# Integration Policy: Between Foreign Policy and Diffusion

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Inspiration and comments are most welcome

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**Abstract:**
This working paper is a discussion of the concept of "integration policy" and its application, in particular to the study of policies of individual states towards European integration. The paper takes its point of departure in traditional studies of foreign policy. It illustrates different approaches to the study of foreign policy. It claims that when we are dealing with policy towards integration, for instance European integration, focus has to be redirected from the study of foreign policy to what we might call integration policy. Different dimensions of integration policy are specified. European integration is interpreted at being somewhere between intergovernmental cooperation and supranational decision making. It is shown how integration policy, as integration become more intense, will develop into a proliferated and multidimensional set of policies and possibly develop further into "diffusion". The overall contribution of the paper is to conceptualise a new, grey area and to contribute to the study of different kinds of integration policy.

The paper is a preliminary to a chapter in the forthcoming book "Denmark's Policy towards Europe after 1945" by Hans Branner and Morten Kelstrup (eds.). It is the hope it will diffuse even wider. It is followed by another working paper on "Denmark's Integration Policy: Dilemmas and Options" (COPRI Working Paper 18/2000) which is a draft to another chapter in the book mentioned.

# Integration Policy: Between Foreign Policy and Diffusion

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# 1. Introduction

This working paper is a discussion of 'integration policy'. Tentatively, we can understand integration policy as the policy of an individual state or actor towards and within the formation of a new international political centre with some kind of supranationality. The chapter discusses what we mean by integration policy, how it can be exemplified as policies which states might follow in regard to European integration, how we might define different dimensions of integration policies, and how the relationship is between integration policy and foreign policy. In addition, the paper discusses how some of the major dynamic developments in relation to integration policies seem to create diffusion and new kinds of politicisation.

A point of departure in the understanding of integration policy can be taken in the view that, although we in general find that the most important actors in the international system are the states, there are many features of the international political system which are at odds with its state-based character. One of the developments which does not "fit" with the so-called Westphalian international political system, is the emergence since the end of the Second World War of regional political integration with supranational features. In particular, we have in Europe - with the formation of the European Communities, now the European Union - experienced a very strong form of regional political integration which goes far beyond the formation of intergovernmental regional, international organisation. The European Union has emerged as an important new kind of political entity which mixes a supranational character with intergovernmental and transnational aspects. It has developed in a dynamic way, yet it has also shown rather stable features. The 'European project' has grown so as to

societies of the participating states, even on states outside the union, for instance on the many states applying for becoming members of the European Union and the states in EU's vicinity as Norway, the Maghreb countries and Albania.

The impressive development of the European Union means that practically all European states are confronted with the problems of formulating their policies towards - and for the members also within - this new entity. Thus, the challenge for research which arises from regional political integration is not only to understand the major lines of development of the regional system, the European Union, but also to analyse the strategies and policies of individual states in relation to the new regional political system and the effects of European integration on the individual states and societies. This also implies that studies of the policies of individual states should be seen in such a broader context. With the gradual steps towards further European integration, lately the steps taken with the Maastricht Treaty of 1993, with the Amsterdam Treaties of 1998, and with the many important issues on the EU's present and somewhat overloaded agenda (which is described in the next working paper, COPRI WP 2000/18), it has become even more important for governments to formulate their strategies and policies related to the EU.

The contention of the following analysis is that with the confrontation of individual states with developed forms of regional political integration, a special kind of policy is of increased relevance: *integration policy.* The aim of the following chapter is to consider how we can use the concept of 'integration policy' as an analytical concept which might help us understand the problems of policy formation for actors which participate in integration processes. One aspect of this problem is to analyse which types of policy towards regional political integration states have been pursuing historically. Another aspects is to consider how we might use the concept of 'integration policy' constructively. Can it, for instance, be used in specifying which alternative types of policy states might choose when they are confronted with specific forms of integration, or when they have taken the first steps within a specific integration process. In this perspective, the aim is to develop a concept fit for analysis of political options of what we might call semi-integrated actors? The empirical basis for the following discussion is, in particular, Denmark's policies towards the EC/EU, but the aim of the chapter is conceptual and theoretical, thus to develop a more general perspective for a kind of analysis which also applies to other states that participate in the process of European integration. The specific interest is to discuss how the study of integration policy somehow transgresses the study of foreign policy and to discuss how one should understand integration

The perspective of the following analysis is not only that regional political integration - from a certain stage of the integration - provokes a new kind of policy of participating actors, *integration policy,* but also that states participating in integration experiences an *integration dilemma*. Further, it is the contention that - from a certain stage of integration - regional integration provokes *a "societialisation" of political issues related to integration*, and possibly also *a new politicisation of integration issues.* Said differently, political questions related to integration will move from being predominantly a question of foreign policy and questions of governmental policy to becoming issues that involve more societal actors and are marked by a diffusion of involved actors and issues. The integration issues might be linked to domestic or crossboundary cleavages in societies and lead to new political disagreements.

*Section two* of the paper discusses the definition of integration policy and how to differentiate between different dimensions of this kind of policy. *Section three* discusses how integration policy can be studied, and it tries in particular to clarify the relationship between integration policy and foreign policy. The discussion takes its point of departure in two approaches to analysis of foreign policy: the decision-making approach and the adaptation approach. These are illustrated by two different models. The perspective is not only how we are to analyse the structures and actors which might influence a concrete state's integration policy. The perspective is also how we are to analyse the opposite chain of influence: the wider consequences which the external development of a regional system might have for national policy-making. Special attention is given to the problems related to the so-called *'by-pass'* and the *'integration dilemma'*.

*Section four* discusses in which way the regional political integration in the European Union might be understood. The basic view is that integration policies depend on the character of the system in which the actor in question is being (semi-)integrated. The EU is here seen as a political system with a mixture of different structural features, primarily as a combination of intergovernmental, supranational and transnational structures.

Finally, in *section five* it is discussed how the character of alternative regional systems might influence the contexts of integration policy and thus also the policies themselves and their dynamic development. The section presents two different kinds of regional political integration, i.e. integration as a) being dominated by an intergovernmental structure, and as b) being dominated by supranational and transnational decision-making. In a somewhat simplified discussion on the basis of two models it is attempted to specify how the

integration. Special attention is paid to the effects that different forms of integration have on the participating societies. One might also say that the topic is how participation in the European Union implies processes of *socialisation* and *Europeanisation* in the participating societies. Some of these perspectives are illustrated by reference to problems in Denmark's policy towards the EC/EU. The working paper is concluded by a brief summary of the analysis and a discussion of the perspectives.

## 2. On concepts and problems in the study of integration policy

### 2.1. Integration policy and its different dimensions

In a *broad* understanding of 'integration policy' we might define it as *the strategies and policies which an actor pursues in relation to a - more or less - 'integrated system'*.[1] A more narrow definition corresponds roughly to the one mentioned above: *the strategies and policies of individual states towards and/or within the formation of new international political centres with some kind of supranationality.*[2] If we talk about international political integration, integration policy is the policy which actors pursues in relation to the new regional political entity. Applied on the EU, integration policy is the policy of actors in relation to and/or within the EU. Often we will talk of the integration policies of states or governments, and for the sake of simplification, I will mainly do so in the following discussion. But integration policy is also relevant for other actors, and - from a certain stage in the integration process - the primacy of focus on states has to be abandoned. Thus, we might also speak of integration policies of other actors (for instance the integration policy of a political party, a social movement and possibly a governmental agency).

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[1] More generally, we might claim that a social system is integrated when it has a high degree of coherence, either by constituting a community, by a high degree of interaction or by a binding common decision making process. Thus, one might regard a social system as an integration system when it contains processes which show the existence of a common community/common identity, a strong interdependence or a common decision making centre.

[2] I include the word strategies in the definition in order to underline the analytical aspect of the term. Integration

It should be noted that by integration policy we do *not* mean a policy which needs to support integration or contribute to further integration. A policy which for instance aims at *de*creasing the degree of supranationality in a given integration system, is also an integration policy.[3] Neither do we, by using the word, intend to apply any value judgement in regard to whether integration is a good or bad thing.

