism in disguise: “the original European Communities represented a negotiated compromise, in which rhetorical commitment to integration, even to eventual federation, was intertwined with the promotion and protection of national interests” (Wallace, 2007).
Resembling earlier theories with similar messages (Beyers 1998), Allerkamp (2009) addressed the artificiality in the dichotomy between intergovernmentalism and supranationalism. Looking at the Council, she shows that there is a phenomenon of “post-intergovernmental transformative power”. Negotiations are not classic intergovernmental bargains but routinised in the settings of actors who go back a long way and who are locked into series of negotiations in search for compromises while avoiding voting in the Council (Allerkamp, 2009:6-7). In a somewhat comparable way has Sbraggia (1992) concluded that the differences between the two schools are not so important as both concern the issue of bridging geographical cleavages.

For some the “ever closer union” has been in fact replaced by the objective of bringing “unity in diversity” (Moravcsik, 2005: 364). This more recent objectives of European integration brings about the added-value of the European Union and therefore about the scope of its competences and the division of power and authority between the supranational and the national level. In line with this argument, Moravcsik argues that the last fifteen years of constitutional debate and institutional modification have ended up in reinforcing intergovernmentalism to the expanse of the “Community Method” (Moravcsik, 2005: 364). In Moravcsik’s view the community method has given room to a constitutional consensus where essential areas of nation-states’ sovereignty remain untouched. Hence, it appears that there a “European Constitutional Compromise” on the fact that the EU should not tax, spend, implement or coerce in core areas where nation-states have a legal monopoly such as tax, social policies, culture, education, justice and home affairs or foreign policy. (Moravcsik, 2005: 367). Hence “The EU has no police, no army, no significant intelligence capacity – and no realistic prospect of obtaining any of these”. (Moravcsik, 2005: 367). This does not mean, he notes, that Europe cannot be efficient, on the contrary. Lisbon and the economic crisis seem to at least qualify this argument.

Studying the way the European Commission has evolved over recent years, Peterson concludes also that there is a new type of intergovernmentalism, different from the initial concept which is “more fluid, less great power dominated, with more widely distributed veto points that are likely to be overcome, if at all, through new network forms of governance.” (Peterson, J. 2009: 776). Peterson is one of the few to argue a reinvigorated role for the Commission (Schout et al. 2009).

Hansen (1969) points to theoretical blind spots in European integration particularly in relation to the two grand theories. Many nuances have been inserted in integration theories but as stressed by Rosamond (2000, 127) in his review it remains the question of how the theories and their underlying mechanisms “click into place”. Essentially, scholars try to avoid presenting intergovernmentalism and supranationalism as opposites. Moravcsik (1993)\(^8\) speaks of the perils of theoretical ‘reductionism’. Schmitter (1996)\(^9\), among others, explains that there are a variety of intermediate outcomes. Similarly, Stone Sweet and Sandholtz (1997) depict the intergovernmental bargaining as taking place in embedded processes in which intergovernmental and supranational cooperation are placed in a continuum. In other words, European integration moves on a scale between two extremes. The precise location of

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intergovernmental bargaining on the scale will differ per policy concerned. Some areas will be stronger embedded in activities of supranational and transnational actors than others.

A new brand of theories concerns the networked governance views on European integration. This approach emphasizes the multilevel nature of European cooperation with member states, regions and societal actors working side by side. One major idea in the governance school has been the idea of (European) networks as self-organising (Rhodes 1997). These networks have been presented as reasserting national administrations as well as offering the Commission ways to outmaneuver national governments (Rosamond 2000) – underlining the idea of competition between supranational/intergovernmental (compare Allen 1998).

Although there are differences in emphasis, most of the theories reviews would agree with supranational and intergovernmental cooperation being linked on a scale. Similarly, the notion of the EU being a marble cake type of federalism - suggesting different positions on this scale depending on the policy - is not very explicit about the interdependencies between the layers. At first sight, the ‘marble cake’ would be in accordance with ideas of the EU as network as member states and EU institutions being interdependent (Bukowski 1997)\textsuperscript{10}. ‘Networks’ are not so straightforward as often suggested and therefore hard to use to describe any notion of supranational (Schout and Jordan 2005) and it is not clear whether the marble cake model suggests interactions or rather varying separation of tasks in different policy areas.

