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LIBERAL INTERGOVERNMENTALISM AND ITS CRITICS

Mareike Kleine and Mark Pollack

In 1993, an article published in the *Journal of Common Market Studies*, entitled 'Preferences and Power in the European Community', caused a great stir in the field of European Union (EU) studies. Its author, Andrew Moravcsik, contended that students and practitioners of European integration had gotten this process all wrong. Instead of being driven by geopolitical interests or grand ideas, he argued, European integration was largely about the pursuit of economic preferences. And instead of being nudged into relinquishing ever more authority to powerful supranational elites, the member states were almost always in full control of the integration process, pooling and delegating national sovereignty to the minimum extent necessary to make their mutual commitments credible. Moravcsik later backed his claims with extensive empirical evidence of the EU's main treaty bargains in his magnum opus *The Choice for Europe* (1998).

In the years that followed, Moravcsik further developed the theory of liberal intergovernmentalism (LI), supplementing its three core claims about national preference formation, intergovernmental bargaining, and institutional choice with three extensions: a defense of the EU's 'democratic deficit', the claim that the EU had reached a stable 'constitutional settlement', and the argument that Europe had emerged as the world's 'second superpower'. While the core claims defined LI, the extensions are logical corollaries of the theory with respect to some of the major questions facing the Union over the past 25 years, and on all counts Moravcsik defended the Union against some of its most severe critics and skeptics.

Few debates have shaped the field of EU studies more than the debate between LI and its many contenders. Within a decade of the publication of 'Preferences and Power', LI had emerged as the leading and arguably the 'baseline theory' (Moravcsik and Schimmelfennig 2009: 67) of European integration; yet its core assumptions, empirical claims, and normative implications remained hotly disputed. First, LI's political economy model of preference formation has been questioned both by constructivist scholars, who contend that EU norms and rules shape national preferences, and by postfunctionalists who claim that, in an increasingly politicized EU, domestic preferences follow broad identity-based movements rather than functional, issue-specific interests. Second, the bargaining theory has similarly come under fire, both from constructivist scholars who argue that EU decision-making is more deliberative than Moravcsik's model allows, and from 'supranationalists' who argue that the EU governments share influence with supranational actors such as the Commission, the European Parliament (EP), the European Court of Justice (ECJ), and the European Central Bank (ECB). Third, LI's model of institutional choice has been criticized by historical institutionalists for ignoring endogenous feedback that destabilizes the equilibrium and creates pressure for further institutional choices, be it for more or for less integration.

Scholars similarly took aim at Moravcsik's three extensions, arguing that the EU's democratic deficit, far from being 'defensible', is severe and possibly worsening; that the EU is not a stable constitutional settlement but instead faces the prospect of disintegration; and that the Union, far from being a superpower, systematically punches below its weight in world affairs.

In this special issue, we and our contributors join the ongoing debate about LI, its core claims and extensions, and its continuing relevance in an EU that is more politicized and facing crises far beyond those experienced in the—in retrospect—halcyon days of the early 1990s when Moravcsik published his first, seminal statement of the theory in the pages of this journal. Since then, the Great Recession triggered the Eurozone crisis and fierce conflicts between debtor and creditor states about the zone's institutional design. That continuing crisis was soon overshadowed by a large influx of migrants from the Middle East and Africa that prompted an even more furious debate about the design of the Schengen area and the EU's asylum regime. Meanwhile, populist Euroskeptic parties gained a foothold in the European party landscape, bringing to power illiberal governments in Hungary and Poland, and culminating in the British decision to 'Brexit'.

Taken together, these crises raise a series of challenges for LI. To what extent can LI explain the origin and consequences of these crises? Do the broader trends that underpin these crises pose a fundamental challenge to LI's theory of preference formation, bargaining, and institutional choice? Have they shattered LI's optimism about the EU's democratic legitimacy, constitutional stability, and global superpower status? In this special issue, these and other questions are tackled by many of Moravcsik's leading interlocutors, each of whom grapples with the question of LI's continuing relevance in a politicized EU, and by Moravcsik himself, who responds to his critics and assesses the past and future of LI in the concluding article.

In this introduction, we set the stage for this 25-year reassessment, by reviewing Moravcsik's theoretical and empirical claims as well as the challenges posed by some of his leading critics. We begin in Part I with a brief review of the debates prompted by the core claims about national preference formation, intergovernmental bargaining, and institutional choice. We argue that the most recent and arguably most fundamental challenge at the current moment of crisis comes from postfunctionalists, who argue that the EU has become politicized in ways not appreciated in LI's original formulation. An important research question for the future will be to explore if or under what conditions identity is overtaking functional interests in the formation of national preferences, and to what extent these dynamics impact European integration and, potentially, disintegration. Second, we examine Moravcsik's three extensions, noting both their derivation from LI and the substantial disputes generated by each. Here again, the postfunctionalist critique is central, as the rise of anti-European populism across the Union poses fundamental challenges to the EU's democratic legitimacy, the stability of its constitutional settlement, and its role in the world. As we shall note in the conclusion, however, Moravcsik himself retains a cautious optimism about the future of the Union.