We might distinguish between *different dimensions of integration policies.* One aspect of a state's integration policy towards a more or less integrated unit relates to its participation or non-participation in the new unit, for instance by *becoming a member* or not. Other aspects relates to the problems which a state has - when it has become a member - in defining and pursuing more concrete integration policies. Thus, a second aspect of integration policy relates to the state's (or actor's) *position* in the integration system, for instance whether it is a powerful or weak member, what rights it can claim for itself, whether it places itself in the centre of the decision-making structure or at its margin etc.[4] A third aspect refers to the views that the state/actor in question might have in regard to *changes* in the institutionalisation of the new integration system. Actors might have very different views on the preferable future of the integration system, and an important part of an integration policy has to do with the ways in which the state/actor in question attempts to influence the future institutionalisation of the integration system. A fourth aspect has to do with the wishes which a state/actor might have about the integration system's *internal policy output,* i.e. its political output in relation to the participating societies. We might here distinguish between the economic, socio-cultural, legal, political, military and possibly other aspects of the policy output and relate these distinctions to sector policies. Thus, also the policy which a state/actor might wish pursued in regard to a specific sector - for instance in regard to participation in further economic integration, in regard to the character of the environmental policy of the new entity, or in regard to its security policy - is part of its integration policy. Finally, an aspect of integration policy has to do with strategies and policies in regard to the new unit's *external policy output,* i.e. its policies as an entity towards different subsystems in its external environment, towards other states, towards international organisations, or for instance towards external negotiations or crises.

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[3] One could talk of such a policy as a "disintegration policy", but I prefer to use the concept integration policy in a broad sense, leaving it open whether the policies do lead to more or less integration. Sometimes we might experience that policies which aim at integration, lead to disintegration and vice versa, and in order to leave it as an open question whether an integration policy actually leads to more or less integration, one should avoid making prejudgements on this in the term itself.

[4] It is somewhat unclear what we mean exactly by "position". It is assumed, though, that the integration system has some kind of structure, and that an actor has at least some choice in "positioning" itself within this structure

If we, for instance, focus on the relations between Denmark and the EU, the integration policy of the Danish government comprises 1) the policy which the Danish government has pursued in relation to becoming a member of the EC/EU and also the policy - if it should become a policy - of possible withdrawal; 2) the policies which the Danish government pursues concerning Denmark's position in the EU (for instance in regard to the Danish reservations from the Edinburgh Agreement); and 3) the policies of Denmark towards the future character of the EU and its institutional development (for instance in regard to institutional changes at future intergovernmental conferences, in relation to enlargement or in relation to "openness"). The integration policy of the Danish government includes, in addition, 4) the policies which Denmark pursues within the EU in specific areas (for instance in regard to agricultural policy, environmental policy or competition policy); and 5) the Danish policy in regard to the action that EU should or should not undertake in relation to other states (for instance EU's policy towards the United States, EU's policy in Kosovo, - in general, the Common Foreign and Security Policy, the CFSP).

We might add that there are some kind of policies that indirectly are part of an integration policy. It could for instance be 6) the policies concerning the way in which a state organises its decision-making in regard to the EU (for instance the policy which in Denmark regulates the interaction between the interests organisations, the administration and the parliament, "Folketinget", in the Danish EU-decision-making); or 7) the policies which the Danish government might pursue internally in Denmark in order to adapt (or not to adapt) to the policies of the EU.[5] In another terminology we might claim that the integration in the EU involves important processes of 'Europeanisation of national policy-making', and that this aspect also is involved in the states' integration policies.

It is possible to differentiate further between different integration policies. In particular, it might be relevant to include a time-dimension which take into account that an integration system might develop from one degree and kind of integration into another, and that - partly as a consequence - the political challenges from participating in the integration process might include changes in integration policy.[6]

We do not in the academic literature find much theory concerning the study of integration policies. Most studies treat integration policy as part of the foreign policy of the

[5] Thus, in a broad understanding of 'Denmark's' integration policy, we might also include these policy areas. We could also include policies which other Danish actors (for instance Danish local governments, Danish interest groups or Danish members of the European Parliament) follow towards or in the European Union. If we include this, it is important to distinguish between the integration policy of the Danish government and Denmark's integration policy.

state in question. We might - with Lykke Friis - talk of 'the lacuna of integration policy theory' (Friis, 1995). Theories of political integration - the 'classical integration theories' - have mainly examined integration processes 'as seen from the centre'. When, for instance, Ernest Haas discussed different ways in which states could negotiate with each other and became fascinated by the possibilities that in proper institutional settings, states could be moved from reaching the 'lowest common denominator' to 'splitting the differences' and even - if power was given to a common, independent actor - to the 'upgrading of the common interests', then this was seen in the perspective that the whole regional political system could be integrated through gradual processes (Haas, 1961). The classical integration theories, functionalism, neofunctionalism, federalism, transactionalism or intergovernmentalism, have also focussed on the development of the integration system as such, typically the EC/EU, from the viewpoint of the new institutional centre, typically the Commission. They have, in general, not analysed the process and problems as seen from the position of those who are (or are not) to be integrated.[7]

Sometimes a parallel is drawn between the problems of integration policy, and the problems related to the foreign policies of small states, and we might ask how the relationship is between theories on integration policy and the so-called 'small states theory'.[8] Some of the literature on small states has been concerned with international cooperation and for instance with the interests of small states in the formation of regimes.[9] But little attention has, at least until recently, been paid to the policies of small states in regard to stronger forms of integration. When 'integration' has been in focus, it has mainly been treated as international cooperation, and the specific problems which follow from the stronger forms of integration which affect the authority and character of the states, have in general been neglected. In addition, within the so-called 'small-state theory' the highest priority has been given to the study of the dependencies which small states experience in relation to power politics and the different ways in which small states might survive through different ways of balancing and adaptation. But small states are not only much affected by stronger forms of integration, they

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the integration system.

[7] For recent discussions of integration theories, see Kelstrup, 1998, and Rosamond, 2000.

[8] It is frequently discussed, what we mean by a small state and whether we need special theories for small states. Without going into an elaborate discussion, I'll just state that I prefer to talk about a small state not as defined by its size nor - a priori - as a state with a certain behaviour, but as a state which has relatively few resources as compared to other states. This also implies that small states might be strong states in the sense that they have a high degree of internal coherence, but they might also be weak states, i.e. being characterised by internal cleavages. A special category of small states are 'mini-states' which in a comparative perspective hardly have any resources at all.

[9] For early 'small state theory' see for instance Rothstein (1968), Vital (1967) and Amstrup (1976). For 'adaptation theory' see i.a. Rosenau (1981), Petersen (1977, 1989, 1995, 1998 and the contribution to the

might also get special opportunities within such new political systems. There seems - also from the point of view of small states - to be a special need for attention to integration policies.[10] But, obviously, integration policy is relevant for all states confronted with or participating in international political integration.[11]

## 2.2 On approaches to integration policy

The study of 'integration policy' can be approached from different perspectives. The most obvious perspective is to link the study of integration policy to policy analysis in general. In this perspective, which is the predominant approach in this volume, integration policy is regarded as a special kind of state policy which may be studied in parallel with studies of other kinds of state policies, domestic and foreign. Thus, we may analyse how collective decisions are made in the concrete state in question. We should ask about the importance of rules, formal organisation, different domestic actors and their strategies, common views, common traditions and historically specific circumstances etc. This implies interest in and focus upon the historical settings, traditions, institutions, public opinion, interest organisations, social movements, parties, constellations in the parliament, government views and perceptions. Many of the contributions in the forthcoming book aims at analysing such aspects of the Danish policy towards Europe after 1945.

Another approach takes its point of departure in the study of foreign policy and discusses ways in which 'integration policy' is linked to foreign policy, but also differs from this, the presumption being that the two are not identical but closely connected. In this perspective the study of 'Denmark's policies towards Europe' can be seen as closely associated to the special part of Denmark's foreign policy which relates to European affairs, but which includes aspects of this policy which "transcend" foreign policy and relate more directly to policies and strategies pursued towards and within the new political entity, now the European Union.[12] The following discussion in this chapter takes its point of departure in the study of foreign policy, in particular in the so called adaptation theory, and discusses how the study of integration policy transgress the study of foreign policy.

