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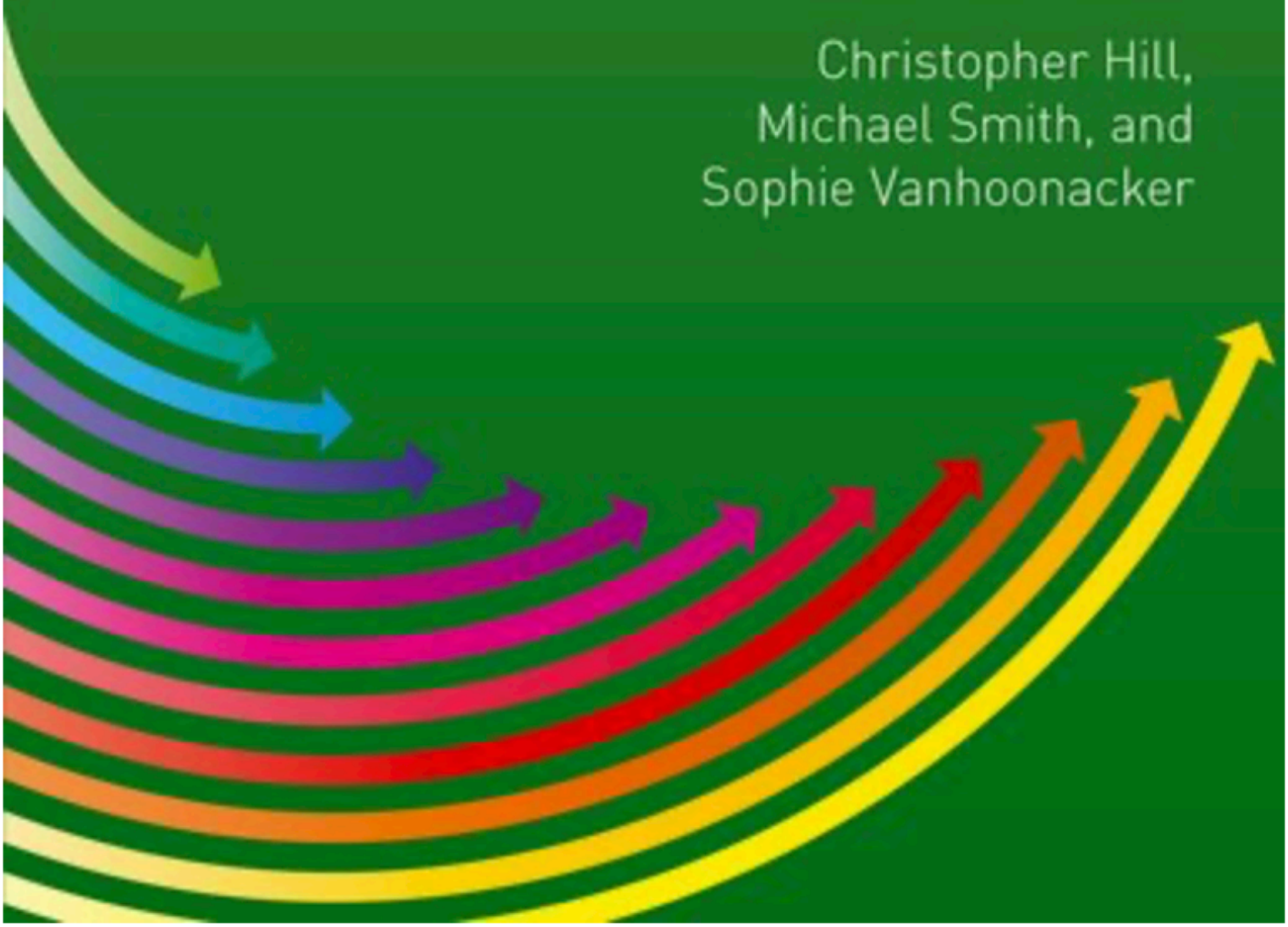

CHAPTER 3

The European Union and Theories of International Relations

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Summary

This chapter analyses theoretical answers to two key questions arising from the emergence of the European Union on the world stage. Firstly, what have the causes of European integration been in general, and in the foreign policy field in particular? Given that prevailing schools of international politics assume that states do not easily give up their sovereignty, classical and recent theoretical approaches to International Relations (realism, liberalism, and constructivism) have struggled to find the motives for integration and incorporate them in their overall frameworks. Secondly, the chapter investigates theoretical interpretations of the consequences of European integration for international relations in Europe and in the wider world. The chapter concludes by focusing on the idea and reality of the EU as a major power in international politics.

Introduction

International Relations (IR) is a notoriously divided discipline, whose theoretical diversity is reflected in studies into the origins and development of European integration. Several schools, paradigms, and scholarly traditions have tried to account for the almost unique example of institutionalized cooperation and integration that the EU represents. This chapter will firstly review the main theoretical approaches which have advanced an explanation for the emergence of European institutions in general and a common European foreign policy in particular. It will begin with an account of the two classic accounts of European integration—federalism and neofunctionalism—and then move on to discuss the views of the main traditions in IR theory: realism, liberalism, constructivism, and critical theory. Secondly, the analysis of the causes of the emergence of a European foreign policy will be followed by a discussion of its consequences, with a review of the most important suggestions as to the role and impact of European foreign policy with respect to the global international system. A final section will deal with the idea and reality of the EU as a major power on the world stage.

Classical explanations: federalism and neofunctionalism

The classic account of European integration derives from federalism, which inspired its first proponents before, during, and after the Second World War. For this school of thought, the main problem in international politics is international anarchy, because the independence of multiple nation states breeds mistrust, vying for security, and violence. Federalists were concerned about events in the first half of the 20th century which had brought about two world wars, and thought that the decentralization of sovereignty had been the root cause of international conflict. Being sceptical about traditional remedies for interstate anarchy, such as diplomacy and the balance of power, they suggested a truly revolutionary solution which tackled the basic structure of the international system: the abolition of state sovereignty and the fusion of different political entities into one. According to Altiero Spinelli (1972, 68)—one of the two authors (with Ernesto Rossi) of the Ventotene Manifesto of 1941—'national states have lost their property rights since they cannot guarantee the political and economic safety of their citizens'. Federalists believed that a political union would enable Europe to solve conflict among states by an institutional *deus ex machina*, since no state would any longer be capable of resorting unilaterally to arms. Federalists built on a tradition dating back to the Enlightenment and its schemes for international peace (Hinsley 1963), as well as on the American example (Deudney 1995; see also Eilstrup-Sangiovanni and Verdier 2005). In particular, they hoped that World War II would be the catalyst of a European federation, as it had been in 1776 for the United States.