The Core of Liberal Intergovernmentalism, and Its Critics

The key to understanding LI is the premise that rational individuals and private groups with autonomous and differentiated interests are the fundamental actors in international politics (Moravcsik 1993, 483). These pluralist interests are in constant competition for influence on the state, and the victorious actors in this domestic struggle get to define the preferences that the government pursues in interaction with other states. It follows that we simply cannot understand state behavior and power unless we first understand what fundamental purpose each state seeks—a purpose that is shaped by interests at the domestic level.

The importance of the premise of domestically defined state interests sets LI apart from realism, institutionalism, and other schools that theorize state preferences as unitary and fixed (Moravcsik 1998, 20). It also implies a particular approach to the analysis of international politics: if state preferences are to be problematized rather than assumed, then international outcomes cannot be analyzed solely at the systemic level. Moravcsik therefore rejects mono-causal theories in favor of an analytical approach that allows for complex yet coherent multi-causal explanations, rooted in a thorough understanding of state-society relations, interstate bargaining and institutions. Instead, he argues, any explanation of international politics has to be disaggregated and modeled as a process of successive stages, with the aggregation of state interests at the national level as the invariable starting point (Moravcsik 1993, 482; 1997).

In 'Preferences and Power' and later *Choice*, Moravcsik applied this way of thinking to European integration in the form of what is now widely known as Liberal Intergovernmentalism. The theory follows in the footsteps of earlier intergovernmentalist writers, notably Moravcsik's late mentor Stanley Hoffmann, regarding its emphasis on the obstinacy of the nation state as well as in its appreciation of diverse national interests (Hoffmann 1966). However, LI is 'liberal' insofar as it, like neofunctionalism, emphasizes the pluralist condition of modern international politics as rooted in the preferences of individuals and interest groups (Moravcsik 1997, 535).

From the perspective of LI, the EU is the world's most successful international policy-coordination regime (Moravcsik 1993, 473), established in successive agreements by governments to pool national sovereignty through majority voting and to delegate authority to semi-autonomous central institutions (509). True to the liberal framework, Moravcsik posits that in order to analyze integration outcomes, scholars should disaggregate Europe's important treaty negotiations into three separate stages, each of which employs a distinct theory to explain, respectively, (1) the aggregation of domestic interests into national preferences for integration, (2) distributive bargaining among EU governments pursuing these preferences, and (3) the design of institutions to secure and implement collective bargains (Moravcsik 1998, 24). Analyzing the EU's most important treaty negotiations from the Treaties of Rome to the Treaty of Maastricht, Moravcsik argues that these major integration steps were driven by issue-specific functional demands from societal interests; that intergovernmental bargains about these steps tracked state bargaining power; and that European governments rationally designed EU

institutions to ensure the credibility of their commitments (Moravcsik 1998, 2-4). Let us explore each of these, briefly, in turn.

The Liberal Account of National Preference Formation

The first stage of LI is about the formation of state preferences. Here, Moravcsik refutes earlier theories that cited either security concerns or federalist ideas as the driving forces behind European integration. In contrast, Moravcsik argues that the liberal premise of the fundamental role of private actors and groups implies a more complex but no less systematic explanation (Moravcsik 1993, 484).

From the liberal perspective, Moravcsik argues, it is important to consider that international cooperation typically creates domestic winners and losers such that different policy areas engender different distributions of costs and benefits for societal groups, from which follow variations in patterns of domestic political mobilization (Moravcsik 1993, 488). Where gains are concentrated and costs diffuse, the beneficiaries of integration face fewer obstacles to political mobilization than its losers, making it more difficult for any government to ignore their demands when weighting them against broader regulatory and fiscal objectives. Where the costs are concentrated and the gains diffuse, the opposite pattern emerges. However, where integration effects are uncertain, there will be little mobilization and more room for leaders to follow different, even personal motives (488-496). Analyzing how the governments of Germany, France and Great Britain aggregated the preferences of domestic constituencies, Moravcsik finds that the trajectory of integration from Rome to Maastricht largely followed these predicted patterns. European integration during this time, he argues, reflected primarily domestic economic interests, as articulated by producer groups, whereas geopolitical and ideological motivations played a secondary role and prevailed only where the distribution of economic gains was uncertain (Moravcsik 1998, 3).

The LI account of national preference formation has been challenged on both theoretical and empirical grounds. We focus here on two such challenges, the first from constructivists who argue that national preferences are endogenously shaped by EU membership, and the second from postfunctionalists who argue that the EU has become politicized in ways not captured by LI.