European integration theories have come a long way, adding new dimensions. But they have also remained at a fairly general level. Most essentially the theories find agreement in scale-type notions such a ‘continuum’ and ‘marble cake’ to describe the balance between the two theories.

5 **Supranationalism and Intergovernmentalism as an administrative concept**

Despite the general recognition that intergovernmentalism and supranationalism – and hence the underlying EU institutions and the member states – are linked, the nature of the link remains in need of specification. At a general level, as concluded by Rosamond, two theories are never able to capture the sheer complexity of international governance (2000 p. 105 – 109) which underlines the relevance of linking integration and political sciences theories and separating grand theories from middle-range theories (Hix 1994, 1999).

Moving beyond the idea of a continuum, there is an option that has not been considered in the literature. A ‘scale’ implies a continuum with opposites. A scale – or rating scale - is defined as “a set of categories designed to elicit information about a quantitative or a qualitative attribute. In the social sciences, common examples are the Likert scale and

1-10 rating scales in which a person selects the number which is considered to reflect the perceived quality of a product”.  

However, it may well be that the theories are not relates in the form of a scale but of a concept. A concept can be defined as “some kind of structure… [which] allows for no degrees; a thing is either in, or out, of the concept's extension.” While a scale orders elements in a graded manner; in a concept, the elements are interdependent within a construct and hang together. Concepts are build around interdependencies. Similarly: decentralisation and centralisation or often regarded as opposites but in practice they are highly interdependent to the extent that decentralisation involves centralisation. For example, setting targets, as Alfred Sloan did in the early years of General Motors, is centrally controlled way of allowing decentralisation (Mintzberg 1979). Hence, Jennergren (1988) talks not of the two as separate but uses the term ‘centralisation-decentralisation’.

This helps to specify the relations between intergovernmentalism and supranationalism. Maybe it is time to speak of ‘supranationalism-intergovernmentalism’. It may be possible in some instances to present them as opposites on a continuum. It may however be more important to consider them as closely interconnected and mutually reinforcing. In other words approaching European integration from a concept perspective, one needs not to grade on a scale whether the changes brought by Lisbon are oscillating towards more or less supranationalism, but rather consider how governments and EU institutions are interconnected and how these interconnections change in mutually interrelated ways.

Following the idea of continuum, the debate on ‘Lisbon’ would therefore be whether it has moved more towards one side or the other – with most attention being given to ‘Lisbon’ being a move towards further intergovernmentalism. With a concept, there is no tension between intergovernmentalism and supranationalism. One cannot without the other. Imprecise language – such as ‘continua’, ‘connected’, ‘marble cake’ or ‘network’ – blurs the sight on what the interdependence involves in more precise terms.

The subsequent question then is what the relations are within the ‘concept’. The theories cited above relate to parts of the picture including institutions (norms, values, culture), some level of self-organisation and rationality. Evidently, different interconnections will characterize specific policies areas with older EU policy fields may tend to be more institutionalized while others more based on voluntary cooperation (Kelemen 2002).

The approach used here to underline the relevance of doing away with ‘scale’ (or ‘competition’) terminology builds on public management theories related to questions of how national and European administrations change. The actual operations at the shop floor of EU policy making has received limited attention in (Trondal 2007; Schout 2009). To further the debate on the nature of the ever closer union this perspective of

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13 Similarly, one can see the changes in the management of the EU’s competition away from the Commission towards a network of national competition authorities both as a centralisation and decentralisation (Wilks 2005) and hence as renationalisation or supranationalisation – but of course it may be the interdependence that counts.
the operations at the micro level of policy making can be illuminating as regards how states and EU institutions are connected – and how further steps in European integration lead to closer interconnections. At the micro level (the shop floor of policies), a discussion of a ‘continuum’ becomes obsolete. Administrative tasks need to be performed at different levels otherwise EU policies fail both in terms of policy formulation (Jordan and Schout 2006) and implementation (Siedentopf and Ziller 1988; Duina 2007). Hence, not to downplay the importance of politics, but organizations matter as much as institutions and it helps to point the attention at changes within and between the multilevel administrations.