The reasons for unification, say the federalists, are ultimately political, and have to do with the objective of tackling international anarchy and the armed conflict it tends to produce. According to the classical distinction between 'high politics' (i.e. national security issues) and 'low politics' (i.e. economic, cultural, and social questions), federalism is situated firmly on the first side.

Federalism typically sets up two tiers of government, the parts and the whole, and distributes specific functions to each (Friedrich 1968). In particular, a federation must enjoy ultimate control of the instruments of violence, otherwise there is the risk that the parties will fight with each other or with the central, supranational power. Hence, the achievement of a common defence and foreign policy is one of the main objectives of the federalist project.

However, the federalist approach to the question of integration is more normative than analytic in nature. It is more a discussion of why states should form a union than an explanation of why they would willingly surrender their sovereignty. In fact, such voluntary transfer of power has been extremely rare in history and is still far from being achieved in Europe since the EU is not a state.

The other classical approach to European integration derives from the functionalist school. Functionalists believed that modern society was increasingly dominated by matters of 'low politics' such as the welfare of citizens and economic growth, and criticized federalists because of their neglect of such issues. The fundamental motive for integration would not therefore concern anarchy and war but would stem from the inability of nation states to provide essential services for their citizens. While federalism focuses on the role of states, functionalism emphasizes the role of individuals and societal groups who pursue their different goals irrespective of national boundaries.

According to functionalism, political functions must be performed at the most efficient level. In particular, the sovereign state, with its limited territorial boundaries, is an increasingly obsolete institution, which is destined to be replaced by a political organization structured on the basis of the functions and needs of a modern economy and society. Such logic ultimately leads to the whole world being integrated and unified. One of the most important proponents of this view, David Mitrany, criticized European federalists for their narrow geographical focus: '[B]etween the conception of continental unions and that of a universal league there is a difference not merely of degree but of essence. The one would proceed in the old way by a definition of territory, the other by definition of functions; and while the unions would define their territory as a means of differentiating between members and outsiders, a league would select and define functions for the contrary purpose of integrating with regard to the interests of all' (Mitrany 1933, 116; see also Mitrany 1943, 1975).

The neofunctionalists, who became a significant factor in political science in the 1960s, employed Mitrany's framework of analysis and its emphasis on 'low politics', but agreed with the federalists, in contrast with Mitrany, as to the desirability and feasibility of a continental union becoming a superstate, eventually with its own foreign and defence policy. For the most prominent neofunctionalist theorist, Ernest B. Haas (1958, 16; see also 1964, Nye 1971) integration brings 'loyalties,

expectations and political activities toward a new centre, whose institutions possess or demand jurisdiction over the pre-existing national states. The end result of a process of political integration is a new political community, superimposed over the pre-existing ones'. Neofunctionalists believed that the process of integration has an internal dynamic (*endogenous* in social science jargon), meaning that the current level of integration creates new levels of integration in the future. The mechanism behind unification is radically different from the one identified by federalists. There is in fact no conscious or explicit attempt to introduce a new federal constitution. According to Haas, '[a] new central authority may emerge as an unintended consequence of incremental earlier steps'. Hence, integration evolves spontaneously by a process of 'spillover'. Integration—even in secondary and technical fields—creates pressure to integrate contiguous areas for which the original area is crucial and which can no longer be controlled at a national level. In turn, functional spillover, from one area to the next, generates a technical spillover, which extends to a supranational level the dimension suited to dealing with the issue. Finally, technical spillovers can create a political spillover, meaning that formal control is transferred from the national to the supranational level.

The process follows an incremental path, in the sense that there is no single moment, unlike the introduction of a federalist constitution, which can be identified as the point of no return. The functionalist framework even allows for non-linear paths of integration. According to Schmitter (1974), for example, integration could even temporarily recede by reducing the institutional deepening in a certain area due to national resistance (retrenchment) or by returning authority in an area to the national level (spill back). In the neofunctionalist framework, because of its emphasis on 'low politics' and its traditional distaste for power politics, foreign policy is relegated to an ancillary position, and it is generally expected that political spillovers will follow upon economic and social integration.

European integration and IR theory

Federalism and neofunctionalism have been criticized mainly on two counts. On the one hand, their emphasis was too Eurocentric. Both schools were in fact formulated in general terms, but they highlighted characteristics of the process of European integration which were not to be found in other regions of the world. Federalism and neofunctionalism appeared like specific 'local' theories geared to explaining events in Western Europe rather than models applicable to international politics more generally. On the other hand, they employed a teleological approach, taking eventual full integration for granted, underestimating the 'obstinate rather than obsolete' potential resistance of the nation state as well as the possibility of forms of integration which could stop short of creating a superstate (Hoffmann 1966). With the slowing of European integration in the 1960s the theoretical debate shifted towards accounts more in tune with the broader paradigms of IR theory, which gave more importance to the role of states in the international system.

The limits of European Political Cooperation (EPC) in the 1970s also forced integration enthusiasts to reconsider their position as it became clear that European institutions would not soon be acquiring the cohesiveness of a sovereign state.[1] These reasons induced the two main schools in IR theory, realism, and liberalism, to come to terms with European integration in general and with the role of European institutions in the world in particular.

Realism is based on three main assumptions:

1. The state is the dominant actor on the international scene, and is capable of acting as a coherent, unitary, and rational unit.
2. Since states recognize no authority above them, international relations occur in a condition of anarchy, or lack of hierarchy, which forces states to act on the basis of self-help.
3. In anarchy, politics is dominated by security considerations and by the fragility of trust and cooperation. War is therefore always a possibility.