Constructivists reject LI's assumption of rational domestic actors with exogenously formed preferences existing independently of EU structures and processes of deliberation (Risse forthcoming; Schmidt 2018). In this view, European social norms not only regulate behavior, but also define actors' very interests and identities. Not least after Moravcsik's own call for more rigorous work (Moravcsik 2001), numerous constructivist studies explored how EU membership feeds back through a process of 'Europeanization' (Cowles et al 2001) or 'socialization' (Zürn and Checkel 2005) to affect how European states define their interests (Risse 2010). The central empirical question that this body of work raises is how European ideas and identity exert an independent influence on the formulation of national preferences. This research question, in turn, has gained new prominence in the past decade in the context of the 'postfunctionalist challenge'.

Postfunctionalists question LI's model of preference formation, with its strong emphasis on issue-specific interests, instead emphasizing the increased salience of European integration as an issue in domestic mass politics, and one that implicates issues of identity as well as economic interests (Hooghe and Marks 2009, 11). This claim, they argue, puts the finger on LI's predictive limits: Because LI mainly attributes salience and political mobilization to the certainty and distribution of (economic) integration gains, it struggles to explain mass mobilization around issues that touch upon matters of identity. In this issue, Frank Schimmelfennig (2018b) illustrates the postfunctionalist challenge with a description of the political mobilization that culminated in the 2016 Brexit vote. In this case, the costs of leaving were at best unclear and at worst likely to inflict serious economic harm on many of those voters that opted for 'Brexit', and so LI would have expected the British public to opt to remain in the EU. Against this background, Schimmelfennig argues that postfunctionalism does a better job than LI in explaining the otherwise puzzling referendum outcome.

The postfunctionalist challenge is arguably still more empirical than theoretical, since it has yet to define clear, testable predictions about the political consequences of the observed change in political cleavages (Hooghe and Marks 2018, 126; Grande and Hutter 2016, 16). However, it has inspired a host of sophisticated studies of media coverage and public opinion in Europe, and the combined findings indeed suggest changes in the salience of EU politics, an expansion of audiences engaged in monitoring EU affairs, and new dynamics of mobilization around issues of identity (de Wilde, Leupold, and Schmidtke 2016, 4; Hobolt and de Vries 2016). Thus, growing empirical evidence of identity-based, anti-EU mobilization suggests, at the very least, the omission of an important variable in LI's theory of preference formation.

The origins of recent changes in the domestic political landscape and especially their consequences for European governance are therefore important questions on the EU studies research agenda. Are the growing politicization and salience of EU politics a direct response to the transfer of authority to the EU or are they part of a broader phenomenon that affects Western liberal democracies more generally? How do the new dynamics of politicization translate into actual integration outcomes given that domestic conflict structures and elite strategies significantly moderate patterns of politicization across countries and over time (Grande and Kriesi 2016, 281)? What factors moderate the responsiveness of governments to the mobilization of mass publics? Finally, rather than asking whether economic interests *or* ideas better explain the interests of individuals and firms, it seems imperative to explore the ways in which economic interests and ideas interact to form complex patterns of preferences (Owen and Walter 2017, 188-90).

In this volume, Kathleen McNamara (2018), Simon Hix (2018), and Vivien Schmidt (2018) all raise questions about the possible causes and consequences of EU politicization. McNamara takes the view that politicization is the inevitable result of the EU's steady centralization of political power. Approaching the EU as a case of state-building, she calls for greater attention to the role of shared culture and identity in shoring up the EU's political authority, and finds that the Union has been unable to engender the

same deep attachment as national political communities. The strategies of elites to frame the EU as banal, McNamara argues, are now backfiring as this 'emergent political authority' finds itself ill-equipped to weather severe crises in the face of citizens' weak bond to the Union. The theme of politicization is also central to Hix's analysis of the EU's democratic deficit, and to Schmidt's analysis of the EU's supranational actors, as we shall see below.

Understood broadly as a framework for theorizing state-society interactions, LI is in principle capable of accommodating and theorizing a world in which EU policies become politicized as they touch upon highly salient issues – particularly where that politicization can be linked to a clear instance of EU policy failure, as in the Eurozone and refugee crises (Moravcsik 2018: xx). Nevertheless, it is clear that a more politicized and mobilized EU will be—and already is—very different from the one depicted in *Choice*, and it is of utmost importance to understand the causes and consequences of this shift.

The Intergovernmentalist Account of EU Bargaining

Once national interests have been aggregated and governments tasked with their pursuit, states find themselves in different configurations of interdependence. In some cases, described mostly by realists, interests are zero-sum: one state's gain is another state's loss. In other cases, state interests are harmonious. In many cases, however, motives are mixed, such that an exchange of concessions and mutual adjustments can increase the welfare of all parties (Moravcsik 1997, 521). The challenge governments then face collectively is to attain the best possible outcome for all, while reconciling conflicts about the precise terms of cooperation (Moravcsik 1993, 496-497).