A third approach to the study of integration policy relates the concept to the so called integration theories, but develop the special aspect of these which relates to the position of

[10] For analyses which include this perspective, see Sundelius (1995) and Hansen (1997).
[11] Some large states might depend very much on integration. For instance, it has been of crucial importance for Germany to pursue an integration policy

individual states.[13] Thus, in stead of asking - as it is most frequently done in the integration theories - about the dynamics which form the processes of regional political integration as such, the approach here is to ask in which way we shall interpret the policies of individual states in relation to different kinds of regional political integration, in casu different basic structures within European integration. A major perspective in this approach is that the policy of the state towards an integration system must take into account which kind of integration system it relates to and incorporate an understanding of the dynamic features of this. For instance, there are important differences between a situation when a state is integrated in a rather loose intergovernmental structure, for instance an international regime, and a situation in which a state is integrated in a more comprehensive and tight political system which comprise a high degree of supranationality and a comprehensive negotiation system. The last part of this chapter elaborates this approach to the study of integration policy. It is done, first, through a description of major features of the EU, and then - in section five - through a discussion of the dynamics which are at play in relation to different "paradigmatic structures" of the integration system of the EU.

## 3. On the study of foreign policy and integration policy

Foreign policy can be regarded as the policy of a state (or, if we distinguish between state and government, the policy of a government) towards other states and/or international organisations and other actors outside the state itself. Thus, foreign policy has a decision-making aspect and can be regarded as a special kind of policy analysis. There is no generally accepted 'theory' of foreign policy, but considerably much controversy about approaches to the study thereof.[14] Here, I shall distinguish between two different approaches which might not be mutually exclusive and each have different variants, the traditional decision-making approach and the adaptation approach.

### 3.1 The traditional decision-making approach

The approach, which we call the 'traditional' approach to the study of foreign policy, or the *foreign policy decision-making approach,* focuses particularly on the decision-making process which leads to the foreign policy of a particular state. The decision-making approach to analysis of foreign policy can in some ways be seen as an alternative to another approach

[13] As mentioned, recent overviews of integration theories can be found in Kelstrup, 1998, or Rosamond, 2000.

which mainly see the foreign policy of an individual state as dependent on the position of the state within the international system, i.e. the realist or neorealist approach.[15] The decision-making approach is in particular concerned with the domestic structures, institutions, rules, actors and perceptions which - as they are institutionalised historically - forms the policy decisions of the state in question. Thus, there is a close link from this kind of analysis to the study of national policy-making in other issue areas. Important questions are: which domestic *actors* (for instance parties, interest groups, voters), which specific historical *'circumstances'* and/or which *perceptions* (traditions or doctrines) *and goals* have influenced the policy process and the outcome of the foreign policy decision-making process?

In general, the traditional decision-making approach put much emphasis on domestic variables, but we find different variations of the approach which give different weight to different aspects. One variation, in particular based on the early studies of Snyder, Bruck and Sapin (1954/1962), see the foreign policy decision making as dependent not as much on 'objective factors' as on the decision-makers 'subjective definition of the situation'. In another variation the focus is mainly on structural conditions, formal institutions and the influence of actors and their interests on the central decision-makers in the state. Partly, this was formulated as a "pre-theory" by James Rosenau (1966) and in the early 1970s developed into quantitatively based research programs on comparative foreign policy. The results of this endeavour was relatively meagre, the quantitative comparative foreign policy approach was heavily criticised (Smith 1986), and there has been very few attempts to continue it in the quantitatively oriented comparative foreign policy approach.

Foreign policy analysis has since then operated with "middle-range theories" which often operates with alternative approaches, but lets the individual studies focus on the influence of one particular explanatory factor (see also Gustavsson, 1998). A classical example of a study which contrasts different models which all relate to the decision-making approach is Graham Allison's study of the American decision-making process concerning the Cuban missile crisis in 1962 (Allison, 1971). Allison contrasts a model of rational decision making with an organizational-process model and a bureaucratic-politics model and uses them all in the interpretation of the decision-making in relation to the crisis. In some variations psychological and cognitive aspects get special emphasis (i.e. Jervis, 1976). A permanent problem in the decision-making approach is how to treat the link between "objective factors"

[15] We find such a view in the realist or neorealist perspective which see the international political system as having its own (anarchic and polar) structure and see this as determining the overall development of the international system as well as the position of each individual state. We do not find a neorealist theory of foreign

and "perceptions". One might say that it is very hard to find solutions to this problem, although different attempts have been made. In recent years the use of discourse analysis in relation to foreign policy analysis has contributed to a new perspective on this problem.[16]

With the danger of oversimplification we can illustrate the decision-making approach to foreign policy in the following model, also using it as one approach to the understanding of integration policy. In model 1 it is shown how the foreign policy of a state can be seen as formed mainly through the internal decision making processes of the state in question. The foreign policy appears as a result of the domestic policy-processes which lead to the decisions of the government. The foreign policy is influenced by the institutions, rules, norms and perceptions which characterise the historical institutionalisation of the policy system of the state. The public opinion and sub-actors in the society in question, for instance interest groups, parties, the parliament and the administration, will have influence. But also traditions and other internal constraints have importance. Major influence is usually attributed to the government itself, possibly also to the persons in charge of the decisive roles as prime minister and foreign minister.

In such a somewhat simplified view of the foreign policy decision-making, the policy towards the EU is regarded as part of the state's foreign policy. The addition, by introducing the EU as an "integration system" or an international organisation, is that the state in question also, *within* its foreign policy, has to formulate a policy towards this body, for instance towards the EC/EU. In this interpretation 'integration policy' is seen mainly as an aspect of cooperation between states, i.e. as part of a state's intergovernmental relations within international regimes or institutions.

## Model 1

importance for the 'room' of action of the state (e.g. Walt, 1987).

[16] Discourse analysis puts special emphasis on the discourses which dominate communication in the system which lead to the formulation of foreign policy (and integration policy), e.g. Weldes, 1996, Larsen, 1999. In my view this kind of analysis can be seen as a special variant of the decision-making model. It offers a positive

As the model indicates, the government is considered responsible for the foreign policy of the state, and the integration policy is seen as a part of the foreign policy. The decision making process which leads to the governmental policy is influenced partly by the actors at the domestic political scene and partly by the perceptions of the decision makers. Public opinion, parties, interest groups, parliament and administration - and possibly other institutions - might have influence, but also perceptions, based i.a. on tradition and cognitive structures are important. The model illustrates that the institutions interact in conjuncture with perceptions, but there is not a clear picture of this interaction. If this model is taken as a 'paradigm', the purpose of a concrete analysis is to describe the foreign policy and the integration policy of the state and to find out, how the final outcome is determined by the internal policy processes in the state.

In general, the decision-making approach can be useful in organising an analysis of the foreign policy of a state and possibly also in an analysis of a state's integration policy, for instance in an analysis of the integration policy of Denmark. But the approach seems to be misleading in two important aspects. The first is that the approach tends to give an insufficient weight - and a too undifferentiated view - on the external environment of the state in question. The second is that it seems to be insufficient in regard to more developed forms of integration. As it shall be illustrated later in this article, when integration proceeds beyond a certain degree of integration, integration policy changes character and "proliferates" away from being a special kind of foreign policy.

These reservations are particularly important in relation to the situation in which small states become semi-integrated actors. Since small states have relatively scarce resources as compared to other states, they are in general very vulnerable and sensitive to their international environment. And when small states become deeply involved in integration processes, it is quite insufficient to analyse their problems and options as if they were dealing with other states in an intergovernmental framework and not involved in much more binding

In spite of these reservations, the traditional decision-making approach does constitute a usable framework for more elaborate analysis of special aspects of a state's European policy. The application of the approach implies an elaboration of historical-contextual descriptions, in casu of the importance which different actors, circumstances, perceptions and goals have had for the Danish policy towards Europe after 1945.