Like federalism, realism is mainly concerned with 'high politics' and shares with the former much of its analysis on the consequences of anarchy, though it is sceptical when it comes to the possibility of states creating a federation.

Liberals start from a different set of assumptions, which allow for a more flexible and positive view of the world:

1. States are not the only actors in world politics; other actors are important at the supranational (e.g. international organizations such as the EEC), transnational (e.g. multinational corporations or religious organizations), or subnational level (e.g. interest groups or political parties).
2. Interstate anarchy can be tamed by a network of relations between states, between states and other types of actor, and between non-state actors themselves.
3. International politics is not fully determined by the distribution of military capabilities. Other economic and social issues can be crucial. Hence, there is more room for choice than in realist accounts, allowing for cooperation and the development of international institutions.

Liberals envisage a more complex model of international politics, which could more easily account for the role of the European Union in world politics. In particular, liberals share neofunctionalist assumptions about the importance of 'low politics' and the need for interstate cooperation, although they also share realist scepticism about the possibility of relinquishing national sovereignty (Ruggie et al. 2005).

Before elaborating in more detail on realism and liberalism, it will be useful to sketch a typology of the main theories of European integration according to two variables (see Table 3.1). On the one hand, while realists and federalists concentrate on high politics, liberals and neofunctionalists give more emphasis to the importance of low politics. On the other, while federalists and neofunctionalists believe that the end result of the process of integration could be a fully-fledged

TABLE 3.1 The main approaches to integration

		Motive for integration	
		'high politics'	**'low politics'**
End result of integration	'pluralistic security community'	Realism	Liberalism
	'amalgamated security community'	Federalism	Neofunctionalism

Union, realists and liberals argue that integration could well stop short of the creation of a superstate. On this point, it seems useful to quote Karl Deutsch's distinction between 'pluralistic and 'amalgamated' security communities (Deutsch et al. 1957). Whereas in both of them war is so improbable as to become unthinkable, when integration brings about a unified state we speak of an 'amalgamated' security community; if states remain independent, by contrast, we speak of a 'pluralistic' security community.

Realist views of European integration and foreign policy

Realists are generally sceptical about the possibility of international cooperation, given the vying for security among states resulting from anarchy. In particular, realist theories assume that 'the most basic motive driving states is survival. States want to maintain their sovereignty' (Mearsheimer 1994/5, 10). For these reasons, 'realism […is not…] well designed to explain the political integration of Western Europe' (Wayman and Diehl 1994, 17). Yet the success of European integration and the beginning of a 'European' foreign policy have somehow forced realists to provide an explanation of these phenomena, even at the cost of adapting their main theories. As Jospeh Grieco maintained: 'the interest displayed by the European countries in the EU creates a problem for realist theory' (Grieco 1997*b*, 184; see also 1995, 1996).

Kenneth Waltz, the founder of neorealism, has advanced a 'local' solution to the question of European integration. For Waltz, integration is an exceptional event: 'some states may persistently seek goals that they value more highly than survival; they may, for example, prefer amalgamation with other states' (Waltz 1979, 92). However, even if integration eventually took place, it might merely alter the distribution of power among different units (i.e. the United States of Europe could become a world superpower) but not the basic anarchical structure of the international system. Accordingly, when asked to comment on the future of international politics after the end of the Cold War, Waltz argued that 'the emerging world will

nevertheless be one of four or five great powers, whether the European one is called Germany or the United States of Europe' (Waltz 1993, 70). However, the neorealist scholar was dubious about the prospects of such a radical change and, hence, saw the emergence of a European great power as a highly unlikely result (Waltz 2000, 31–32).

Although Waltz's attempt to conceptualize the EU may help to save the general propositions of the neorealist model, it does not account for the causes which seem to have brought integration about. Other realist theories have provided hypotheses in this respect which are consistent with the realist framework in general and, especially, with its emphasis on the structural constraints imposed by the international system. In particular, integration may be seen as a rational response to the systemic position and exhaustion brought about by war, in which European countries have found themselves since 1945. For example, according to Robert Gilpin (1981), international cooperation is possible only when a state is capable of imposing order in the international system by virtue of its superior power. When there is a clear hierarchy of power, there are few or no clashes of interests, as the stronger state can impose its will and the weaker ones have to comply. In order to increase the power of the Western coalition vis-à-vis the Soviet Union, the United States promoted measures—such as integration—which reduced inter-allied conflict and increased collective economic and military efficiency. Following a similar reasoning, but from a more liberal standpoint, John Ikenberry argued that American leadership has been crucial for the development of European integration (Ikenberry 2004).

Other theories emphasize the role of the post-war bipolar structure of the international system. According to Joanne Gowa (1989) and Hyde-Price (2006), in bipolar systems alignments between states are stable and durable because they are structurally determined, allowing for a higher degree of cooperation and trust. From this perspective European integration was largely a result of the polarity of the Cold War system. By contrast, alignments in multipolar systems are the result of choice among multiple options and can therefore change over time. Hence, cooperation is inhibited by the risk that today's friends will become tomorrow's adversaries.

The main point of the theories linking European integration to the Cold War is that, with the end of bipolarity, the structural conditions for the emergence of European cooperation will be altered. This could have ambivalent effects on European cohesion. In John Mearsheimer's gloomy view, even the established achievements of integration may be subject to revision: 'Without the Soviet threat or an American night watchman, Western European states will do what they did for centuries before the onset of the Cold War, look upon one another with suspicion. […] Cooperation in this new order will be more difficult than it was during the Cold War. Conflict will be more likely' (Mearsheimer 1990, 47). In this light, the return of multipolarity at the international level entails a return of the balance of power in Europe. Given events and developments such as Brexit, the Eurozone crisis, the rise of populism, and the worsening of transatlantic relations during the Trump administration, Mearsheimer (2019, 28–29) has reiterated his sceptical view on the future prospects of the EU.