Distributive bargaining among member governments about the terms of cooperation is the second stage of LI. Moravcsik disagrees with the neofunctionalist claim that governments, with their vast information-gathering capacity and experience, require the help of supranational actors to 'upgrade the common interest' (Moravcsik 1999, 273). Instead, he draws his preferred explanation of negotiation outcomes from game-theoretic bargaining analysis. Starting from the assumption that intergovernmental conferences are non-coercive and information-rich settings, he argues that because intergovernmental bargaining tends to be efficient, negotiations typically revolve around distributional questions (Moravcsik 1993, 499). Drawing on the concept of power as asymmetric interdependence—a concept developed by his mentor Robert Keohane and Joseph Nye (Keohane and Nye 1977)—he argues further that bargaining outcomes will reflect issue-specific patterns of interdependence: States with attractive alternatives to European integration are in a good position to set the terms of cooperation, while states that depend on the cooperation of others will have less influence (Morvavcsik 1993: 481).

Although LI's theory of distributional bargaining was developed for the context of intergovernmental conferences, it has been applied more broadly to EU decision-making. In his review of Council scholarship in this issue, Daniel Naurin (2018) shows that many scholars have disputed but few ever refuted Moravcsik's findings about the dominant role of the EU governments and the distributional outcomes among them. Naurin argues that

LI has indeed become a baseline theory for studies of intergovernmental negotiations, at intergovernmental conferences, in the European Council and even in the Council of Ministers where majority rule prevails and other supranational actors are more strongly involved in the decision-making process. Nevertheless, Naurin also notes that some theoretical challenges to LI remain, and we focus here on two of them, the first to Moravcsik's depiction of intergovernmental bargaining, and the second to the assertion that governments are in control of negotiation processes and outcomes.

Among the first group, a purported 'new' intergovernmentalism agrees with LI about the centrality of EU member governments, and indeed asserts that the EU's member governments have become *more* central over the past decade, as the European Council has emerged as the Union's main crisis management venue and governments have increasingly sidelined the Commission by delegating powers to more easily controlled *de novo* bodies. By contrast with LI, however, new intergovernmentalists dispute Moravcsik's bargaining model, instead depicting the European Council as an arena for deliberation and persuasion where leaders seek consensual outcomes that downplay the controversial and political nature of their decisions (Bickerton, Hodson, and Puetter 2015, 711; Fabbrini and Puetter 2016, 486).

It is debatable whether this strand of intergovernmentalism really offers a new and distinct theoretical framework (Schimmelfennig 2015, 724-726). For one, the search for consensual outcomes is as old as European integration itself (Kleine 2013, 91). Moreover, the claim that EU negotiations are best characterized as deliberation rather than hard bargaining echoes a well-established constructivist argument that has gained a foothold in EU studies over the past two decades (Lewis 1998). This 'deliberative turn' has produced a host of studies that explore the power of ideas and communication in the EU institutions (Schmidt 2008) and within the broader European public sphere(s) (Risse 2010). Moreover, as Moravcsik argues in this issue (2018: xx), and constructivists readily admit (Risse forthcoming), observations of deliberation are not incompatible with a rationalist and, thus, liberal intergovernmentalist perspective on interstate negotiations. In this sense, the newness of the new intergovernmentalism is open to question.

Beyond the question of how to characterize intergovernmental bargaining in the EU, a second group of scholars has questioned LI's emphasis on the intergovernmental Council and European Council, which increasingly share power with supranational actors like the Commission and the EP. Moravcsik's writings on this question have been nuanced. On the one hand, he has argued forcefully that EU member governments are fully capable of bargaining efficiently amongst themselves, and that supranational entrepreneurship is largely 'late, redundant, futile, and sometimes even counterproductive' (Moravcsik 1999: 269-70). On the other hand, Moravcsik has conceded the role (albeit constrained) of the Commission in day-to-day regulation, as well as the growing authority of the EP in the legislative process (Moravcsik 2002: 612), and the greater-than-expected autonomy of the ECJ in pursuing EU legal integration (Moravcsik 2005: 363).

As a broadly rationalist framework theory, LI is consistent with institutionalist approaches that begin with similar assumptions about rational, utility-maximizing

member states and theorize the conditions under which supranational actors can act autonomously from, and set the agenda for, member governments in day-to-day policymaking (Pollack 2003, forthcoming). However, an intergovernmentalist perspective would still insist that governments allow supranational influence to go only so far, and that they will seek to reassert their control over outcomes when these threaten to make governments look bad in the eyes of influential constituencies (Kleine 2013, 158).

In her contribution to this issue, Schmidt (2018) argues that the question of 'Who's in charge?' remains a bone of contention, but the debate has moved in a constructivist direction. In this reading, the dominant cleavage in EU studies is among three schools of thought, all of which take ideas and discourse seriously, although each locates ideational and discursive power in different hands. The 'new intergovernmentalists' see governments as the key actors in an increasingly deliberative European Council, while 'new supranationalists' counter that supranational actors have in fact grown in influence since the crisis, engaging in ideational entrepreneurship and taking quiet advantage of new enforcement powers. A third group, dubbed 'new parliamentarists', argues that the EP remains influential, not least by virtue of its legitimacy as the Union's only directly elected body.

