"DIFFERENT SPEED" OR UNIFIED EU? ANSWER FROM THE POINT OF VIEW OF INSTITUTIONALISM THEORY

Svajūnė Ungurytė-Ragauskienė

Mykolas Romeris University, Lithuania
svajune.unguryte@gmail.com

Abstract

Purpose. The ongoing processes of European integration are confronted with the challenge of "different speed" EU. Union is often divided into "eurozone" - central and peripheral countries or old and new Europe. However, it is forgotten and ignored that "speeds" mean differences. Such heterogeneity can lead to a pessimistic EU scenario where European countries move at different speeds and do not always pursue the same goal. On the one hand, there is a presumption that the EU Member States must continue to seek solidarity through the development of a common administrative model and, on the other hand, the growth of sovereign powers. The question arises as to whether reforms carried out by EU Member States contribute to the overall integration of Member States in the field of institutionalism.

Design/methodology/approach. Thus, it is through the functioning of institutes that economic phenomena and processes are analyzed with the help of institutionalism theory. Based on this theory, institutions define the rules of public gaming or human-made constraints that shape their interactions. In general, the representatives of the theory of institutionalism pay much attention to the analysis of the economic behavior and political motives of individuals. A multi-faceted approach has made institutionalist interpretations one of the most important tools for theoretical perspectives and organizational research. Institutionalism is the conventional theoretical wisdom of EU studies.

Finding. EU integration has attracted particular attention since its origins as a result of the political and economic union of the Member States. Recognizing the administrative convergence of EU Member States as one of the key factors for achieving common goals and criteria, the challenges of a rapidly expanding organization have been overcome by several means over several decades. However, in the recent decade of the EU, with the global economic crisis, the Brexit talks, the Hungarian and Polish Eurosceptic political forces, the difficult-to-manage migration problem have hit Europe hard and have led many to thinking about the future of a united Europe.

Research limitations/implications. Institutionalist interpretations helps to explain separate and different phenomena of European integration. However, institutionalism cannot explain long-term transformation of EU integration processes. What is more, viewpoint article is short article which focus on some of the key challenges, issues or developments in natural products research. This article is "opinion" style article, which gives the author's perspective on a particular issue, backed up by the literature.

Practical implications. Idea of EU as single federal state showed that there are too much of differences in the same union. EU integration may be initiated by agreements among governments, international institutions, once established, take on a political life of their own, and the rule-making authority delegated to them by states collectively binds and bounds governments by locking in patterns of collective behavior and ratcheting supranationality. Institutionalism approaches (sociological, historical, rational choice and discursive) help to explain different phenomena that have been occurring in the experience of EU integration.

Originality/Value. There is a lack of research in scientific literature that examines and evaluates the importance of increasing administrative complexity and public administration
fragmentation processes in EU Member States. It is clear that such diversity only complicates intergovernmental cooperation between countries, but there is a lack of scientific insight into what aspects of sovereign change in public service contribute to the strengthening of the EU and which weaken it. The assessment of change in public governance is also determined by the aspect of belonging to "central" and "peripheral" EU countries. The main argument of the critics of the "different speed" European model concerns the inequality of the states of such a union, the non-member countries of the EU will have much less chance of defining the details of their rules, and the pace and conditions of European unification will almost entirely be controlled by nuclear states. In this case EU would become even more fragmented in the future.

**Keywords:** European Union, European integration, Institutionalism, Unified EU, Different speed EU

**Research type:** viewpoint.

## Introduction

The ongoing processes of European integration are confronted with the challenge of "different" or "two speed" EU countries. There is a general belief that "heavyweight" politics can try to tackle the problems that the EU has faced, and that is why it is often divided into "eurozone" - central and peripheral countries or old and new Europe. However, it is forgotten and ignored that "speeds" mean differences. Such heterogeneity can lead to a pessimistic EU scenario where European countries move at different speeds and do not always pursue the same goal (The Economist, 2017). It is clear that in such a "different speed" Europe, it is difficult to create and maintain the same ambitions of Member States. On the one hand, there is a presumption that the EU Member States must continue to seek solidarity, on the other - the growth of sovereign powers. The main argument of the critics of the "different speed" European model concerns the inequality of the states, the non-EU countries will have much less chance of identifying the details of their rules and the pace and conditions of European unification will almost entirely be controlled by central states. In this case EU would become even more fragmented in the future.