Likewise, Sebastian Rosato (2011) has argued that European integration was largely a response to the Cold War threat posed by the Soviet Union. France and Germany established the European Coal and Steel Community (1951) and the European Economic Community (1957) as a way to balance out against Moscow. With the demise of the Soviet Union, according to Rosato (2011), further moves towards political and military integration have become unlikely.

However, the end of bipolarity has also been seen as a stimulus to deeper European cooperation in the foreign policy area. With the end of the Soviet threat, the transatlantic alliance, which was created to counter Moscow, lost its main rationale. Kenneth Waltz (1993) suggested that NATO, like all other alliances, will not eventually survive the loss of the threat which gave rise to it in the first place. In fact, the end—or weakening—of transatlantic ties could spur Europe to a more active role in the world, or even to an attempt to 'balance' American power. In the realist view, a stronger Europe would contribute to weakening the transatlantic relationship. For example, according to Henry Kissinger (1965, 232) 'European unity is not a major cure-all for Atlantic disagreements. In many respects it may magnify rather than reduce differences. As Europe gains structure, it will be in a better position to insist on differences whose ultimate cause is structural rather than personal'. By no means coincidentally, as historian Kiran Klaus Patel (2020, 239) noted, in the 1970s 'European integration […] tended to become a stress factor, rather than a stabilising influence'. Likewise, Lawrence Kaplan (1996, 29) argued that '[i]f the European movement ultimately embraces a military component, it could be the final act in NATO's history'.

Some have indeed suggested that closer European cooperation may be precisely the result of attempts to balance the overwhelming power of the United States after the bipolar era or a response to American disengagement. For example, Barry Posen (2006) argued that the main motive behind a European foreign policy might be the belief that the United States will keep pursuing its unilateral interests or even the fear that it might abandon the Old Continent (Posen 2020). Others maintain that closer European cooperation, and a more independent foreign policy with ties to other powers like Russia and China, could be the result of 'soft balancing' aiming to curb American tendencies to unilateralism (Paul 2005, 22–23).

Other realist theories focus on international relations within Western Europe itself. In particular, Joseph Grieco, elaborating on an earlier insight by Hans Morgenthau (1973, 509), suggested that European integration may be the result of the attempts by other member states to constrain Germany, especially after its unification. According to Grieco, 'if states share a common interest and undertake negotiations on rules constituting a collaborative arrangement, then the weaker but still influential partners will seek to ensure that the rules so constructed will provide sufficient opportunities for them to voice their concerns and interests and thereby prevent or at least ameliorate their domination by stronger partners' (Grieco 1995, 34; see also 1996, 1997*a*). Robert Art (1996) agrees on the fact that 'the desire for security vis-à-vis one another has played a role in the Western European states' second great push for closer union in the 1990s, just as it did during their first great push in the late 1940s and early 1950s'. Further integration in the early 1990s was

therefore possible because 'if other nations did not completely trust Germany, neither did Germans completely trust themselves [and this is why they chose] a strategy of voluntary self-entanglement' (Art 1996, 24).

More generally, the efforts to create a common European foreign policy could be conceptualized as a strong and permanent form of alliance. In his study on this subject, American historian Paul W. Schroeder (1976; see also Gelpi 1999) suggested that alliances are formed for two main purposes: 'capability aggregation and the control of allies'. In order to gain on these two fronts, states are willing to limit their own autonomy and follow the prescriptions of alliances and other international agreements (Snyder 1997). From this perspective, European integration could represent a dramatic loss of autonomy justified by an equally dramatic increase in common capabilities and in the capacity for mutual control. After all, as Stephen Krasner (1999; see also Caporaso 1996; and Lake 2007) contended, 'Westphalian' sovereignty has tolerated many exceptions. Given the drastic changes in Europe's international position after the Second World War, especially the awareness that continental anarchy could have near suicidal consequences and that European states no longer had the critical mass to compete with the two superpowers, a decision to embark on integration can be seen as logical. Where this realization was clearer, as in the defeated Axis countries (i.e. Italy and Germany), the propensity to integrate was higher than in the victorious continental powers—such as France and the Benelux countries which had been subject to German occupation but emerged victorious—and higher still than in the United Kingdom, which had not even been invaded.

Liberal views

The liberal paradigm appears more easily adaptable to explaining European integration and the emergence of a European common foreign policy, for two main reasons. On the one hand, liberals adopt a more flexible approach than realists on the question of the relevant actors in international politics, allowing for the role of international, or supranational, organizations. On the other hand, liberals are generally more optimistic as to the prospects of interstate cooperation and are therefore more willing to acknowledge the successes of the European Community and the European Union. There are three main liberal groups of theories which can be applied to the subject in question: republican, commercial, and institutional liberalism.

The first group of theories is based on the importance of domestic regimes in the formulation of foreign policy. Democracies (or republics in Kantian language) behave differently from non-democracies in the international scene for three principal reasons: they are forced to take the electorate's view into account, they are governed by a complex institutional mechanism, and they are based on norms prescribing peaceful conflict resolution (Doyle 1983; Russett and Oneal 2001; Lipson 2003). For these reasons democracies do not go to war with each other, forming a democratic security community in which a 'separate peace' is established. From

this perspective, European integration would be a result of the democratization of Western Europe which has taken place after the Second World War.

One classic work which employs a similar line of reasoning is Mancur Olson's *The Rise and Decline of Nations* (1982), which emphasizes that, in democratic politics, younger regimes are more capable of engaging in policies which favour general interests, while older regimes are more prone to being influenced by interest groups, which have had more time to organize their collective action. In the case of European integration it would follow that the timing of the process would be influenced by its proximity to the end of the Second World War, given that most European countries had to rebuild their political systems after the conflict. This would also help to explain the different propensities of countries (Koenig-Archibugi 2004*a*, 2004*b*), making the most recent democracies—Italy and Germany—more enthusiastic than the older ones, and the oldest, the United Kingdom, least eager of all. History thus plays an important role in explaining integration.