One important frontier for the study of supranational institutions concerns the autonomy and effectiveness of the ECJ in advancing the process of legal integration. Although Moravcsik has largely conceded the unexpected role of the ECJ, Will Phelan's (2018) contribution to this special issue puts forward a revisionist argument for a '*more* liberal intergovernmentalist' theory of the Court and EU legal integration—liberal in emphasizing how the supranational legal order was adapted to the needs of highly interdependent states and the demands of export-oriented interests, and intergovernmental in the sense that member governments, while not anticipating the Court's actions, nevertheless approved of key developments in the construction of the new European legal order. Phelan's reinterpretation, moreover, echoes other recent studies suggesting that the ECJ is more responsive to member-state preferences than is popularly understood (Larsson and Naurin 2016; Carrubba and Gabel 2017).

Institutional Choice

In the third step of LI, governments choose institutions to secure the bargain they just reached. The pooling of sovereignty and the delegation of authority to supranational institutions is, in this view, a deliberate choice, intended to increase the credibility of international agreements. In this respect, there is an overlap between LI and regime theory, which analyzes the ways in which institutions reduce transaction costs and provide policy-relevant information (Moravcsik and Schimmelfennig 2009, 72).

However, there are two claims, one theoretical and one empirical, that distinguish LI from other accounts of EU institutions, and both have prompted ongoing debates in the field. The first claim is about the motives behind institutional choices. Moravcsik (1998, 75) predicts that states pool sovereignty and delegate authority in areas where

governments are easily tempted to renege on agreements. A number of constructivist-inspired writers, however, emphasize the role of ideas and ideology in the creation of the uniquely strong original Community (Parsons 2003) and the design of Eurozone institutions, including a remarkly independent European Central Bank (McNamara 1998), and the enlargment of the powers of the EP (Rittberger 2005) – none of which, it is argued, can be explained solely through the logic of credible commitments.

The second claim concerns the long-term development of EU institutions and Moravcsik's insistence that governments remained in control for most of this process. Scholars of historical institutionalism (HI) disagree, arguing that unintended consequences, institutional lock-ins, and path-dependent development led these institutions to develop in unexpected and suboptimal ways (Pierson 1996). Moravcsik counters that, since governments are motivated to constrain their successors' future choices, the finding that subsequent governments are dissatisfied with an institution cannot be cited as evidence against LI's theory of institutional choice (Moravcsik 1998, 493). With this argument, Moravcsik therefore shifts the burden of proof onto historical institutionalists, challenging them to demonstrate poor judgment in the choice of EU institutions.

This "LI/HI debate" is arguably a red herring. As Schimmelfennig (2018b) argues in this volume, LI is static in the sense that it does not explicitly theorize potential endogenous changes in its core ingredients: preferences, bargaining power, and institutional choice. Yet we, with Moravcsik (2018), would argue that liberal theories, more than other IR theories, are open to theorizing feedback given that cooperation necessarily induces structural economic shifts at the domestic level that bring new sets of interests to the fore. If this is true, however, then LI should be able to theorize explicitly about the conditions under which and the ways in which European integration shifts domestic preferences either toward greater support of integration (Moravcsik 1999, 380) as well as, potentially, against integration. The further development of LI in the direction of explicitly theorizing patterns of positive and negative feedback from initial institutional choices therefore represents a promising frontier for the theory, which could eliminate the false dichotomy between LI and HI, and instead emphasize their fundamental compatibility. We shall return to the question of endogenous change under the rubric of the EU's constitutional compromise, below.

Three Extensions of Liberal Intergovernmentalism

In addition to his core claims, Moravcsik derived from LI three extensions, each of which addressed important normative and policy-relevant questions, taking new and controversial positions that have since become the subject of lively debates about (1) the EU's putative democratic deficit, which Moravcsik decried as overblown; (2) the claim that the EU had, by the late 1990s, reached a 'stable constitutional settlement'; and (3) the argument that the EU deserved the status of a global superpower, using its liberal strengths to defend European interests and values around the world.

Two features of these three extensions are particularly striking. First, although each argument is often read in isolation from LI, all three are deeply informed by the broader theory, and should be seen as policy-relevant extensions of it. Second, and by contrast with those critics who mistakenly identified LI as 'realist' or even Euroskeptic, these extensions are fundamentally optimistic about the nature and future of the EU, suggesting that it is democratically defensible, fundamentally stable, and able to project its interests and values around the world. Whether such optimism is warranted in a time of multiple crises, however, has been contested.

The Defensible Democratic Deficit?