Institutionalism theory, which is often used to deal with the various phenomena of European integration gives precisely these interpretive lenses. From the perspective of institutionalism, the EU does not need to be seen as a federal system or an intergovernmental system. According to the theorists of this perspective, EU integration is a supranational governance and focuses on the institutionalization of individual policy areas, such as trade, tourism, communication services at European level (Švarplys and Matulionis, 2009). According to this theory, not central or peripheral states are important but interest groups whose activities cross national borders and benefit from the EU system.

The fundamental premise of the scientific paradigm prevailing in this comparative research is that policies and their outcomes are determined by institutions perceived as rules created by policy makers and their systems that structure the behavior, identity and interrelation of the same actors. In this case, political institutions are often a mediator between politically significant socio-economic or cultural structures and the decisions of specific actors. What is important that the different directions of the new institutionalism not only emphasize the importance of the institutions, but also point to some causal mechanisms of how these institutions are created or maintained. The article analyzes the insights of one of the most prominent foreign scientists with regard to (i) sociological institutionalism which focus not on norms and rules, but on social actors and cognitive and cultural systems within the organization itself (DiMaggio and Powell, 1983; 1998), (ii) historical institutionalism, which seeks to determine the forms of institutions and their origins, as they have a profound
effect on the behavior of individuals, forming certain procedures and ways of doing things (Thelen, 1999), (iii) rational choice theorists, which focuses on the political decision-making process and the ways in which political structures shape decisions and ensure stability (Shepsle, 2008) and the fourth (iv) discursive institutionalism, which explains ideas that focus on action, the power of persuasion in political debate, democratic legitimacy, the revaluation of political interests and value, and the dynamic change of history and culture (Schmid, 2010).

4 neo-institutionalist approaches

Based on this theory, institutions define rules of public gaming or human-created constraints that shape their interactions (North, 1990). In general, the representatives of the theory of institutionalism pay great attention to the analysis of the economic behavior and political motives of individuals. It is proposed to look at the individual not as a separate subject but as part of the social system (Lane, 2006). Attention is also paid to the property of individuals, corporations and the state (Ereminaitė, 2014). A multi-faceted approach has made institutionalism one of the most important tools for theoretical perspectives and organizational research (Cornelissen et al., 2018). Thus, the theory of institutional economics can reasonably be regarded as a fundamental theory of social science, whose representatives offered not only detailed quantitative studies of social phenomena, but also important qualitative analyses.

Although institutionalism has been dominated by economic theory for a long time, it has been criticized by many other scientists. According to critics, the heterogeneity of the theory of institutionalism provides a basis for questioning the existence of its science school. Neo-institutionalism in scientific literature is also criticized as the old school. According to R. W. Scott (2008), most early works of institutionalism were limited because of the lack of attention given to organizations: some theorists analyzed broader institutional structures - structure and political systems, linguistic and legal systems, but few considered organizations to be institutionalized or pointed out ways in which larger institutions form the assemblies of organizations. The scientific literature suggests that classical and new institutionalism are not two completely different theories, so there is no need to distinguish them and deal with them as two separate concepts. Neo-institutionalism marks the continuity of early theory as well as some progress and change (Scott, 2008). Moreover, the first representatives of neo-institutionalism expressed the basic concepts of this theory, but their work lacks the interpretation or definition of the concept of "institution", although it can be predicted to be taken for granted by rationalized myths (Greenwood et al., 2008). So it can be said that the new school of institutionalism is not very far from the ideas of classical institutionalism, but it complements it and allows for deeper analysis.