Olson's (1971) general theory of public goods is also useful to highlight the lack of integration in the area of foreign and defence policy. When a collaborative arrangement produces a public good, each party to the agreement has an interest in free-riding; that is, in enjoying the benefits without paying the costs. Given that all parties are subject to this incentive, however, there is a tendency to underproduce public goods as most or all will defect, producing a suboptimal result. With respect to Europe's common foreign policy, this means that even if all members agreed on a basic policy and found it desirable to implement, it could still fail since each would rather others shouldered the cost of its implementation. Christopher Hill (1996, 7) suggested that European states, even when they are willing to envisage common strategies, find it genuinely difficult 'to hold to these strategies once agreements are reached'.

The theory of public goods could also help to explain why European integration has advanced much further in the economic sphere than in the field of foreign policy. On the one hand, the latter area is less 'divisible' and it is therefore more prone to collective action failures than economic development, which provides incentives for everyone to participate. On the other hand, American military preponderance in the transatlantic alliance, which was necessary (and sufficient) to deter the Soviet Union, gave no real incentives to Europeans to invest and spend intensively on defence, because their security was already guaranteed. The problem of free riding in the transatlantic partnership has led to frequent debates about burden-sharing within NATO, an issue raised by the Trump administration as by its predecessors (Moller and Rynning 2021), given that the United States is contributing a disproportionate amount of resources to the collective defence effort.

Liberals, unlike realists, believe that NATO is based on common values and ideologies as much as interests, and that it can therefore survive both the end of the Cold War and a stronger European position in the international system. In a seminal article on this subject, Olson and Zeckhauser (1966, 279) contended that 'a union of smaller members of NATO, for example, could be helpful, and be in the interest of the United States. Such a union would give the people involved an incentive to contribute more toward the goals they shared with their then more nearly

equal partners. Whatever the disadvantages on other grounds of these policy possibilities, they at least have the merit that they help to make the national interest of individual nations more nearly compatible with the efficient attainment of the goals which groups of nations hold in common'.

Emphasis on the domestic political regime is also a key feature of Liberal Intergovernmentalism (LI). Building on the two-level theory first developed by Robert Putnam (1988; see also Evans, Jacobson and Putnam 1993; Milner 1997), LI suggests that governments act on two arenas simultaneously: the domestic and the international. Andrew Moravcsik, who more than any other scholar can be associated with intergovernmentalism, argues that—on the one hand—governments negotiate at the supranational level only on those issues which are favoured by powerful domestic constituents. Accordingly, national preferences and foreign policy goals vary 'in response to shifting pressure from domestic social groups' (Moravcsik 1993, 481). On the other hand, Moravcsik suggests that 'international negotiations and institutions change the domestic context in which policy is made by redistributing […] political resources […]. The reallocation of control over domestic political resources […] generally favours those who directly oversee national involvement in international negotiations and institutions, generally executives. […] This shift in domestic power resources feeds back into international agreements, often facilitating international cooperation' (Moravcsik 1998, 3). In other words, by delegating certain policies to a supranational level, governments can increase, rather than decrease, their power because they gain extra resources against their domestic adversaries. Thus, integration is a process under strict governmental control, and advances only when governments judge it in their interest to resort to supranational strategies and to reinforce their control over a certain issue (Moravcsik and Emmons 2021). On this view, foreign policy would remain outside the 'community' integrated framework which characterizes monetary or commercial policy and could remain rigidly separated from integration in general. Indeed, once major commitments are made, they are difficult to back out of, which makes a genuinely collective foreign policy an important Rubicon to cross since it would imply the loss of strategic autonomy for the member states.

Moravcsik's analysis is substantiated by the historical enquiry of Alan Milward, who argued that European integration—far from eroding national sovereignty—helped to reinforce European states in the reconstruction era. Regarding the origins of the EC, Milward (1992, 12; see also 1984) wrote that 'nation-states have played the dominant role in its formation and retained firm control over their new creation'. In this perspective, foreign policy has undergone less integration than other areas, such as monetary or agricultural affairs, because governments already enjoy a high degree of autonomy in that particular field.

The second group of liberal theories is based on the commercial tradition and stresses the importance of economic processes. According to this perspective, the recent growth in transnational flows has created interdependent modern societies which have altered the traditional conception of the 'national interest' (Keohane and Nye 1977). In particular, security issues have lost their pre-eminence vis-à-vis economic considerations and the latter force governments to unprecedented levels

of collaboration. The difficulty in controlling transnational interdependence with the scale of the nation state has even created an incentive to pool political resources together by building institutions with a sufficient critical mass to deal with the new issues. European integration would then be a more advanced regional example of this more general process of governance under globalization (Weiss 1999; Zurn 2000), given Europe's tighter web of transnational relations and the relatively small dimensions of its states in comparison, for example, with the United States. Other regions are likely to follow a similar path (Mansfield and Milner 1999; Choi and Caporaso 2002).

The interdependence school borrows from functionalist logic and its insights, though it does not share its teleological conclusions. This approach could help to account for the different levels of success in developing a common position in the various fields, with a higher propensity to integrate foreign economic policy than defence, for which, given Europe's relative sense of security, there is a less intense feeling of urgency. This would also explain why economic external relations have largely driven the process of European integration in the foreign policy area.