Moravcsik's argument about the nature of EU institutions as commitment devices has important implications for normative debates about Europe's putative 'democratic deficit'. Most democratic deficit arguments put forward one or more of four critiques of the EU. First, it is argued, the EU erodes national democracy by supplanting, directly through new legislation and indirectly through ECJ rulings and regulatory competition, national laws adopted by democratically elected legislatures (Williams 1991). Second, EU institutions lack democratic accountability, given the strong role of indirectly elected politicians in the Council, the power of unelected supranational institutions, and the weakness of the EP (Greven 2000). Third, many scholars argue that the Union itself is structurally biased toward neoliberal values, given the centrality of the treaties' free-movement aims and the institutional hurdles to the adoption of EU social policies (Scharpf 1999). Fourth, Europe arguably lacks a *demos*, a group of people united by a sense of community, to legitimate an EU polity (Weiler 1995). Taken together, these critiques present a profoundly pessimistic picture of a democratically illegitimate Union.

It was in this context that Moravcsik (2002) published, in the *Journal of Common Market Studies*, his famous 'defense' of the democratic deficit. Against a growing consensus, and consistent with LI assumptions, Moravcsik argued that, far from being a superstate, the EU was a strictly limited system of governance, with selected and mostly low-salience technical tasks, accountable to elected national governments. Far from running amuck, the EU bureaucracy was small and hemmed in by strict control mechanisms. And far from adopting radical neoliberal policies, the EU policy process was subject to strong consensus norms that prevented it from moving too far in any direction not favored by the public. For all these reasons, Moravcsik argued, 'EU policy-making is, in nearly all cases, clean, transparent, effective and politically responsive to the demands of European citizens' (605). In later work with Robert Keohane and Stephen Macedo (2009: 2), he generalized this argument from the EU to multilateral institutions more broadly, arguing that international governance can enhance domestic democracy, by limiting the sway of special interests, protecting minority rights from majoritarian domination, and improving the quality of democratic deliberation.

Despite Moravcsik's assurances, the debate over the EU's democratic deficit has continued, and even heightened, over the past decade. In a forceful rebuttal, Føllesdal and Hix (2006) disputed the claim that EU politics produce centrist outcomes, because the 'reversion point' in case of no agreement is a program of trade liberalization in which it is

easier to deregulate than to re-regulate the European economy. Furthermore, they argue, the EU's supermajoritarian decision rules and extensive checks and balances risk producing, not centrist outcomes, but rather paralysis in the face of new challenges. Finally, as for Moravcsik's argument about the low salience of EU policies, they suggest that a genuine European democratic debate could inform the public and render salient EU policies that create real winners and losers (Føllesdal and Hix 2006: 554).

Hix, in this issue, returns to the question of the EU's democratic deficit at times of unprecedented politicization and crisis, and against the background of a growing chasm between a largely pro-European political elite and an increasingly Euroskeptic mass public. Hix argues that the rising tide of Euroskepticism challenges LI's optimism about the Union's efficiency and/or its democratic accountability. He argues that if we assume with Moravcsik that governments are responsive to mobilized interests, then we might expect to see governments mirroring increasingly mobilized Euroskeptic public opinion, leading to deadlock and paralysis, as arguably occurred in response to the Eurozone and refugee crises. On the other hand, if we assume that European elites 'collude' to pursue European integration in the face of growing public criticism, they may incite ever greater support for anti-EU populists and exacerbate the Union's democratic deficit. In the first instance we would predict a deadlocked Europe; in the second, an unaccountable one.

The democratic deficit debate between Moravcsik and his critics, therefore, is both a normative debate about the appropriate standard of democratic legitimacy, and an empirical one about the responsiveness of political elites to an increasingly Euroskeptic public. In his response in this issue, Moracvsik (2018: xx) argues that, with the exception of the normatively and democratically questionable Euro project, the EU has been and remains responsive to the citizens of Europe. Future research in this area should aim to determine which, if any, of Hix's scenarios most accurately captures mobilization and representation in a politicized EU.

A Stable Constitutional Settlement?

Many theories of European integration depict this phenomenon as a process with its own endogenous momentum, operating through mechanisms of functional and political spillover, socialization, and/or increasing returns (Haas 1958; Christiansen, Jørgensen, and Wiener 1999; Pierson 1996). Ironically, this view is popular both among pro-European federalists, who depict the Union as a bicycle that must keep moving lest it fall over, and among Euroskeptics, who fear being pulled inexorably into an ever-closer union.

By contrast with these views of integration as an endogenous process, LI posits that 'the primary impetus for integration has been a series of exogenous functional challenges' arising from 'socioeconomic interdependence as filtered through interest group politics' (Moravcsik 2005: 358, 364). This view, in turn, implies that we would expect integration to reach a stable endpoint in the absence of significant exogenous changes producing new functional pressures to undertake major reforms (359).