Classical institutionalism seemed to be a hopeful theory, but also is lacked a deeper and more detailed field of individual behavioral research. Over the last three decades, neo-institutionalization has become the main stream of organizational theory research that can distinguish between cultural, political and cognitive processes that underpin social practices within the institution's concept (Greenwood et al., 2008). When the theory of neo-institutionalism emerged, microeconomic analysis was extended to those economic spheres where it was not used before (Lakis and Namiotko, 2012). It is true that it is difficult to define one specific concept of neo-institutionalism. Scientists say there are both new institutionalism as well as branches of social sciences themselves (DiMaggio and Powell, 1998). What is more, new institutionalism aims to be called at least a few scientific disciplines: rational choice, organizational theories (or sociological), historical and discursive institutionalism without a
common theoretical model (see Table 1). Each of them recognizes the importance of institutions in the European integration process, but explains differently how and why the authorities are affected.

Representatives of sociological or otherwise organizational institutionalism are P. J. Di Maggio and W. W. Powell. The goal of institutionalism in this direction is to separate itself from the formal aspects and to find out how institutions work in reality. Unlike the economic or political approach to institutions, the focus of sociological institutionalism is on the fact that institutions emerge from the activities of individuals, but not necessarily the result of their conscious construction (DiMaggio and Powell, 1998). According to scientists, in the theory of sociological institutionalism, it is assumed that, according to the internal socialization process, the institutions’ employees keep the rules constant. True, in the context of changing circumstances, the institutions’ internal rules are also changing. Thus, the representatives of sociological institutionalism focus not on norms and rules, but on social actors and cognitive and cultural systems within the organization itself. Sociological institutionalism is an important issue. If the structure and agency create each other, then why the norms remain relatively stable over time and why organizational forms in modern society are surprisingly similar (Bileišis, 2012).

Table 1. 4 Neo-institutionalist approaches: sociological, historical, rational and discursive

<table>
<thead>
<tr>
<th>Approaches</th>
<th>Authors</th>
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<tbody>
<tr>
<td>sociological</td>
<td>P. J. Di Maggio and W. W. Powell</td>
</tr>
<tr>
<td>historical</td>
<td>K. Thelen</td>
</tr>
<tr>
<td>rational choice</td>
<td>K. A. Shepsle</td>
</tr>
<tr>
<td>discursive</td>
<td>V. A. Schmidt</td>
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Source: adapted by Thomson and Hosli, 2006; Schmidt, 2010

Late eighties when institutionalists turn to political, economic and social sciences, the explanation of institutions was based on the logic of historical institutionalism. One of the most prominent representatives and pioneers of this theory is K. Thelen. Historical institutionalism seeks to determine the forms of institutions and their origins, as they have a profound effect on the behavior of individuals, forming certain procedures and ways of doing things. It is emphasized that political systems are not neutral spaces in which external interests compete, but rather complex forms that generate independent interests and favorable circumstances (Thelen, 1999). Historical and sociological institutionalism is based on the same sociological idea (see Table 1) that the categories of thinking are preceded by thinking and that those categories are social or cultural constructs. However, historical institutionalism prefers political development and power and interest issues.

Rational choice theorists (Shepsle, 2008) focuses on the political decision-making process and the ways in which political structures shape decisions and ensure stability. There
is an opinion that the institutionalism of rational choice involves sociological and historical views (Thomson and Hosli, 2006) (see Table 1). The theory of rational choice can be defined as an analysis of the choices made by rational actors in interdependence (Shlepsle, 2008). According to A. Shepsle (2008), political power research is usually limited to institutional power.

The inability to explain some of the current phenomena has led to another approach of neo-institutionalism and the academic field of institutionalism is expanded. Faced with various ideas and discourses that do not correspond to the traditional assumptions of institutionalism, the phenomena began to be interpreted as the fourth new - discursive institutionalism. V. Schmid, a representative of discursive institutionalism, explains idea that focus on action, the power of persuasion in political debate, democratic legitimacy, the revaluation of political interests and value, and the dynamic change of history and culture (Schmidt, 2010). Only this approach has the opportunity to explain preferences, strategies and normative orientations of actors. According to A. Schmidt (2010), when discursive institutionalism encounters three elders, he tends to use their results as basic information (see Table 1).