The last group of liberal theories concerns the development of international institutions. According to neoliberal institutionalists, conflict in the international system is an effect of the lack of trust between states in a condition of anarchy. Although this view places them close to realists, cooperation is still presumed to be possible. Using game-theoretic reasoning, this school of thought shows that negotiations can lead to suboptimal outcomes, even when there exists a common interest in cooperation. However, it is possible to reinforce the prospect of cooperation by enhancing the commonality of interests among players, by reducing the number of uncertain variables, and by reiterating interaction in a more structured setting (Keohane 1984; Axelrod and Keohane 1985; Hasenclever et al. 1997; for an application to the European Community, see Martin 1992). These conditions can be created by establishing international institutions, aimed at reducing uncertainty and mistrust in interstate relations. When transaction costs are prohibitive, and *ad hoc* institutions are not economical, states may resort to integration (Lake 1996; K. Weber 1997; Koenig-Archibugi 2000). Given its focus on bargaining and procedures, institutional analysis has been applied to the decision-making processes of the Union (Tsebelis and Garrett 2003; Slapin 2008; Konig and Slapin 2006). The institutionalist model has also been applied to Europe's common security policy by Carsten Tams (1999), who argues that European institutions serve the purpose of ameliorating collective action problems emerging from cooperation in the military field. In particular, while France and Germany wish for stronger European institutions because the more ambitious the project the more acute the collective action problems, the United Kingdom, before Brexit, preferred weaker institutions because it wanted a more limited role for European foreign policy. Finally, it must be remembered that there have been recent attempts to combine the three strands of liberalism into a coherent framework, with the democratic peace school suggesting that the 'separate peace' among democracies is especially effective when there are also high degrees of institutionalization and interdependence, as in the European case (Hasenclever and Weiffen 2006; Pevehouse and Russett 2006; Haftel 2007).

Cognitive, constructivist, and critical approaches

A number of critiques have developed over the years against the mainstream debate between realists and liberals, which has been considered by some as too rigid to capture the changing nature of international politics. In particular, in the last three decades a number of alternative approaches have emerged emphasizing the importance of cognitive factors in the elaboration of foreign policy and the central role of ideas in constructing international politics. On the one hand, while the traditional theories assume the rationality of actors or suggest that the structure of the international system rewards rationality, some middle-range theories in the foreign policy analysis tradition employ the notion of 'bounded rationality', which takes into account the cognitive constraints facing decision-makers. The limited amount of time in which to gather information, its possible bias, and the limited capacity to process it, lead to decisions based on less than full rationality. On the other hand, other theories question the ability to observe social events objectively, opting for a more 'reflective' approach based on the fact that even theories are an inextricable part of social reality. Rather than explaining international events 'from the outside' scholars should therefore concentrate on understanding the point of view of decision-makers 'from the inside', reconstructing the intersubjective as well as the subjective milieu in which they operate (Hollis and Smith 1991). Both groups of theories—in short—agree that the emphasis placed by realists and liberals alike on interests as exogenously given is misplaced and that it is better to consider actors' motives as a variable dependent on certain cognitive conditions and ideational structures (Wendt 1999, 27). These perspectives allow us to overcome a rigid agent-structure divide and to conceptualize agents and structures as 'mutually constitutive' (Wendt 1987).

These approaches can be organized into three main groups, all of which might be seen as loosely associated with the constructivist approach, in that they ascribe importance to the social origins of behaviour, and to the power of ideational variables (Bretherton and Vogler 1999, 28–36, Adler 2002). Firstly, although states do not transfer sovereignty to institutions and retain ultimate control over their policies, as shown by Brexit, in practice states tend to conform to the institutional rules and 'scripts' to which they have subscribed (Hall and Taylor 1996; Jupille and Caporaso 1999). In other words, states adopt the logic of 'appropriateness' according to which they follow institutional rules, unless this explicitly infringes one of their vital interests, because they fear being considered untrustworthy or 'inappropriate' (March and Olsen 1998). Institutions can therefore penetrate into foreign policy and influence decisions by, for example, fostering supranationalism (Pierson 1996) and common platforms which are then followed by national policies in the absence of better alternatives.

A process of incremental 'Europeanization' marked by small and marginal changes in the short term might follow which, like a conditioned reflex, could gradually draw national positions closer and closer. Furthermore, policy networks and epistemic communities can influence decision-making in an institutional context (Haas, 1992). Belief systems can also be viewed as a means of identifying 'general

lines in a country's foreign policy', as for example in the form of national attitudes and discourses on European integration (Larsen 1997, 10).

Secondly, other approaches emphasize that states do not seek only material objectives, but are also inspired by ideas. European institutions are therefore to be considered in this light as a normative entity (Parsons 2002) or a normative power (Manners 2002). At the very least, the fact that the EU exists creates pressures to preserve its unity, and develops a consistent bias towards common, rather than national, positions. At most, the existence of the EU as an institution which embodies certain principles—e.g. democracy, the rule of law, human rights, free markets—creates an incentive for states to sustain those same objectives and constitute a common 'European' identity. States which are part of the process become socialized with institutional aims and with those of other members. In the long term, national loyalties could give way to a true European identity (Cederman 2001). Having provided a normative and ethical framework for relations within Europe, the EU could then project these same instincts externally, constituting an 'ethical power' on the world stage.

Thirdly, institutions and norms can be seen as part of the international environment. In particular, the presence of a tight network of rules in Europe can approximate the traditional conception—introduced by the English School—of an international society (Bull 1977). Unlike a mere international *system*, in which interactions between states occur in a normative vacuum, in international *society* there are formal and informal institutions which guide foreign policy and limit conflict. Western Europe could be considered as the most developed example of an international society.

A more radical view sees the international system itself, and its characteristic anarchical condition, as a 'social construction' whose content, meaning, and effects on state behaviour can vary (Wendt 1999). Seen in this light, European integration could represent an experiment in the construction of a different type of international order (Wendt 2003), in which conflict is replaced by cooperation and suspicion by mutual trust (Wendt 1999, 308). For example, Robert Cooper (2003, 27) sees the Treaty of Rome as the pillar of 'postmodern Europe', which 'does not rely on balance; nor does it emphasize sovereignty or the separation of domestic and foreign affairs. The European Union is a highly developed system for interference in each other's domestic affairs, right down to beer and sausages.'

Let us now turn to what Ian Manners (2007) has rightly described as 'critical perspectives' (emphasis added). They include several approaches, such as normative theory (Eriksen 2021), historical materialism (Bieler and Salyga 2021), poststructuralism (Fanoulis 2018; Carta 2021), postcolonialism (Kinnvall 2021), critical geopolitics (Bachmann and Bialasiewicz 2021), and some feminist streams of research (Stern 2011; Abels and MacRae 2021; O'Dwyer 2021). As different as they are, the common element of all these perspectives is the idea that scholars cannot take political and social reality as a simple given; there is no such a thing as a world "out there" waiting to be discovered. The possibility to elaborate a neutral theory is considered as profoundly mistaken. Indeed, critical theorists emphasize the social and historical character of political knowledge and maintain that the

social world is constituted by our theories. As Robert Cox (1981, 128) maintained: 'theory constitutes as well as explains the questions it asks (and those it does not ask)'. Knowledge is not discovered, but produced and reproduced by social behaviour and theoretical reflection: 'theory', Cox (1981, 128) famously claimed, 'is always for someone and for some purpose'.