Without going into organizational details (see Schout 1999; 2009), two examples will be used to explore the relevance of micro level administrative capacities: the Better Regulation agenda, the economic crisis and the EEAS to illustrate that point (Schout and Wolff 2011).

From a better regulation perspective, the subsidiarity and proportionality objectives in the Lisbon Treaty can be seen as defense of the member states but also as part of the embedded nature of the EU policy system (compare Sandholtz and Stone Sweet 1998). However, the interdependence goes much further. To understand the interdependence in better regulation we need to probe much deeper into what it implies within the EU’s multilevel system. Such horizontal objectives can only be achieved if member states and EU institutions operate together (Schout and Jordan 2010). One of the problems why the performance of the better regulation agenda has remained lukewarm (TEP 2007) has been because it has been treated as either a supranational or a national endeavor without studying the interlinkages between the two (Schout 2009).

Practically, the Commission needs information from member states for its impact assessments detailing how the proposed measures will affect, among others, their economies and societal and environmental conditions. Politically, the Commission can only usefully take better regulation objectives serious if it has the insurance that member states – and EP – will focus on them during the negotiations in Council and with the EP. The Commission needs the incentives during the drafting stage that better regulation will play a role in the political negotiations otherwise (why bother investing in difficult coordination exercises if it is unlikely that the Council and Commission will not value the horizontal objectives?). The Commission can attempt to draft well balanced proposals according to the rules of better regulation but if Council and EP subsequently focus on fragmented sectoral objectives, better regulation objectives related to for example subsidiarity may easily disappear from the agenda in the sectoral councils (Jordan and Schout 2007). Hence, politically as well as practically, better regulation can only succeed if member states and EU institutions operate together throughout the various stages of the policy processes and if they have developed the required capacities to perform and coordinate impact assessments (Schout 2009).

This interdependence requires that member states and Commission explore separately and together in a proactive way potential consequences of new policy initiatives. National officials will therefore have to explore relevant items on the Commission agenda and determine well in advance how initiatives on the agenda will affect national conditions. One reason why large scale OMC projects have failed – such as the Cardiff agenda on integrating environment in other EU policy areas – is that this interdependence between national and EU policy processes was ignored (Schout and
Jordan 2006). Hence, to implement better regulation – or the related principles of subsidiarity and proportionality as explicated in ‘Lisbon’, Commission as well as member states (and EP) need to set up mechanisms in the form of rules, procedures, websites, planning mechanisms and dedicated staff to transpose better regulation objectives into practical steps in the EU policy processes.

The EEAS is another case in point. Looking back at the creation of the European Political Cooperation in the seventies, foreign policy cooperation has always been marked by intergovernmentalism. This has provided neo-realist with a boulevard to study foreign policy cooperation amongst the member states and to argue that it has been the result of “epiphenomenal reflections of the underlying distribution of material power in the international system” (Pollack, M. 2000: 2). For some, the EU does not even have a foreign policy since it does not possess any attributes of a military power such as the United States (US) (Bull, H. 1982). Over the years, European integration in the field of CFSP and ESDP has contradicted realist and intergovernmental assumptions. Contrary to the predictions of Mearsheimer, the end of the Cold War has not led to a slowing down of European integration, on the contrary (Pollack, M. 2000: 2). Since Maastricht, the Amsterdam Treaty and the multiplication of ESDP missions over the world, European foreign policy has developed considerably, fine-tuning its instruments and objectives with, for instance, the European Security Strategy (ESS). Some realists have interpreted this evolution as a division of labour with the US hegemon. (Christensen and Snyder quoted in Hyde-Price, 2006).