Early institutionalism relied on the assumption that institutions determine organizational structures and that is why institutional isomorphism occurs. However, subsequent studies have shown that in real situations, institutional change can occur from the bottom up, and the institutions themselves, as a system of rules, develop not without the efforts of organizations operating within the institutional framework. We can use the term of the organizational field to explain such mutual institution building. Early representatives of institutionalism focused on case studies of organizations in order to highlight their impact on the institutional environment. The organizational field is defined as the population of organizations operating in a common cultural or social subsystem (Scott, 2008). Organizational field studies allow us to define how institutions are perceived by all the actors in the field, not just one organization. This creates preconditions for predicting reactions to the actions of the investigated organization (Bileišis, 2012), for e.g. EU integration processes.

**ES integration through new institutionalist perspective**

New institutionalism is often used to explore the various phenomena of European integration (see Table 2). The fundamental premise of the scientific paradigm prevailing in this comparative policy research is that EU policies and their outcomes are determined by institutions perceived as rules created by policy makers and their systems that structure the behavior, identity and interrelation of the same actors (Gudzinskas and Maliukevičiūtė, 2014). In this case, political institutions are often a mediator between politically significant socio-economic or cultural structures and the decisions of specific actors. Different approaches of the new institutionalism not only emphasize the importance of the institutions, but also point to some causal mechanisms of how these institutions are created or maintained. Institutional factors also play an important role, because various forms of ad-hoc cooperation between EU member states outside the established institutionalized system are driven by a convergence of preferences and attempts to maximize national interests (Bauer and Remacle, 2018).
Table 2. Institutionalism as European integration theory

<table>
<thead>
<tr>
<th>Key concept</th>
<th>Main problem</th>
<th>Methodological assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutionalism</td>
<td>How is the policy at European level institutionalized?</td>
<td>• European institutions form an autonomous policy together with interest groups and national states</td>
</tr>
<tr>
<td>• The impact of the European institutions on the institutions of the Member States and on the European political system;</td>
<td></td>
<td>• The ability of institutions to expand their powers and set their own policy course</td>
</tr>
<tr>
<td>• The importance of transnational exchanges for institutionalizing policies at European level</td>
<td></td>
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Source: adapted by A. Svarplys ir A. V. Matulionis, 2009

According to sociological institutionalism, socialization is the most important tool of EU influence. This Europeanisation mechanism includes the EU’s ambition to convey accepted patterns of social behavior. Socialization measures are in place to increase public acceptance of EU membership and the validation of membership conditions (Inokaitytė, 2013). Promoting mutual communication, increasing the volume of EU-related information, supporting regional cooperation, etc. Unlike compliance with EU external incentive policies, compliance with EU conditions based on socialization measures is more effective in the long term.

Based on sociological institutionalism, the EU political behavior of national actors is determined by a system of collective beliefs that include standards of behavior and values acceptable to society. These normative templates define the political goals and the measures needed to implement them. Instead of trying to maximize subjective interests, political actors fill social expectations. Unlike the rational choice of institutionalism, sociological institutionalism treats European integration as a process of disseminating new identities and consolidating them in candidate countries. The EU norms and rules that a candidate moves to the national system must be close to the existing institutional practices and norms of political behavior (Inokaitytė, 2013). Member States take over the European norms that it regards as legitimate and close to the national system. Identification with the EU, not only at the level of the political elite but also at the level of society, is one of the most important conditions of European integration, which is distinguished by sociological institutionalism.