Critical theorists are also committed to progress and emancipation (Linklater 1996, 85). They are not solely interested in providing a picture of how the EU works, but rather provide a critical account of how particular representations have been constructed, and 'denounce' the power structure existing behind these images. Although they are not opposed to the EU as such, they pursue the goal of thinking and making a different Union possible. More or less explicitly, many (not all) critical theorists share Marx's eleventh thesis on Feuerbach: 'philosophers have only interpreted the world in various ways; the point is to change it'. Indeed, the method of deconstruction is often paired with the goal of reconstruction (Aarstad 2015, 124).

Although in the context of this chapter it is obviously not possible to do full justice to the richness of this stream of research, a few examples taken from the academic literature will illustrate the importance of these 'perspectives'. Let us take the case of enlargement, which is widely considered both as the EU's most powerful and successful foreign policy tool (Sedelmeier 2010; M.E. Smith 2011) and as a self-evident beneficial policy in promoting peace and stability on the Old Continent. However, a variety of scholars have characterized the Enlargement and Neighbourhood Policy (ENP) as a sort of postcolonial strategy based on a new *standard of civilization*: EU conditionality (Behr 2007; Stivachtis 2021, 8). From this perspective, not only is the EU an empire (Engel-Di Mauro 2006; Zielonka 2006) that employs the narrative of the civilizing mission (Zielonka 2013), but it relies on a set of foreign policy instruments meant to foster its values (Linklater 2016) and interests (Langan 2015).

This view is shared by those, such as Thomas Diez (2013), who stress the fact that most states seek to advance their individual goals by appealing to universal principles, and that the EU is not really different in this respect from other great powers who use all the tools at their disposal—including ideational and normative ones—to secure a favourable environment for themselves. Recent European efforts at curbing migration and fighting terrorism on the Southern shore of the Mediterranean (Del Sarto 2021), irrespective of the human cost and the destabilizing effects on local societies, seem to substantiate this critique and the idea of an emerging *fortress Europe* (Huysmans 2006; Bigo 2009; Ceccorulli 2019; Fassi and Lucarelli 2021).

Europe's power in world politics

This final section considers the EU as a 'power' on the world stage. The idea of the EU as a major power may sound like a contradiction in terms. On the one hand, European integration was meant to overcome violent inter-state competition and power politics on the Old Continent. On the other, the persistent inability to

develop a truly common foreign and security policy (or the purposive choice not to) may raise serious doubts about the idea of the EU as a major power.

On the eve of the Gulf War in January 1991, the Foreign Minister of Belgium, Mark Eyskens, famously remarked that Europe was 'an economic giant, a political dwarf, and a military worm'. Regardless of Eyskens' polemical target, implicit in his assessment of the economic, political, and military weight of the EU is the idea that no single formulation of power captures its different forms and modes of operation. Indeed, the question of the role played by the EU in the international arena depends very much on the definition of power employed and the issue-area taken into consideration. Realist accounts focusing on the coercive nature of power are the most sceptical about the EU as a major international actor, given both the limits of Europe's military capabilities and its frequent divisions on foreign policy issues. Liberal and constructivist accounts are in general (though not always or necessarily) more positive in seeing the Union as an influential international player, given its achievements in the economic and political arenas.

Although there is no such a thing as an international hierarchy of power, but rather a number of hierarchies depending on the scope or domain in question, a few generalizations can be advanced. With regard to the EU as a military power it should be noted that while the Union has organized 38 military and civilian missions abroad—a remarkable achievement which could not have been foreseen 20 years ago—it also has made no significant progress towards the creation of a truly common foreign and security policy. This failure contrasts with a considerable potential. According to SIPRI (2021*b*), the combined EU defence expenditure (after Brexit) amounts to 230 bn dollars in 2020, way below the 778 bn of the US but comparable to the 252 bn of China and well over the budgets of India (73 bn), Russia (62 bn), the UK (59 bn) and Japan (49 bn). Since the intergovernmental process is still dominant in these domains, speaking of a 'European foreign policy' is at the moment an exaggeration, despite efforts at coordination and the presence of a European spokesperson in the position of the High Representative. The problem lies not only in the inability to mobilize capabilities and resources—progress has been made in the crucial area of defence industry integration—but in the fact that on international affairs there is neither agreement among member states nor supranational procedures to aggregate the views and interests of its parts into a single, unified European position (Meijer and Brooks 2021). Actually, not only do member states still conduct their foreign policy in terms of their own global visions and national interests but on some occasions they have been at odds with each other on how to respond to international crises. In instances such as the wars in Iraq 2003 and Libya 2011, the EU was spectacularly divided.

Much more positive is the assessment of the EU's capability to produce economic, trade, and 'market power' (Damro 2012). The economic weight of the Union is employed in a variety of international contexts and organizations, such as in the trade negotiations within the WTO, where the international actorness of the EU is high. For decades the European Community effectively co-shaped (with

the United States) the global trade regime. From the creation of the European Customs Union to the Uruguay Round, Europe succeeded in projecting its policy preferences at an international level and resisted demands for liberalization in areas incompatible with its own domestic preferences, such as in the agriculture and textile sectors. Hence, it is no exaggeration to say that trade liberalization from 1958 to 1995 largely reflected European preferences. It must be noted, however, that today the power of the EU to influence the process and content of the trade regulatory regime has partially diminished. Although still a gigantic market and a major trading bloc several factors, such as the rise of emergent economies, low growth rates in EU member states, and the judicialization of the world trade regime, have determined a relative decline in the 'trade power' of the Union (De Bièvre and Poletti 2013).