Academics interested in the daily working process of the European Political Cooperation and later on of the CFSP structures have been interested in looking at the actors and their interaction. In 1998, Allen coined the term of ‘Brusselisation’ to describe the transfer of competences from the member states’ capitals to Brussels. This is made possible via the working groups of the Council dealing with CFSP (Allen, 1998). Going beyond the transfer of competence, some academics have since then been interested in understanding who is socializing whom. In other words are national administration actors being socialized to the Brussels practice, or on the other hand are European foreign ministries influencing Brussels network (Juncos, A. and K. Pomorska 2006). Or put somewhat differently most of the interest has been to know “to what degree foreign policy formulation is being Europeanised” (Manners, Whitman and Whitman, 2000) and whether we are moving towards the creation of a European Foreign Policy as such. The problem though is that most of the literature keeps on searching whether the creation of a European Foreign Policy reflects “the continuing dominance of national diplomats in the CFSP further strengthens its intergovernmental character or whether the process of bureaucratization, whereby diplomats from the different Member States are interacting on an almost daily basis, fosters the development of a European foreign policy with its own identity?” (Duke and Vanhoonhacker, 2006: 165).

Following this perennial debate, the creation of the EEAS has been interpreted as much as a “supranationalisation” than an “intergovernmentalisation” trend. Some have argued that the EU’s identity on the global stage might become “more ‘political’ and more ‘intergovernmental’ given the political accountability of the High Representative to the Council but also the fact that there will be a mix of Commission, Council and member states’ officials (Behr and al, 2010: 11). On the other hand, the EEAS may turn out to be the building block of a sort of Foreign Affairs department of the EU (Schout
and Kaczynski 2009), following a trend of multiplication of executive functions (Eijsbouts 2009). At the same time, while the Commission may feel threatened, the multiplication of agencies, the creation of a president for the European Council, a more visible ECB and the EEAS may all underline the supranationalisation of the EU. Brussels is becoming more over the ‘European capital’ in which the member states become more interlocked in the EU administrative systems with an integrated external service.

Although the final decision over the EEAS has not yet been taken, this case shows the confusion reigning around the direction that European integration is taking. A nice illustration was when Ashton pledged - trying to reassure the European Parliament - that the EEAS would be under greater parliamentary scrutiny and that she would “fully respect the Community method and it will co-operate with the Commission services” (Vogel, 2010). 14 A true ‘lutte d’influence’ has taken place between on the one hand Council services and the Member states, and on the other hand the European Commission and the European Parliament. In particular conflicts over the status of the EEAS staff has led to a compromise which is difficult to categorise as going more supranational or intergovernmental. While the EEAs will remain a separate institution, the mobility between the Commission and the EEAS should be considered as a form of internal Commission mobility. In addition, the college of commissioners would maintain a right of scrutiny over the appointment of heads of delegation, and could even end those appointments (Agence Europe, 2010).

A lot of the debate has focused so far on the institutional set-up and basically turf wars between institutions regarding the EEAS regulations. 15 Policy priorities have not yet been discussed, let alone the role the practicalities of cooperation between the EEAS and national administrations. Most of the discussion has focused on how many national diplomats would be sent to the EEAS and which key Union delegation posts will they be holding.

The EEAS should be approached as an ‘opportunity for closer coordination between the Member States and the EU, compared to the vagaries of coordination in the current Commission and rotating Presidency contexts’ (Duke 2008: 16). Instead of focusing on the intergovernmental or supranational nature of the EEAS, it could be considered as an interplay between the two. The draft Council decision proposed by Ms Ashton of March 2010 stipulates that the EEAS will work in cooperation with the General Secretariat of the Council, the services of the Commission and the diplomatic services of the member states “ in order to ensure consistency between the different areas of the Union external action and between these and its other policies.” (article 3). Article 5 on Union delegation stipulates that “the Union delegations shall work in close cooperation with the diplomatic services of the Member States. They shall, on a reciprocal basis, provide all relevant information.” The competent services of the MS shall also assist the EEAS when it comes to the department responsible for security matters (art. 9). This last provision is surprisingly not including the word “reciprocal”.