It also explains the often occurring phenomenon of "institutional isomorphism", when certain rules are taken over by imitation and not by their necessity and functionality (Gudzinskas and Malukenačiūtė). According to the sociological institutionalism, over time, organizations within the "institutional field" are similar in structure and action, and various institutional constraints force organizations to adapt to the environment. Unfortunately, in the long run, organizations are starting to implement the same reforms, not waiting for efficiency, but in order to imitate organizations (simulation factors), they are translated into higher institutions (coercive factors), taking into account organizations with similar experience (normative factors). This idea is very close to historical view of institutionalism. According to historical institutionalists, the rules can remain unchanged (or little change) even if they appear to be ineffective and do not perform the functions assigned to it.
(Gudzinskas and Maliukevičiūtė). It is based on the so-called "road addiction" argument, emphasizing the importance of past events or decisions in structuring later ones.

Table 3. European integration through 4 institutionalism approaches

<table>
<thead>
<tr>
<th>Approaches</th>
<th>Main assumptions</th>
<th>Idea of future EU</th>
</tr>
</thead>
</table>
| sociological | • Rules can be created, modified, and maintained according to what the characters consider to be normative or socially "right".  
• It also explains the often occurring phenomenon of "institutional isomorphism" when certain rules are taken over by imitation rather than by their necessity and functionality. | Unified Europe |
| historical | • Rules may remain unchanged (or little change) even if they appear to be ineffective and do not perform the functions assigned to it.  
• It is based on the so-called "road addiction" argument, emphasizing the importance of past events or decisions in structuring later ones. | Unified Europe |
| rational | • Institutions can be used as a tool of political power.  
• Affected actors create or support certain institutions to increase or maintain their positions in a particular political area.  
• Institutions must not (usually and not) provide the optimum benefit to all players in a political game. | Different speed Europe |
| discursive | • Power, interests, institutional positions, or cultural attitudes are not important factors in institutional development.  
• Ideas and their proper presentation can play an independent role in influencing power relations, institutional positions, cultural patterns, and at the same time cause a change of rules or otherwise defined institutions. | ? |

Source: adapted by Inokaitytė, 2013; Gudzinskas and Maliukevičiūtė, 2014

Institutionalism of rational choice emphasizes the importance of EU external incentives in the process of European integration. It is believed that the efforts of the political elites are based on the strategy of maximizing the benefits (Inokaitytė, 2013). EU applies a leverage-based conditionality policy to promote change. In exchange for political, economic and legal reforms, the EU offers rewards for financial support, EU market participation or the ultimate goal of membership in the organization. In this case, the EU does not change the fundamental priorities of policy actors, but affects their strategies and methods of operation. According to the rational choice, the EU institutions can be used as a tool of political power. Influential actors create or support certain institutions to increase or maintain their positions in a particular political space. According to this interpretation, the institutions must not (usually and not) provide the optimal benefit to all participants of the political game (Gudzinskas and Maliukevičiūtė, 2014).

The fourth institutionalist approach analyzing European integration processes is discursive institutionalism. It is such an umbrella category that unites institutionalists of various perspectives (rational choice, historians and sociologists) who try to assess the independent meaning of ideas for the change of EU institutions (Gudzinskas and Maliukevičiūtė, 2014). It is argued that ideas and their proper presentation can play an independent role in influencing EU power relations, institutional positions, cultural patterns and at the same time cause a change of rules or otherwise defined institutions (see Table no 3).
Different approaches to institutionalism distinguish between the different mechanisms and conditions of European integration. All these views have different views on the ongoing processes of European integration. The implementation of European integration reforms is not always based on rational actors' calculations. In this context, the theory of sociological and historical institutionalism emphasizes normative compliance between the EU and the candidate country. The focus is on the role of ideas, widespread discourses and attitudes in the process of European integration. Meanwhile, in terms of rational choice, it would be more useful for Europe to move at different speeds. The discursive approach, which covers all of the above, does not provide a categorical view of the future of Europe, but gives an approach that can be easily attributed to the different circumstances that have arisen.

EU integration - towards unified or "different speed" Union?