While the 'trade power' of the EU may have diminished, recent events show that the Union is also active in exercising forms of economic statecraft—that is, the use of economic resources as a political instrument (Baldwin 1985). Among the tools of economic statecraft, sanctions appear one of the current favourite instruments employed by the Union. Indeed, the EU is increasingly resorting to restrictive measures to achieve foreign policy objectives, especially when diplomatic engagement fails, and member states consider the use of force as an impracticable option (Portela 2010). According to a recent analysis, in the period from November 1993 to December 2019, the number of EU autonomous sanctions comprised 48 cases (Giumelli et al. 2021). Thus, the restrictive measures against Iran, Russia, and Syria are only some of the latest examples of EU reliance on this non-military security policy tool. Although the use of sanctions is becoming more and more frequent, their effectiveness for achieving ambitious security goals is far from clear. On the one hand, in cases like Russia and Syria sanctions have had at best a constraining effect on the target rather than a coercive impact; neither Russia nor Syria have fully complied with the requests of the EU or of the wider international community. Moreover, rarely being imposed in isolation, their specific impact on the target is not always easy to measure. On the other hand, a few cases show the importance of the EU as a sanctioning power. For instance, in the case of Iran not only have restrictive measures negatively affected the Iranian domestic economy, but those sections of society most affected by sanctions are also those that supported the political leadership favourable to a negotiated international agreement on the nuclear programme (Bazoobandi 2015). Thus, although it is still far from clear when restrictive trade measures work, the adoption of sanctions shows that the Union is capable of using economic instruments for political and security goals. Moreover, since the higher the number of sanctioning countries, the greater the economic cost imposed on the sanctioned state, the United States needs the EU's compliance to mount widespread and serious sanctions. Hence, the economic size of the EU gives Brussels some leverage with Washington.

Concerning the EU's political power, it must be emphasized that World War II marked a transition, at least within the borders of the EU, from international relations based on power politics to an environment where the use of violence has been removed as the final arbiter among nations. The end of the Cold War has brought

no change to this pattern. Although there is no central authority that monopolizes violence in Europe, states seem to share a common understanding about the fact that none of them pose a threat to one another. In so doing, the EU has domesticated anarchy and some of its traditionally perilous effects, such as the arms race, the security dilemma, and the use of force for inter-state competition. By consolidating new democracies both in Southern and then Eastern Europe, enlargement has also been a major case of success in stability and democracy promotion abroad.

Enlargement not only extends the borders of the EU's regional subsystem, but it seems also to change the political relations of its members with the outside world. What is often overlooked is the fact that enlargement has modified not only expectations about the use of force among its member states, but also the attitudes of non-member states towards EU members. The Union has become a sort of 'safe haven' which protects its member states from external threats. Indeed, despite rising fears over Russian foreign policy, what happened to Georgia and Ukraine is unlikely to occur to those former members of the Soviet Union such as the Baltic countries which enjoy EU status.

Whatever view is taken on the question of the EU as an important actor in global politics, it is clear that its foreign policy still lacks the full menu of options at the disposal of a traditional great power. Moreover, the indefinite continuation of a hybrid institutional arrangement is unlikely to cope with the challenges of the 21st century. Two main factors will determine whether this ultimately unstable situation will bring about further integration or, rather, will expose the weaknesses of the European project.

The first factor is the international environment, which has radically changed from that of the Cold War when the European project began. This has driven the EU to develop a fuller range of capabilities than in the past. On the one hand, Europe's distinctive combination of enlargement with civilian power could emerge only because American protection during the Cold War guaranteed continental security even without a European contribution. As Hedley Bull noted (1982: 151), the civilian power concept could be described as a contradiction in terms because 'the power of influence exerted by the European Community and other such civilian actors is conditional upon a strategic environment provided by others'. Where this order is wanting, as for example in the Middle East or in the Caucasus, more traditional means—such as the ability to use force—are necessary if one wants to prevent the gap between capabilities and expectations from widening (Hill 1993*a*). On the other hand, while Europe's importance has diminished in recent decades in comparison to Asia, Europe must now concentrate on global issues because some of the risks it faces, like terrorism, originate in extra-European regions, such as the Sahel where the EU has recently deployed three different missions (EUCAP Sahel Mali, EUCAP Sahel Niger, and EUTM Mali).

The second factor concerns European power projection capabilities. The limited military means that the EU has acquired are still too weak for missions beyond the Petersberg tasks outlined in the 1999 Amsterdam Treaty. The need for greater rationalization and consolidation at the European level is beyond doubt, given the rising supply costs of defence technologies in a context of shrinking budgets.

The prospect otherwise is that of a sum of Lilliputian national forces in a world of Gullivers (i.e. the United States and China), each without the critical mass to sustain Europe's ambitions or even to protect its own security in the long term (see also Chapter 14). Hence, Europe faces a choice between on the one hand reverting to a more traditional sum of 'renationalized' foreign (and domestic) policies, and, on the other hand, of proceeding to establish a truly common mechanism, thus being, in Johan Galtung's phrase (1973), a 'superpower in the making.' Although the EU has changed considerably since its creation half a century ago, it is now being forced to face change again, if it does not want to lose what it has achieved so far.

NOTE

1. However, given the procedural advances of EPC, some integrationists came to reverse their view that foreign policy would be the last area to produce common positions.

FURTHER READING

There is a vast literature on the origins and development of European integration. General theoretical overviews are offered, for example, by Wiener, Börzel, and Risse (2019) and Hooghe and Marks (2019). The most orthodox theoretical treatments, from a realist standpoint, are Rosato (2011) and Grieco (1996, 1997), while for a liberal view, one should take note of Moravcsik (1998). Critical perspectives applied to the EU are covered by Bigo et al. (2021). For a comprehensive view of the foreign policy of the EU, which goes beyond the focus on the CFSP and CSDP, see Keukeleire and Delreux (2022) and Jørgensen et al. (2015). Hill (1993*b*) explains the conditions for an effective single European foreign policy. The topic of the EU as a power is dealt with by Moravcsik (2017).