15 See for instance Mahony, H. ‘MEPs duck Ashton meeting on diplomatic service’. EU Observer, 17 June 2010
While most of the discussion focuses on the institutional setting of the EEAS it seems that two things are being overlooked: first to decide on which priorities the EU and its member states want to focus, and secondly about the capacities of both the EEAS and the national administrations that are required and how the two levels adapt to each other. While the EEAS will of course draw much of its capacities from the experience accumulated by Commission and Council officials in the field of external relations, it is not clear what will be the adaptation of national administrations. Will the staff seconded to the EEAS only be subsumed to Commission and Council old working-methods, what will be the policy coordination in third countries with the Union delegation? Are there any mechanisms being thought through regarding policy planning and coordination for national capitals? How will national capitals and diplomat cope with the creation of the EEAS? When we now more about these capacities, we might well see that an administrative system is emerging at the shop floor (where national and ‘Brussels’ officials meet) of which it is irrelevant to discuss whether it is supranational or intergovernmental.

Both EU institution and member states constitute a fundamental component to the functioning of the EEAS. The alignment of their administrative capacities with the future EEAS is in a way a pre-requisite to a functioning and efficient European diplomacy. In particular, in the field of development cooperation, which concentrates most of the instruments of EU’s external action, there is a need for increasing aid effectiveness and improves EU donor coordination in third countries. Initiatives like the “policy coherence for development” shows that further streamlining of national administration and aid agencies is needed to deliver more and better aid to third countries. The creation of the post of High Representative itself arouse from the willingness to provide the EU with the tools to bridge the ‘capability-expectation gap’ (Hill, 1993). Far from being oscillating on a scale, the success of the EEAS is dependent on the approach that is taken. Like the preceding examples, it is not a matter of knowing whether the new European diplomatic horse will be a Trojan horse for member states’ interests or Community interests, but rather whether it will be able to represent the Union’s interests.

### 6 Conclusions

Although there is no ‘grand theory’ for European integration three conclusions are relevant for our argument. First, despite that some theories do not communicate – “a meta-theoretical dialogue of the deaf” (Pollack 2010 25) – and implicit or explicit preferences, there is a broad awareness of the need to be eclectic. The number of approach has grown in the meantime from international theories, comparative politics towards social institutionalism, governance and learning theories (Zito and Schout 2009). Any addition from our side will therefore be in the context of theoretical complementarities.

Secondly, and important for our argument, the language – and therefore the understanding of the Union – on the relation between intergovernmental and supranational seems to be in need of precision. The views on the ‘continuum’ suggest that intergovernmentalism and supranationalism are opposites and related on the basis of a trade-off. This is be too imprecise to understand the interdependencies between the two. In addition to the recognition that they are often hard to distinguish, the conclusion
for this paper is that the ‘or’ should be replaced by ‘and’. Both may turn out to be a precondition for the other.

The recognition of ‘interdependence’ is still to loose to understand the link between the two. They are a concept and hang closely together. The examples of the better regulation and the EEAS have shown that they need to be taken from a ‘concept’ perspective in order for the EU to be effective. Experience of better regulation demonstrates that it is only when member states cooperate and align their relevant national capacities to EU ambitions that the EU is able to take forward its agenda.

This suggests that it is necessary to probe deeper into the relation between member states and EU’s supranational elements. From an administrative perspective, we need to spell out how instruments operate, how the European Commission and national administrations have been reorganizing themselves in relation to specific policies and objectives (Hussein and Le Gales 2010).

This way also helps to understand how ‘supranational’ is moving on: no more ‘community method’ but ‘Brussels’ starts to resemble more a capital with presidential leadership (through the presidential EC plus its president); a ministry of foreign affairs, a central bank. At the same time, it is more and more depending upon intergovernmentalism. The right of initiative is being shared more and more. Similarly, national administrations are a crucial component at all stages of EU decision making.

Thirdly, one can also say that ‘community’ method no longer exists but a ‘Union’ method – or ‘normal’ method - is emerging. The paradox of Lisbon is that with the developments towards the ‘ever closer union’ it is becoming increasingly clear that this involves a much stronger role for member states too. Confusion generated by Lisbon is therefore not so much confusion as a failure to see supranationalism and intergovernmentalism as a concept (an interconnected set of pre-conditions). In other words, it is time to move from discussions over ‘continuums’ towards a ‘concept’ perspective in integration theory. The administrative interconnection at micro level is probably the good depiction of what the ‘ever closer union’ implies.

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