## 3.3 The adaptation approach to foreign policy

Another approach to the study of foreign policy is as mentioned the so called *adaptation approach*.[17] The main perspective in this is that the foreign policy of any state, also a small state, is seen as determined by internal *and* external forces. The essence of this thinking is that different balances between internal and external forces (related to 'stress sensitivity' and 'influence capability') leads to different 'modes of adaptation' and thus to different types of foreign policy. Thus, the theory of adaptation has developed a typology of foreign policy modes. Each mode corresponds to a special 'balance' between internal and external determinants. Briefly summarised, major alternatives for a government exposed to external and internal influence are:

a) The actor might attempt to change or shape its environment in accordance with its domestic interests, following a *'dominant' mode of adaptation.* This is typically the foreign policy mode of great powers.

b) The actor might attempt to find a balance between internal interests and external demands, following a *'balanced' mode of adaptation.* This is typically the foreign policy mode of powers which have important influence on their environments but not the capacity to dominate.

c) The actor might be weak but attempt to avoid the external demands by seeking isolation (*'quiescent adaptation'*). This is a typical small state option.

d) The actor might be weak but attempt to solve the problems of conflicting internal and external demands by - partly - giving in to demands from the outside, yet maximizing the realization of internal interests (*'acquiescent adaptation')*. This too is a typical small state option.

Without going deeply into the discussion of the theory of adaptation, we might ask how this approach deals with the special problems of integration policy. Seen in the perspective of

adaptation theory, integration policy is still regarded as a part of the foreign policy of a state. A small state still have to evaluate its policy towards other states, and also in regard to integration, on the basis of its (relatively weak) position among great powers. It is an important perspective, though, that integration might give states - and not least small states - better possibilities of influencing the external environment and thereby greater possibilities for pursuing a balanced foreign policy than they would otherwise have. In addition, if integration involves a change in the international environment from power politics to other forms of politics, for instance consensual politics, the relative influence capability of a small state can be seen as greater than in a system dominated by power politics. If integration evolves from being a rather unimportant aspects of the environment to becoming an important part of the environment of a state, then the character of the integration system itself might become one of the 'determinants' of the integration policy of the individual state.

The perspective on the study of integration policy which rest on 'theories of adaptation', but includes the adaptation to an "integration system", here the EU, might be illustrated in the following model:

Model 2

The model illustrates how the government of an individual state simultaneously is exposed to internal and external pressures. It might be assumed that sometimes these pressures are externally dominated, sometimes internally dominated. Further, it is likely that some government might experience severe cross pressures between internal and external demands, and maybe the government will be in a practically impossible situation, for instance in a situation in which it either has to follow "double standards" or take serious conflicts either internally or externally.[18] At other times there might be a great "room of manoeuvre" for the government within the external and internal constraints. I have in the model illustrated how the EU policy of the government in question is part of its foreign policy, and how the EU can be seen as an important part of the state's international environment. The two dotted arrows should be seen as indications of links which the model does not cover sufficiently. They illustrate that the integration might go further 1) by direct influence of the EU in the national society, and 2) by direct influence from the national society on the EU which "bypasses" the state and goes directly into the integration system.

According to this approach the study of a state's integration policy, in this case the EU-policy, can be seen as being in a cross pressure between internal and external demands. An investigation requires *both* an understanding of the domestic scene of the individual state in question *and* an understanding of the external scene, in casu the phenomenon of European political integration. Only on the basis of an analysis of both of these 'complexes' and the ways in which they have influenced the decision-makers historically can we reach an understanding of the determinants of the concrete integration policy. It is important to include the historical dimension, also because of changes on the domestic as well as on the external scene.

The model does at a general level generate important questions. It is an interpretation which places itself between a traditional decision-making analysis and a (neorealist inspired) interpretation which hold that the external environment *determines* or dominate the foreign policy of some states (in particular small states). In relation to the traditional decision-making approach it turns the focus on the balance and interplay between domestic and external developments. In relation to the neorealist-inspired interpretation it points to limitations of such a view.

[18] One might find many instances in which a government has had an inconsistent policy of which one part is directed towards parts of its international environment, and other parts are more for domestic use. An example is

We might argue that it is a question for empirical investigation to find out how the balance and interplay has been between domestic and international developments. Using the model on integration politics also implies that we ask whether we shall interpret the external pressures on a specific state mainly on the basis of its position in relation to other states/powers/poles or give weight to the integration system as such, and if so - which weight? Another important question is, if we see the influence of the integration system as one of the factors which influences a state's integration policy, which importance we attribute to the *character* of the integration system? In the following section I shall return to these questions.

A major problem in the 'adaptation-approach' to the study of foreign policy is the rather broad categories in relation to strategies or 'modes of adaptation'. In particular, it is necessary to be more specific in regard to the analysis of 'balanced' adaptation, because this category becomes too broad and might have several subcategories. For instance, it is not very concrete to say that Denmark, because of its participation in integration, has the possibility of a balanced mode of foreign policy. Another problem is that the adaptation approach has the same difficulties concerning the relationship between "objective" and "subjective" factors as the decision-making approach. One might argue that the two approaches do not differ fundamentally, and that some of the thoughts from the one could be used on the other. A third problem which is of special relevance in regard to the study of integration politics, is that the adaptation approach doesn't effectively capture the situation in which the integration has proceeded so that a state has become a semi-integrated actor within a new integration system. Said differently, the adaptation approach has important limitations in relation to analysis of deeper forms of integration.

## 3.4 How the study of integration policy transcends the study of foreign policy

I shall argue that integration politics can only be regarded as part of the foreign policy of an individual state when the integration in question hasn't proceeded long and is still on an intergovernmental stage. In relation to more integrated systems, i.e. systems in which there is a significant amount of supranationality and in which there are important direct links between institutions and bodies outside a state and citizens within the state, integration policy cannot be subsumed as a part of foreign policy. And this is problematic, in theory as well as in practice.

The problem, though, is how we find a framework for analysing integration policy in constellations in which states are not in possession of an immutable authority where regional political systems have gained (limited, but substantial) supranational powers, and states are

Obviously, the way of posing the problem implies that we regard authority as a quality that can be transferred partially to new entities and new organizations within functionally specific areas.[19] The study of integration policy should include this perspective, i.e. we should include the study of policies which relate to transfer of authority to the EC/EU, and we should see these policies as bound not only of external, but also of internal concerns. Typically the new decision-making centre makes collective decisions which implies that parts of the state authority are transferred to the new decision centre, and the new multi-level decision making systems might evolve in a way which affects the authority of the individual government vis a vis its own society. Thus, we are discussing the way in which individual states are affected by relatively 'deep' and yet functionally 'uneven' integration.[20]

One way ahead is to link the conceptualisations of integration policies closer to an understanding of regional integration and to different kinds thereof, also to different forms of regional political integration. Since there is a close relationship between integration theories and policies of integration, it is quite natural that the way in which we understand regional integration has a major influence on the way in which we view the possible policies towards regional integration.[21]

[19] I prefer to speak of transfer of authority rather than to talk of division of or partial transfer of sovereignty, see also discussion later in this article.

[20] The integration might also be geographically uneven.

[21] This seems to be true not only in theory, but also in practice. Thus, the difficulties in understanding the

## 4. On different types and degrees of regional political integration: The character of the European Union

This section is in particular concerned with different types and degrees of international political integration. The basic understanding behind the somewhat sketchy analysis which follows is the view which introduced the article: The international political system is, in particular in some areas, moving away from being primarily state-based. In the European Union we find a rather integrated regional political system, and we cannot discuss integration policies in regard to such a system without considering more explicitly what the character of this integration system is. The contentions are further that the basic structures of the EU can be seen as a mixture of different patterns, that the relative weight between these patterns, respectively intergovernmental, supranational and transnational substructures, has been shifting over time, and that this influences integration policies in important ways. The EU is neither a pure intergovernmental, supranational nor transnational system, but rather an intermediate mixture which contains different structural elements and dissolves the "hard shells" (borders) of the individual states.

