

## THE CRISIS OF EUROPEAN UNION STUDIES SEEN FROM THE US:

### *EU Studies are ‘Widening’ and ‘Deepening’ even as EU Theories of Widening and Deepening are in crisis as a result of the EU’s crises*

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In the United States, as elsewhere, European Union studies is in crisis. But although some see the crisis as existential, as the end of US political scientists’ interest in the EU—whether because lost in the shift toward Asia or crowded out by on-going interest in Latin America—I would argue that it is just that the focus of scholarship has shifted. Instead of continuing to study the EU as a unique phenomenon, US political science scholars have increasingly ‘normalized’ EU studies. In other words, Europeanists in the US have become more and more truly comparativist in their approach, by considering how the EU compares to other regions of the world not only as a supranational governance body but also in terms of how its regulatory agencies operate, its public administrations work, its political economy functions, its policy sectors develop, and so on. But we need not limit this *constat* to US political science scholarship, since increasing numbers of European scholars of the EU have also contributed to the normalization of EU studies.

The EU’s many crises have contributed to the sense of crisis in EU studies. Long-standing theories about the EU as a unique experiment and about its continuing progress toward deeper integration no longer convince. But although the multiple crises of the EU have served to challenge EU Studies’ substantive theories about the EU’s uniqueness, they have been a boon for its ‘normalization’ in terms of the political science discipline on both sides of the Atlantic. Put another way, while the substantive theories about the EU’s ‘widening’ and ‘deepening’ have been increasingly in question, EU studies has itself been ‘widening’ and ‘deepening.’

#### **The Crisis in EU Studies and the Pathways to ‘Normalization’**

For all this, there is no denying that there is a crisis in EU studies in the US. It is not just that other regions and countries, in particular Asia and China, have greater appeal compared to the seemingly more familiar Europe. It is that fewer and fewer US scholars have the skills to understand Europe from the vantage point of the EU *and* its member-states. American political science has more and more eschewed the ‘regional studies’ that were in their heyday until the 1990s, in which deep country knowledge and language skills were a *sine qua non* of successful scholarship.

The interdisciplinary nature of European Studies as Regional Studies has increasingly been seen as anathema to a more discipline-oriented US political science focused increasingly on deductive ‘hypothesis-testing’ as opposed to the generation of inductive generalizations. The experience of the EU, whether considered on its own, contrasted with its member-states, or compared with other regions or states, is nowadays often likely to serve political scientists as the basis for deductive confirmation (or falsification) of theoretical hypotheses about political phenomena, writ large. That said, the deductive language of hypothesis testing frequently serves as an overlay on still deeply qualitative, empirically inductive work based on comparative historical analysis and structured comparison.

Equally importantly, however, is the fact that US political scientists are more and more focused on methodological rather than linguistic skills, with mathematical abilities often substituting for regional knowledge, whether through large ‘N’ quantitative analyses, experimental studies, or quantitative approaches to qualitative analysis (‘qualitative methods’). Somewhat mitigating this methodological shift, however, is the fact that the EU has itself become one of the greatest producer of statistics, with the Eurobarometer, despite its flaws, being a case in point, along with Eurostat; that EU scholars now produce more and more of their work in English; and that they too have become increasingly quantitative, even in their qualitative studies. All this makes the study of the EU potentially much more user-friendly to US scholars.

For scholars of the EU on both sides of the Atlantic, the main question is whether the transatlantic partnership will deepen rather than fall apart. In what follows, I suggest that the route to deepening this relationship is through the ‘normalization’ of EU studies, by widening the analysis of the EU through comparative theoretical and empirical studies. I will also show that this is actually already in progress. Both US scholars and European scholars of the EU have in recent years produced studies that compare the EU to the US and beyond in theoretically and empirically insightful ways.