The integration of the EU since its origins has received particular attention as a result of the political and economic unification of the member states. Recognizing the administrative convergence of EU Member States as one of the key factors for achieving common goals and criteria (Cioclea, 2010), the challenges of a rapidly expanding organization have been overcome by several means over several decades. However, in the recent decade of the EU, with the global economic crisis, Brexit talks, the Hungarian and Polish Eurosceptic political forces, the difficult-to-manage migration problem have hit Europe hard and have led many to thinking about the future of a united Europe.

At the end of last year, the Austrian Presidency of the Council raised the importance of the principle of subsidiarity. From an Austrian point of view, the EU should focus on key issues that require a joint decision by all Member States, while addressing less important issues locally. This means that the issue of "slower moving" countries is not a priority in the EU. The Romanian Presidency, which started its presidency at the beginning of this year, continues the work begun by Austria. The priorities of the Romanian Presidency are based on its slogan: cohesion, common European values, understood as unity, equal treatment and convergence. The Presidency program focuses on four key priorities: a Europe of convergence, a safer Europe, Europe as a strong global actor and a Europe of shared values. Thus, the EU promotes administrative convergence.

From sociological and historical views, a policy that leads to "different speed" EU does not unite but creates a wedge between countries. Such differentiation eliminates the desire for equality through greater integration. A "two speed" Europe will create two separate EU. The fact that a group of six countries that once gave birth to the EU will be the center of the EU in the future is not entirely logical. On the basis of the institutional approaches, EU would fall apart at different speeds and lose its core objectives.

From the rational choice view, the idea of "speed" gives the EU member states more freedom to form country alliances to create a policy that is more beneficial to a particular group of states. This would be particularly difficult when it is impossible to reach a unanimous consensus at EU level. This is important for countries if the EU continues to expand into the Balkans and become a Union of more than 30 countries. It is believed that unanimity in such a broad union would be extremely difficult. A "two speed" Europe is a better alternative than a Europe that is dead or immobile.

From the discursive point of view the idea of a multi-speed Europe over the Union with many groups of countries united to face different challenges. It is believed that other countries may seek to establish unions to adopt similar laws on asylum or to promote cooperation in the field of justice and home affairs. It might be that Member States will be grouped according to the relevance of the issue to their country. Implementation of a "different speed" EU might
create various new procedures or limitations, e.g. admission to the Union for countries seeking to become members of the EU or trying to exit from EU.

Conclusions

EU integration has attracted particular attention since its origins as a result of the political and economic union of the Member States. Recognizing the administrative convergence of EU Member States as one of the key factors for achieving common goals and criteria, the challenges of a rapidly expanding organization have been overcome by several means over several decades. However, in the recent decade of the EU, with the global economic crisis, the Brexit talks, the Hungarian and Polish Eurosceptic political forces, the difficult-to-manage migration problem have hit Europe hard and have led many to thinking about the future of a united Europe. Idea of EU as single federal state showed that there are too much of differences in the same union. EU integration may be initiated by agreements among governments, international institutions, once established, take on a political life of their own, and the rule-making authority delegated to them by states collectively binds and bounds governments by locking in patterns of collective behavior and ratcheting supranationality. Institutionalism helps to explain different phenomena that have been occurring in the experience of EU integration.

The sociological, historical, rational choice and discursive theoretical perspectives of institutionalism identify the different outcomes of change in European integration processes. It is important to note that compliance based on normative and rational calculations is difficult to distinguish. As a result, these approaches often work together and often complement or include each other. However, it can be said that sociological and historical, complementary approaches emphasize the idea of a unified Europe and rational choice institutionalism - a union of "different speed".

In fact, Europe has several speeds today. As example Eurozone or Schengen areas. There may be various blocs (for e.g. bloc of defense issues with Sweden, Poland, Germany, Denmark, and Netherlands) which could work closer. The idea of "different speed" EU would also allow these blocs to improve the sharing of information between agencies of Member States. But the main question is if "different speed" Europe is a solution to today's EU problems. This should primarily be considered by EU policy makers.

References


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