### 4.1 On the concept of regional political integration

Obviously, it is important how we view - and define - integration and how we specify different forms of integration.[22] In a very abstract terminology *integration* might be said to refer either to a process or a state of affairs. As process, integration can be defined as *the process through which units are becoming parts of a greater unit*, and as a state of affairs, integration can be defined as the degree of *internal coherence* in the system in question. We might talk of different *degrees of integration,* and of integration in relation to different kinds of social systems, i.a. in relation to political systems, economic systems or legal systems, and in parallel we may talk of *political, economic, legal and socio-cultural integration.*

In the international system we can define regional international integration as the formation of regional units within the international system and regional political integration as the formation in the international political system of new, regional political systems with decision-making centres and a basic political community, possibly a common political identity, yet, most likely without developing into a new state. Regional political integration implies that the states involved somehow become parts of a greater unit in the international

political system. It is much discussed in the academic literature how such 'new' political units are to be characterized, and a basic - if not *the* basic problem in integration theory is how they emerge and develop. Without going into discussions on details here, I shall indicate that I prefer the terminology which describes international political integration as the *formation of new political systems.* This can combine the institutional and community-/identity-aspect of integration.[23] A strong form of international political integration is in this perspective equal to the formation of a strong political system with common institutions, a common decision making centre with an ability to produce collective decisions which are binding for a new and greater political constituency, combined with a strong legitimacy based on a strong sense of political community.[24].

Our main concern in this context is with integration which is more than cooperation between states. We might see cooperation between states - for instance formation of international regimes and intergovernmental institutions - as 'weak' forms of integration. But crucial problems in the understanding of integration and integrations policies are related to stronger forms of integration, i.e. to processes which lead to the formation of new entities which affect the states in their decision making, affect their position as unitary centres of authority and involve their societies in new supranational and transnational processes.[25] Thus, the core of integration theory has to do with the historical and institutional formation of new units which are new political systems which are more than a set of internaitonal regimes or institutional frameworks for cooperation between states.

It is clear that the formation of the EC/EU is a very important case of regional political integration, probably at present the most important one. In the international systems we find much cooperation between states, many international regimes and international institutions. But in no other cases do we find new regional entities which have the same degree of institutionalisation, such a scale of common decision making and such a degree of legal integration as the EU. Thus, the questions related to 'strong' forms of regional integration are of particular relevance in relation to the processes which in Europe have lead to the formation of the European Community, now the European Union. Some will argue that the EU is a system 'sui generis'. This is true in some sense, since we do not find similar systems. Yet, the EU can, in spite of its uniqueness, be regarded as an example of regional

[23] The term 'political system' has the advantage of combining the perspective of at the one hand formal institutions and decision-making and at the other hand identity aspects related to political community. I have discussed this in other articles, see for instance Kelstrup, 1992a and 1993a.

[24] Legitimacy is here seen as a dimension which combines community and authority. It is important that strong integration isn't necessarily equal to supranationality. It refers to coherence of a political system - in many

political integration, and the problems which we meet in studying integration policies in regard to the EU, have a more general nature. We do see other examples of regional political integration (for instance in NAFTA, MERCOSUR and ASEAN), and the comparative perspective on regional political integration is important.

Although I characterise the European Union as a (relatively) new political system with new formal institutions, a common decision making system and at least some degree of political community, we experience - in the literature and in different interpretations among politicians and others - great uncertainties concerning the character of the European Union. There are still analysts who regard the EU as mainly an *intergovernmental political system* in which the states are still 'sovereign', although they might have 'pooled' some of their powers. Others view the EU as 'nearly' a federation, i.e. as a *semi-federation* characterised by a substantial amount of common, supranational decision-making and by a Treaty of the European Union which functions as a kind of constitution. Others, again, view the EU as essentially a *transnational system* - or as a political framework for comprehensive multi-level negotiations - which involve new interactions, communication and decision-making across traditional states borders and which does not stop at the borders of the EU but involves actors outside the community as well. I shall return to these different perspectives, which we find among practitioners as well as in the theoretical literature.

## 4.2 On different types of integration

As mentioned already, we might distinguish between different types of political integration. This discussion might be elaborated in many ways and in relation to many dimensions. For the sake of simplicity, I want only in this context to distinguish between three major forms of political integration: 1) Political integration as *cooperation* between states, 2) political integration as *the making of common, binding decisions,* either in functionally specific areas or with a broader scope, encompassing many decision areas, and 3) political integration as *transnationalisation.*[26] Each of these types or forms of integration places the government of an individual state in a different position facing different choices. Thus, the problems which a government has in formulating its integration policy are very different in relation to the tree forms of political integration.

It can be added that the different forms of political integration might be linked to major phases in integration processes. Thus, integration in the EU was first characterised by

the formation of a common decision-making system in rather narrow functional areas (coal- and steal, market cooperation, atomic energy). It expanded gradually to include broader, intergovernmental cooperation, still in combination with common decisions within narrow functional areas.[27] From this European integration has entered a new phase in which we find a still broader common decision-making system - in an expanded community - in combination with elements of intergovernmental cooperation and of transnationalisation. The point here is not to engage in an interpretation of EU's history, but to stress that the character of integration is changing historically, not necessarily in any predetermined way, but with the consequence that the individual state cannot once and for all fix its integration policy. The integration policy of a state must depend on the perceived character of the integration system and predicted changes. For instance, policy formulations in the earlier stages of the integration process should foresee the problems which might arise from the later phases.

One form of political integration is, as mentioned, characterised as still being essentially *cooperation between states.* This is the well-known intergovernmental interpretation of political integration. The characteristic feature is that each government is responsible for - and has the ultimate authority - in relation to its own society, that a government in its foreign concerns mainly is oriented towards other states, and that the agreements in the integration system (the international organisation, the regime, here EU's political system) are directed towards governments, binding the governments, but not directly binding the citizens (the traditional view in international law). Common decisions are essentially subject to the veto of the individual government, and implementation is made through governmental action, not in a direct link between the international institutions and the citizens.

Another form of political integration can be characterised as *common decision making,* i.e. encompassing common decisions, which are binding directly for the citizens. We might characterise this as supranational decision making.[28] The supranational element can either, as mentioned, be functionally specific or have a more broad and general scope. The decision making process might be institutionalised in many different ways, possibly with formal as well as real powers to common institutions. Thus, there are very many variations of common decision making, and they might give greater or smaller influence to the individual states, maybe in a rather asymmetrical way. The integration policy of the individual state is in

[27] Many will here refer to the concept "spill over" which in particular has been heralded by the neofunctionalist integration theory.

[28] If there is a veto-power for the individual state in the system, it should be considered as a mix between an

this form of political integration very dependent on the concrete institutionalisation of the decision-making system in the integration system (in this context, the EU), its position within the system, not only it position as compared to other states, but also its position in the institutionalised structure of the system. The integration system might give possibilities for influence for the state in question, but it might also have formal or informal structures and rules which prevent much influence or limits state influence to specific policy areas.[29] At the same time, the common decisions might seriously affect the domestic authority of the individual government.

It is in particular in relation to this form of integration that a state in the integration process might be confronted with an *'integration dilemma'*: the dilemma of an 'either/or' choice: *either* the state gives up a substantial part of its political authority with the danger of being *'entrapped'* in the integration system, i.e. being so constrained that it loses its freedom of action and thereby its ability to pursue its own interests, or the state insists on its independence with the danger of being *'abandoned'*, i.e. not included in the integration process with the disadvantages which might ensue.[30] This dilemma might be posed both to non-members when they consider joining an already strongly integrated system, or to members in a system when integration intensifies. The members might, at one and the same time, be afraid of being 'entrapped' in further integration and afraid of being 'abandoned' and marginalised.

It is relevant to conduct case studies to see when integration dilemmas occur. We might assume that states which - like the states in Central and Eastern Europe - have regained their national sovereignty recently, might especially be exposed to the integration dilemma. Also Denmark seems in practically all basic choices in regard to the EC/EU to have experienced an integration dilemma, and this dilemma has been articulated in all of the up till now five referenda on EU questions.[31] Clearly, the character of the integration dilemma depends on the character of the integration process. Further, the dilemma within an irreversible integration process is much greater that in a reversible process, thus it seems to become stronger within a stronger form of integration. The integration dilemma is of particular importance when the integration process goes very fast, since the learning processes which should make the actors accustomed to the new levels of integration, will have

[29] Formal thinking on this must link to theories on federations.