Consistent with these theoretical assumptions, Moravcsik argued, both alone and with Kalypso Nicolaïdis, that the EU had indeed, by the late 1990s, reached a constitutional settlement, 'a stable endpoint of European integration in the medium term' (Moravcsik 2005: 364; Moravcsik and Nicolaïdis 1998). The Union, Moravcsik acknowledged, was not trapped in amber: '[It] may expand geographically, reform institutionally, and deepen substantively, but all this will take place largely within existing contours of European constitutional structures' (Moravcsik 2005: 364).

The stability of the European constitutional settlement, according to Moravcsik (2005), rests on three pillars. First, in substantive terms, the EU's past 'grand projects' have produced a Union of limited scope, and there is no evidence of functional pressure to make more than 'limited forays' into bastions of national sovereignty such as defense, taxation, or social policy (264-67). Second, the EU faces extraordinary institutional constraints to altering its constitutional structure, including the need for unanimous agreement of and ratification by a diverse group of member states (267). Third, Moravcsik dismisses normative arguments for fundamental constitutional change, arguing that efforts to engage citizens about EU politics will be counterproductive, leading to 'unstable plebiscitary politics' in which low-information voters 'have no incentive to reconcile their concrete interests with their political choices' (375).

Clearly, the overlapping crises and the politicization of the EU over the past decade have imposed a stress test on LI's claims about a stable constitutional settlement, prompting critiques from both optimists, predicting further integration, and pessimists, who raise the spectre of disintegration.

On the optimistic side, we find scholars who identify positive feedbacks leading to further integration. In an influential article, Erik Jones, R. Daniel Kelemen and Sophie Meunier (2016) have offered a theory of 'failing forward', which they present as an amalgam of intergovernmentalist and neofunctionalist thinking. Drawing on intergovernmentalism, they argue that EU member governments typically adopt lowest-common-denominator agreements representing short-term considerations and concessions to the most reticent member states. However, in line with neofunctionalism, they also argue that these imperfect initial decisions almost inevitably run into predictable crises. These crises lead member states to adopt incremental, integrative, yet still imperfect responses, thus creating an inefficient but inexorable process of failing forward in the direction of deeper integration. The authors apply their theory to the European sovereign debt crisis, shedding light on how EU governments, in a series of grudging responses, ultimately adopted landmark integrative decisions to establish the European Stabilization Mechanism and Banking Union. Sandra Lavenex (2018) has applied the same framework to asylum and immigration policy, although she pointedly notes that the EU can 'fail forward' towards a policy that is less protective toward immigrants than its predecessor.

On the pessimistic side, we find a number of scholars who argue that negative feedbacks from earlier integrative steps can produce *dis*integration, defined as a reduction of institutional centralization, policy scope, or membership (Webber 2014: 342;

Schimmelfennig 2018a: 3). Douglas Webber, for example, surveys existing integration theories, including LI, arguing that these theories are generally optimistic about the resilience of a deeply interdependent and highly institutionalized EU, and provide few if any testable claims about the conditions under which the EU might disintegrate. Webber (2014: 343) suggests that European integration could be undone by the rising tide of anti-European sentiment in domestic public opinion, or by the unwillingness of Germany to play the role of benevolent hegemon. In a similar vein, Hans Vollaard (2014: 13) argues that European integration has distributed its benefits unevenly across the EU population, producing a growing cohort of older, less educated, and increasingly dissatisfied 'immobiles' lobbying for partial or full exit from the Union.

In his article in this issue, Schimmelfennig (2018b) examines three recent events with genuine potential for disintegration, namely the Eurozone, refugee, and Brexit crises, applying LI alongside neofunctionalism and postfunctionalism, to assess the utility of each theory in explaining disintegration. He argues that LI outperforms its theoretical rivals in predicting national preferences over distributive issues in each crisis, as well as the subsequent intergovernmental bargaining over the terms of the EU's responses. However, he also finds that positive and negative feedback effects from earlier integration played an important role in triggering all three crises—a phenomenon that, Moravcsik admits, is in principle compatible with, but remains undertheorized in LI. Schimmelfennig therefore argues for a 'dynamic extension of LI' that theorizes how previous integrative steps 'feed back into intergovernmental preference and power constellations'.

Where, then, does this leave the claim about Europe's stable constitutional settlement? In her contribution to this special issue, Kalypso Nicoloaïdis reassesses her earlier claims with Moravcsik, drawing on both LI and on her own normative *demoicratic* theory. Exploring the landmark moments of the past two decades, from the Amsterdam Treaty through the failed Constitutional Treaty, the Lisbon Treaty, the Eurozone crisis, and Brexit, Nicolaïdis offers two core arguments. Analytically, she argues that successive crises have indeed challenged the EU and exposed fundamental flaws in its initial design; yet the Union's responses to these crises have been largely incremental and policy-based, with no fundamental changes in its constitutional structure. In this sense, the diagnosis of the EU as a stable constitutional settlement stands unchanged. Normatively, however, the status quo does not mitigate the flaws in the EU's constitutional design, which must be faced if the EU is to remain democratically legitimate.