[30] I have developed the idea of the 'integration dilemma' in Kelstrup 1990, 1992a and 1993. The basic idea is to draw a parallel to Glenn Snyders analysis of the 'alliance dilemma', Snyder, 1984. The thought has been developed further by Nikolaj Petersen (see Petersen, 1998, and his contribution to Branner & Kelstrup (eds.) (forthcoming).

difficulties in keeping track with the integration process. We might add that economic circumstances might exacerbate the integration dilemma. The danger of 'being left out' becomes greater when economic interest are also at stake. Here, I shall only point to the existence of these problems. It is a matter of more detailed analysis to find out when, in a concrete integration process, an integration dilemma exists, when it is perceived as existing, and when its articulation serves specific purposes.[32] Furthermore, the question as to whether there are ways of avoiding the dilemma or of circumventing it, deserves special discussion.

A third form of political integration sees political integration as closely related to *transnationalisation,* i.e. as processes through which the borders between societies loose importance and in which collective decision-making is developing across state borders within different areas of transnationalisation. Transnationalisation can take place at many levels at the same time, economic, socio-cultural, legal and political. It is closely linked to processes of globalization and to the emergence of "governance without government".[33] Typically, the individual government will in a transnational environment be *'by-passed'*, i.e. political demands and support will be channelled to other authorities than states, often authorities with an unclear legitimacy and a very temporal institutional basis, and these other authorities will take decisions concerning the authoritative allocations of values in societies, thus perform basic political tasks in a non-governmental institutional form.

## 4.3. The EU as an integrated system which combines intergovernmental, supranational, and transnational patterns

The European union might be regarded as a combination of the three kinds of integration which we have just described. Others might use other concepts to characterise the EU. The EU can, for instance, be seen as a system of multilevel governance (Jachtenfuchs, 1997) or characterised as a "negotiated order" (Smith, 1996). Using the term multilevel governance points to the existence within the EU of negotiations at different levels with participation of different supranational, state and sub-state actors. And the term "negotiated order" points to the fact that the EU is a system in which negotiations are going on permanently at different levels with the consequence that a single negotiation is linked to earlier negotiations, simultaneous negotiations in other decision areas and prospects in regard to future

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dilemmas which - in fact - are such dilemmas.

[32] As indicated, the articulation of one side of the integration dilemma: the danger of being left out or the danger of being entrapped, might serve concrete and often different political purposes.

[33] Globalization and the emergence of new and stronger form of "governance without government" represent major trends in the understanding of international relations and in the IR-literature. See i.a. Rosenau and

negotiations.[34] While each of these perspectives are important, I prefer in this context to regard the EU as a combination of the three different patterns mentioned, a combination in which the internal balance might shift over time.[35]

When a state or government takes part in an integration process, possibly as a semi-integrated actor, we might assume that it wants to pursue its interests in relation to all the aspects of its integration policy which was mentioned earlier. Thus, a differentiated integration policy has to be developed with regard to the states' *position* in the integration system, it attitudes towards institutional *change*, its wishes to the *internal output* of the integration system, and in regard to its *external output*. But analyses of these dimension require understanding of the basic structures of the integration system and judgement on their dynamic features. The implication is that in order to analyse the integration policy of a particular state in regard to the EU (and, for a government or other actors, to make an analysis which leads to a differentiated integration policy), more detailed analysis is needed on the one hand of the positions and interests of the individual state/actor, and on the other hand the many different aspects of the EU. It lies beyond the scope of this article to go further in such an attempt. Instead I shall - in a somewhat simplified and paradigmatic way - continue this thinking and discuss how integration policies depend on the very different institutional dynamics which we find in relation to different substructures of the integration system. The purpose is, in particular, to illustrate that further analysis of integration policies have to include reflections on the interaction between the state and the system in which it integrates itself and to show how the character of integration policy itself changes when integration proceeds.

[34] For the negotiation approach, see i.a. Friis 1996 and 1999.

[35] By doing so, I take the stand that the EU should not "solely" be seen as an intergovernmental system, nor as only a common decision-making system nor as only a transnational system. It might easily be argued that EU's decision making system is far more complex than the one presented here, for instance by pointing to the more concrete provisions of the treaties and to the practices in different parts of the system. Some will, for example

# 5. Integration policies and institutional dynamics in relation to the EC/EU

## 5.1. Further categories of integration policies

A major point in the discussion above has been that from a certain stage of integration, the integration policy of a state transcends beyond foreign policy. One might say that it becomes a mix between foreign and domestic policy, but this is an imprecise expression. Thus, it is very unclear what we mean by "domestic" when borders are transgressed.[36] Instead, it has been suggested above that we might distinguish between different dimension of integration politics. Further, it has been argued that the integration policy of a state in regard to the different dimensions must depend on the character of the integration system, in casu on the more concrete institutionalised patterns within the European Union. It has been suggested that the basic pattern of the European Union might be understood as a dynamic mixture between intergovernmental, supranational and transnational structures.

The differentiation between dimensions of integration policy led to the understanding that a state must follow policies in regard to its *position* in the integration system, in regard to institutional *changes* in the system, and in regard to the *internal* as well as the *external policy output* which it might want of the integration system. The thoughts on this might be elaborated.

In regard to *the position* in the system, a state might choose between "pro-active" and "reluctant" (or reactive) participation. In both cases the state might - or might not - have special reservations, i.e. areas or sectors in which it wants in some specific way to keep outside the integration process.[37] This gives us the following spectre of strategies in regard to position in the integration system:

[36] One might talk of "EU-domestic" politics, but also this is unclear - for instance seen in its relation to the "normal" domestic politics of the individual states.

**Table 1**

| | Pro-active participation | Reluctant participation |
|---|---|---|
| Without reservations | 1 | 2 |
| With reservations | 3 | 4 |

The integration strategies of individual states in regard to the European Union might be characterised according to this rather simple picture. Typically, Germany has together with the Benelux countries and Italy pursued a policy of pro-active participation, with only minor reservations, being "front runners" in European integration (policy option 1). The picture is somewhat more mixed for France, and in characterising the French strategy one should distinguish between different historical periods. Great Britain and Denmark are examples of states which mostly have pursued a policy of reluctant participation, yet for Great Britain there has been an important shift with the "New Labour" in Government. Thus, Great Britain can at one and the same time be pro-active in regard to the security dimension of EU and keep its reservation in regard to the EMU (policy option 3). The major Danish policy has been reluctant participation, shifting though in the late 1980's to a more active policy. Yet, in 1992-93 the Danish "no" in the referendum on the Danish ratification of the Maastricht Treaty and the later acceptance in 1993 of the combination of the Maastricht Treaty and the Edinburgh agreement ended in a Danish position which might be characterised as "reluctant participation with reservations" (policy option 4). The Danish reservations were made manifest in the so-called "National Compromise", and they have formed an important part of Danish EU-policy since. We shall not elaborate this perspective on pro- and reactive integration policies, but leave it to other analyses eventually to expand this further.

Integration policies concerning *institutional change* in the EU might be differentiated according to major institutional issues. There might, in particular, be different policies in regard to 1) the possible enlargement of the EU, 2) the efficiency of EU's decision making, and 3) the measures for greater democratic legitimacy of the EU. Other aspects might also be relevant. Some of the participating EU-states, including Denmark, are very much for the

change of the EU. Some are very much for strengthening the efficiency of EU's institutions, i.e. by increased use of Qualified Majority Voting and fewer commissioners. Others, among them Denmark, are less inclined to accept further authority transfer to the EU. In parallel, there are different policies in regard to the democratic aspects of the EU. There are different views on giving further power to the European Parliament, different views on practices in regard to control, openness etc.

Another dimension of the integration policy is concerned with the *internal policy output* of the EU. Two important dimensions of the concern with policy output are 1) the political wish for greater economic markets, i.a. the realisation of the so-called "negative" integration within the EU and in relation to associated members, and 2) the political wish for regulation on the scale of EU (and thus for "positive integration") which might give possibilities which do not exist for the individual state. The relative weight on "marketisation" versus "regulation" can be seen as a major dimension in the fight within the EU between different political projects (linked, respectively, to liberal vs. social-liberal or social-democratic ideologies).

Some will argue that in the analyses of European integration too much attention has been paid to debates about "the nature of the beast", i.e. what kind of system the EU is and debates on what kind of political system it should be (Riesse-Kappen, 1996), but that too little attention has been paid to debates on "the colour of the beast", i.e. debates on the kind of regulatory policy output which one should wish from the EU (Johansen, 1998). Interestingly enough, we have in recent years seen a growing concerns and debates - in theory and in practice - about the kind of regulatory and distributive policy the EU should follow. For instance, in the development of the Economic and Monetary Union, important debates have been about the kind of economic policy the European Central Bank should follow, especially on whether the economic policy should be linked to anti-inflation as the prime goal or also give high, or even higher, priority to employment measures. In parallel, we have a serious debate on the balance between market forces and environmental concerns. These are some of the dimensions which should be included in a differentiation of integration policy in regard to policy outcome.

Finally, it is an important dimension of integration policy what kind of *external policy output* the EU should provide. Also here do we have the argument that the development of a capacity at the regional level, i.e. an external capacity of the EU, makes it possible to do things in the international setting - in trade as well as security - which the

whether the EU shall be an important actor in the international system, how active it should be etc. From the beginning of the EEC-cooperation it was important that the EEC should have a common external trade policy. Later dimensions in external affairs have been related to EU's tasks in relation to developing countries. After the end of the Cold War we have a debate - linked to institutional change and enlargement on EU's role in Europe, not least the recent debate and the recent measures to expand EU's foreign and security policy by adding a military dimension. The most controversial part of this dimension of integration policy is probably EU's future military dimension and the disagreements which exist concerning EU's role in this area.

This differentiation of integration policies is included to indicate areas in which the perspective of integration policy can be expanded. In the following I shall discuss features of integration policies in relation to two different kinds of integration system, respectively an intergovernmentally dominated integration system and a supranationally-transnationally dominated integration system. The main purpose is to illustrate how the major dynamics of the integration process are different in the two instances, and how this influences the problems in regard to the formulation of integration policies. It should be kept in mind, though, that the major interpretation here is that the EU contains both of these structures in combination. Thus, the interpretation that the EU either corresponds to the one or the other model, should be avoided.

## 5.2 On integration policy towards an intergovernmentally dominated integration system

Let us first assume that a state is taking part in an intergovernmentally dominated integration system, here illustrated with an "ideal type" of this view on the EU.[38] The integration policy of the state is assumed to be formulated by its government as part of the state's foreign policy. The government takes part in the negotiations in the EU. These negotiations are mainly negotiations between states, they lead to major results, and these results are assumed to be fed back into the societies of the states. The feedback from the integration system will not only influence the society in question, but might also have influence on internal dynamics within the societies and within the political systems of the participating states. Over time, the effects of integration might also have effects on the integration policy and thus on the future integration. These dynamic relations might be illustrated in the following model 3.

## Model 3

The models illustrates these relations, taking two states, A and B, as "paradigm". Negotiations are assumed mainly to take place in or in relation to the Council or at intergovernmental conferences. The Commission and the Parliament are assumed to have some, but limited influence on the negotiations which, as mentioned, according to the paradigm mainly are the result of intergovernmental bargaining. It is illustrated how the Court has influence in the way in which the legal results of the negotiations are interpreted and applied.

This model might give rise to interesting reflections. Fundamentally, each government is seen as being involved in two different negotiation systems, one in relation to domestic politics, the national political system, another in relation to the EU-process.[39] The government might sometimes be so locked by internal constraints - for instance by internal

[39] There is a certain parallel to the understanding of foreign policy as "two level games" (Putnam, 1988), only

positions or agreements - that it has "tied hands" in the EU negotiations. There are plenty of examples of this. For instance, the "National Compromise" which was formulated as an internal Danish agreement on the Danish policy towards the EU in 1992-93 is an example of giving the Danish government such "tied hands" in regard to the EU.[40]

The model also illustrates another dynamic relationship: the government might, through the involvement in the EU-negotiations, come under pressure and - because of the pressure from the other states - accept certain solutions which it would otherwise not accept. Such a participation in the EU negotiations might also be used to free the government of domestic restraints ("cut slack"). The government can use (and misuse) this in getting policies through which it would not, otherwise, be able to get accepted on the domestic political scene.[41] Some have used this view to give an explanation of why states integrate (Moravcsik, 1994). The explanation is, briefly stated, that governments through participation in the integration process might be helped in problem solving. The more or less real "necessities" from participating in the intergovernmental negotiations in the EU, give legitimacy to solutions which otherwise would lack sufficient support.[42] It should be added, though, that an extensive use of this dynamic mechanism might create its own limits. When governments follow the strategy of making the EU responsible for unpopular decisions, while they themselves take the credit for popular decisions, the effect is in the long run that the EU, and thus the integration project as such, becomes very unpopular.[43]

Further, the model illustrates that the effects of the integration process influences the different social groups in the participating societies. It is in many ways an interesting question, how the EU decisions - directly and indirectly - affect different groupings, and how existing inequalities are affected. One picture could be that active groups, which already have resources and positions, get an even greater advantage through the integration project, while other less privileged groups tend to loose relatively by the integration project. Another picture could be that the gains of integration are spread out very broad, while the losses are more concentrated. Obviously, it should not be assumed that the gains and losses from integration

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[40] For a more extensive discussion of negotiations in the EU and negotiation strategies, see Moravcsik, 1994 and 1998, and Friis, 1996 and 1999.

[41] Another variation in this interplay could be that a government which within a specific problem-area is "getting captured" by a certain interest group (for instance the French government being heavily influenced by French farmers), might be strengthened through its participation in EU's decision-making.

[42] Moravcsik has in an analysis which in important aspects run parallel to the one in model 3 argued that the integration strengthens the state (Moravcsik, 1994). It is important, though, in this context to distinguish between state and government. The argument here is that integration might strengthen governments by giving legitimacy to solutions which otherwise would be difficult to make. Thus, the integration - notably in this model of or phase of integration - strengthens governments.

[43] Also in this respect there might be other dynamic relations at play: If it is recognised that the EU helps other

represent a zero sum. Empirical investigations of the topics related to winners and loosers in the integration process are important, yet beyond the scope of this article. It is important that the effects of integration are seen in relation to the already existing social and historical context. In some countries, not least in the Southern European states, the EU project has an image of being "a project of modernisation", giving advantages to new, active groups in society. In other states, notably the Nordic, it is much more problematic whether the EU's regulatory policies represents "progress" as compared to the already existing social and environmental regulation.[44]

An interesting aspect is to ask how the traditional cleavages in a society are affected by the society's participation in the integration process. Probably, it is hard to generalise about this topic since traditions, institutions and cleavages are very different among the participating countries. There are signs that the cleavages linked to integration develops across existing borders and barriers. In parallel, we might ask how integration affects the pattern of politicisation in the society in question, and to which degree questions in regard to integration policy are politicised.[45] The politicisation - and division between the pro's and con's of integration - might very well cross traditional patterns of politicisation.

In general, the intergovernmental model of EU negotiations illustrates that although we are dealing with an intergovernmental model, a more profound consideration of the dynamics involved show that integration politics involves problems which go far beyond interstate relations and traditional foreign policy. Even when we assume that states are unitary actors, the dynamics from integration affect internal processes in the societies of the participating states. In the consideration of cleavages and politicisation it seems relevant to point to one specifically problematic "mechanism": If the general pattern is that the results of the negotiations within the integration system are to the advantage of those being already active and engaged in integration, but not for others, the overall effect of integration will be the creation and growth of a cleavage between those getting advantages of and those becoming disadvantaged by the integration. Thus, further integration is, through this mechanism, also provoking a pattern of we/they identity which causes greater resistence against integration. It should be added that it is, at least partially, beyond the reach of the individual governments to decide on the distribution of the advantages of integration. These relationships represent, though, only one aspect of integration.

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[44] The Danish government's declaration of Denmark as being "a benchmark country" corresponds to such a self-image. One of the issues in the Danish debate is whether such an image is true or not.

[45] Some might go even further and claim that questions in regard to integration might be "securitised" (Wæver et

## 5.3 On integration policy towards a supranationally-transnationally dominated integration system

Now, as claimed above, the integration system might develop beyond being intergovernmentally dominated. The integration system might get supranational features which - in different forms - give the institutions of the system great and relatively autonomous importance. It might also acquire transnational features, giving influence to substate and transnational actors and opening for dynamic relations across state borders.[46] As argued above, the EU has important supranational and transnational traits, although it can be considered as an open questions to which degree it is the intergovernmental or the supranational-transnational structures that at present are dominating.