In sum, the crises of the past decade and the politicization of the EU in national politics have posed both empirical and theoretical challenges to LI's prediction of a stable constitutional settlement. Empirically, these crises have produced both integrative and disintegrative changes. Theoretically, we agree with Schimmelfennig and Moravcsik that LI should not be identified exclusively as a theory of exogenously driven change, but that it can and should be extended to examine endogenous processes of positive and negative feedbacks, driving integration, disintegration, and differentiated integration.

Europe as a Superpower

As with the two previous extensions, Moravcsik's claim that the EU is a global 'superpower' is not just empirical but theoretical, pitting LI against the predictions of a rival—in this case realist—theory. In realist theory, Moravcsik points out, power is linked to one's relative share of global resources, and post-Cold War Europe has been widely viewed in relative military, economic, and demographic decline (Moravcsik 2009: 406). By contrast, LI argues that the sources of power in international politics are multiple and issue-specific, and Moravcsik has repeatedly suggested that the EU commands substantial military, civilian, and 'soft' or normative power, the combination of which allows the Union to project power around the world and across a wide variety of issue-areas (Moravcsik 2009, 2017). Furthermore, Moravcsik has argued recently, European power is 'crisis-proof', with neither the Eurozone nor the migration crisis nor even Brexit fundamentally undermining the Union's material and normative advantages in world politics (Moravcsik 2017: 16-17).

In this issue, Sophie Meunier and Milada Vachudova engage this 'European superpower' thesis. They agree that Europe's formidable military, civilian, and normative resources make the EU a 'potential' superpower, but they argue that the translation of European resources into influence is subject to two potential road blocks. First, they suggest that the EU's two greatest foreign policy successes—namely its common trade policy and enlargement policy—have succeeded in exporting EU standards and values to the rest of the world in large part because the Union has centralized policy-making in these areas, allowing it to speak with one voice. Second, in the context of Moravcsik's conception of the EU as a *liberal* superpower, they argue that the rise of illiberalism in EU member states such as Hungary and Poland threatens to undermine the Union's ability to agree upon and implement common policies in line with European values, as well as the Union's 'normative power' vis-à-vis the rest of the world.

While Meunier and Vachudova's critique of the European superpower thesis focuses on the EU's *internal* unity and commitment to liberalism, a second set of doubts arises from *external* changes in the world around Europe. One of the core arguments of Moravcsik's (2009: 408) liberal theory is that the EU is powerful in large part because of the post-Cold War 'trend toward greater economic interdependence, democratization and ideological homogeneity in the developed and developing world, which has led to a convergence of interest among most great powers'. These favorable external conditions for Europe appear increasingly fragile, however, as the core liberal values of democracy, human rights, and multilateralism come under attack not only from an assertive Russia but also from Donald Trump's populist America (Kagan 2017; Posen 2018). Whether Europe can, in such circumstances, continue to advance its liberal values and protect the core institutions of the liberal international order remains a fundamental question for future research (Dworkin and Leonard 2018; Waever 2018).

Conclusions

Liberal intergovernmentalist theory has served for a quarter century as a central, or even baseline, theory for our understanding of the EU and the process of European integration.

As such, LI has shaped EU studies like no other theory since Haas's original formulation of neofunctionalism in the 1950s. This special issue, with its critical and constructive engagement of Moravcsik's work, is a testament to this achievement and to LI's continuing relevance. We have, appropriately, reserved the last word to Moravcsik, who responds in a concluding essay to his critics, sketching a vision for an LI further elaborated and extended to provide analytical purchase on the EU in the 21st century.

Liberal intergovernmentalism, Moravcsik (2018) suggests in his response, is richer than its critics portray it, fully capable of theorizing phenomena such as the endogenous impact of integration on European societies, as well as the rise of Euroskeptic public opinion in the wake of highly salient events and failed policies such as the Eurozone and migration crises of the past decade. In his response, Moravcsik credits historical institutionalists and postfunctionalist scholars for updating and refining older 'grand integration theories' such as neofunctionalism and federalism, and for problematizing new empirical phenomena. At the same time, Moravcsik criticizes these and other theories for overstating their distinctiveness and understating LI's ability to come to grips with EU politics in our current age of crisis. In fact, he argues, both theories would remain indeterminate if they didn't borrow liberal mechanisms in order to explain (as with historical institutionalists) national preferences or (as with postfunctionalists) interstate interaction and institutional choices.

In empirical terms, Moravcsik counsels against alarmist readings of recent trends presaging the disintegration of the Union. He argues against historical institutionalists that genuinely unwelcome and uncontrolled feedback effects are rare, and against postfunctionalists that the rise of Euroskeptic public opinion is explicable in terms of the EU's recent policy failures and does not fundamentally endanger the Union's decades-old constitutional compromise. Consistent with this view, Moravcsik concludes his response with a cautiously optimistic assessment of the Union's fundamental health and its prospects in the 21st century. The accuracy of these assessments will be adjudicated by the experience of the years to come.

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