In model 4 I have in a rough sketch illustrated some of the basic features of a supranationally-transnationally dominated integration system. They are here exemplified as "ideal type" of this aspect of EU's negotiation system, an image which, notably, isn't taken to be a true picture, but to represent one important aspect of the EU. The basic features are:

- that the main EU institutions (in particular the European Commission and the European Parliament) are strong participants in the decision-making and negotiations in the EU,
- that the negotiations in the EU (in particular in the Council) are regulated, i.a. by rules allowing for qualified majority voting
- that the Parliament has its own basic democratic legitimacy through direct elections
- that the Commission has a direct link to some actors (in particular to governments, but also to sub-state actors, regional and transnational organisations, interest groups and individual experts),
- that there are possibilities that governmental agencies develop their own sub-policies within their policy area with the effect that governments are not always or by necessity unitary actors, and that the foreign ministries are overloaded and in practice unable to secure the unity in state policies.

## Model 4

[46] In this context I treat supranational and transnational perspectives as part of one model in order not to create

What are the dynamic features of such an integration system? One tendency is that the integration policies of the individual states are undermined. The direct links between independent actors in the society and the institutions and processes in the integration system/EU mean that there is an extensive "by pass" of the state. Such direct links can be the inclusion of interest representation in EU's negotiation system (for instance private enterprises participating in negotiations on standardisation), national courts accepting the preliminary rulings of the European Court of Justice, local and regional political bodies' participating in the Committee of the Regions etc. Even more important, the direct election to the European Parliament has established a link which fundamentally is at odds with the privileged position of the state. In addition, there might be internal competition within the states between different agencies and (as assumed) tendencies for governmental agencies to pursue their own policies within their field of competence. The counter move from the state might be to establish procedures for formulating as unitary a state policy as possible. The Danish procedure for such coordination is certainly such an attempt. But this seems to be a move against the current. The major perspective is that *in a more integrated, supranationally-transnationally dominated system there is a tendency towards a diffusion of the integration policy of the state.*

Another tendency is that the processes within the EU are transcending the control of the individual government. This is most obvious in relation to the extended use of qualified majority voting in the Council. Obviously, to the degree this is becoming effective and widespread, it will prevent an individual state in using its veto power. The gain from this will probably be a stronger capacity to act for the integrated system, the EU, but it also implies that the integration policy of the individual government might be circumvented. One might argue, though, that the deterioration of the veto power for some states will strengthen the position of other states. Thus, the major picture is not so simple that the demise of veto power simply for a state simply leads to less influence for that state. But if the state is going to "compensate" for loss of veto power, it must be through another kind of influence in EU's negotiation system. Thus, a movement away from effective veto power is likely to lead to a change in the distributions and capabilities control (or "governance"). Some might claim that the change in the decision-making practices which moves towards extended use of majority voting will give greater influence to smaller states, but it is very uncertain whether this is true or not. A more certain statement is that the character of the decision-making in the more integrated system will give influence to those actors that are able go gain influence within very complex networks. Thus, *the diffusion of integration policies and the changes in governance-structures seem to be accompanied by changes in the style of interest representation and governance.*

The inclusion of more sub-state actors in the policy making of the integration system implies that it becomes relevant for more actors to develop their wishes and demands in regard to the integration system. And one might add that this is the case in regard to a greater number of political issues. Said differently and related to the EU, it becomes necessary for many more actors and institutions to define their role and practice to many very different problems related to European integration. *The questions of European integration are becoming "societal"* in the sense that they involve more actors and more issues.

It is a special problem whether such a development implies that questions concerning European integration are becoming more politicised, understood as becoming a topic for controversies between social actors. One might argue that the two tendencies are at play simultaneously, and that they draw somewhat in opposite directions. The "societalisation" of integration policy tends to further politicisation. But the tendency of diffusion pulls towards depoliticisation. Yet, these reflections are on a very general level and should be taken with corresponding reservations. Whether politicisation will actually take place will most likely

depend on the interest constellations and the possible correlation between new and old cleavages.

A major implication of these considerations is that a state will have problems in pursuing a clear integration policy within a more integrated system. It is an open question whether we in practice will see formations of differentiated "integration policies" or rather the disappearance of clear state policies towards integration.[47] One might add that a special mechanism could be at play: If the interest of the dominant political groups are to avoid politicisation, the interest in actively supporting a "diffusion" of integration policies could be great.

## 5.4. On the move from an intergovernmentally dominated integration system to a supranationally-transnationally dominated system

The two models sketched above have only been rough illustrations of different paradigmatic structures in an integration system. Obviously, they only represent aspects of the actual structures in such a complex decision system as for instance the EU, and only do so in a very superficial way. But the considerations do help to illuminate problems related to integration policies. These considerations should be supplemented with two important perspectives:

The first perspective is that one might assume that a state does not just meet an integration system with a given structure. Rather, the state is involved in a historical development and is taking part in a formation process in which the structure of the integration system isn't stable but - partially - open for influence. The possibilities of changes in the structure (or in the balance between different structures) make the integration system contingent, depending also on the action and policy of the state itself. This implies that the dimension of integration policy which is concerned with changes in the integration system, and power structures between different "projects of change", is of particular relevance. It is important for the state to take into consideration what kind of decision making structure it wants in the integration system and to have a policy on this. One might say that this becomes *the* crucial part of a state's integration policy.

The second perspective is that developments within a state and in its environment takes place in social settings with institutional and conceptual inertia. Sometimes we will see new practices develop without being able to describe them.[48] Often we will see old descriptions upheld, supported by interests in upholding these old and insufficient images. It

[47] Special problems are whether there exists a set of "high politics issues" that are exemptions to this, or whether it might be possible to have such a "securitisation" of integration issues that the appeal to security concerns justifies a state in breaking with the obligations that have emerged through integration.

is my understanding that the EU is a system which - very far - has developed practices which we have not described yet. In this perspective there are many reasons for, in practice, to uphold and confirm descriptions of the EU which do not correspond to reality.

Applied on the two paradigmatic models described above, one might claim that the reality of the EU already is rather close to the complex model of supranational-translation negotiation. But the most likely scenario is that politicians and many others will have an interest in keeping and reproducing the picture of the EU as still being an intergovernmentally dominated system. Obviously, this might also serve as an explanation of the relative neglect in regard to the problems that arise when integration policy transcends foreign policy.

## 6. Conclusions

A major contention of this article has been that we need to develop studies of integration policy. I have tried to show that integration policy is different from foreign policy, and that integration policy has many dimensions which in some ways transcend foreign policy. I have also tried to show that integration policy might be studied on the basis of decision making analysis and might be linked to the adaptation theories.

The difference between foreign policy and integration policy is not obvious when we are dealing with weak forms of integration. But when integration reaches stronger forms, important differences emerge. And when integration is so strong that we might speak of semi-integrated actors, the political decision-making in the original actor have changed. We might say that the decision-making proliferates: First, it becomes necessary for the governments in question to find out which policy it will pursue in regard to a) membership, b) position in the system, c) future changes in the system, d) policies within the system and e) policies outside the system. Later, the process even goes further in the direction of diffusion. Integration policy is by then no longer a monopoly for the government. Sub-state actors, also individual governmental agencies, might pursue different policies. Most likely, in a transition phase, a government might attempt to secure a “unitary” policy. But as it is the case already now in the EU, the institutional structure of the integration system might make it very difficult.

This implies that from a certain stage in the integration process it becomes important to link the understanding of integration policy with the understanding of the character of integration systems. I have - for simplicity reasons - only sketched two basic structures, and have attempted to show that the dynamic relationship around integration policy is very

the models have led to the conclusion that the dynamics of integration - if it moves from an intergovernmental to a supranational-transnational structure - lead to a phase in which integration policy will simultaneously become societal and diffuse, and - possibly - also to politicisasion. There seems to be a tendency that further integration will lead to a "proliferation" of integration policies which in itself is part of the process of policy diffusion. It is on this basis that I conclude that integration policy should be understood as being "between foreign policy and diffusion". But it should be stressed that there is quite a bit to be done concerning analysis of integration policies between these two extremes.

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