The widening of EU studies can be seen in the great expansion of comparisons of the EU across a range of substantive areas to other regions and countries. The purpose may still be to demonstrate how special the EU still is, but it simultaneously makes the EU more comparatively understandable. This has also led to a deepening of analysis of the EU in its many subfields, using the tools and theories of political and social science more generally. Such analyses can be found in newly emerging fields such as comparative regionalism as well as in long-established ones focused on institutional analysis, comparative political economy, comparative public policy, comparative regulation, and comparative politics. Questions abound, including how to think about the EU as a supranational regional or global actor in comparative perspective; how to understand the

EU's 'stateness,' and how to compare it to the sub-national states of nation-states; how to consider the EU as a regulatory actor and/or a policy actor; what does it mean to talk about the EU in terms of democracy, identity, and the public sphere; and how to explain the EU's choices as a political economic actor in the sovereign debt crisis of the euro, in particular in contrast to the very different approach in the US.

To illustrate, I indicate some of the most recent books that cross the Atlantic divide and beyond (mainly in subject matter but also in scholars' own career trajectory), recognizing needless to say that there are countless articles that may also make the arguments in greater detail. But by citing books, which generally involve a longer gestation period and are in any case often necessary for elaborate cross-regional and trans-Atlantic comparisons, I can underline the overall point that EU studies is already in the process of 'normalization.' The fact that many of these books have received prizes from scholarly associations in the US and Europe equally points to the recognition and success of such normalization.

### **The EU as a Supra-National Governance Body and 'State-like' Institutional Actor**

As part of the normalization of EU studies, the period of trying to define the EU's uniqueness seems to be behind us. Although the assumption that the EU is *sui generis* persists, debates about whether the EU is something akin to a 'neo-medieval' empire (Zielonka 2006), a 'cosmopolitan' empire (Beck and Grande 2007), or even what I called a 'region-state' (Schmidt 2006) is no longer the focus of attention. It is not that the historical contrasts are forgotten or the attempts at forging new conceptions of the EU have been abandoned. It is that the EU is now increasingly compared and contrasted with other regions, in particular in Asia, Africa, and Latin America, or large nation-states, most notably the United States.

With regard to the regional dimension, the EU has gained renewed attention as a regional entity, but now in comparison and contrast to other regional organizations in the emerging field of comparative regionalism. Here, rather than keeping the EU as the central focus, to highlight its uniqueness as a regional construction, the *Oxford Handbook for Comparative Regionalism*, co-edited by Tanja Börzel and Thomas Risse (2016), generalizes from experiences of integration across regions. It seeks to build social science theories that take account of the great differences among regions, in particular with regard to the extent to which they pool authority via some form of intergovernmentalism or delegate to supranational entities, and engage in processes of 'regionalism' (top-down formal integration) and/or 'regionalization' (bottom-up informal processes of integration). Such comparative study serves to enhance our understanding of the EU together with other regional organizations by developing generalizations about the emergence, institutional design, diffusion processes, and effects of regionalism as

well as the scope conditions under which social science theories about integration operate. It shows that the EU may still be unique, in particular in its governance via the formalization of regional institutions and delegation to supranational entities, but there are many other regional organizations, some of which may even have ‘learned’ from the EU without, however, following its or any other kind of global ‘script.’

Considering the EU as a regional organization necessarily makes it appear the most advanced in terms of institutions and economic coordination. Contrasting it with nation-states of similar size and economic weight provides a very different perspective on the EU. The comparisons with the US are increasingly abundant, in particular in terms of institutions. But how to compare the two? One way is by focusing on the similarities in institutional set up of the US and the EU, as compound polities in which the institutional structures are quasi-federal, the policy-making processes semi-pluralist, and the politics complex (Schmidt 2006). This has been the focus of Sergio Fabbrini’s (2010) *Compound Democracies*, in which he argues convincingly that the EU should be seen as a ‘compound democracy’ similar to the US in its multiple diffusion of powers that guarantees that no majority can control all levels of the polity, but which therefore comes at the expense of decision-making capacity and accountability.

The US turns out to be a particularly useful foil with which to understand the EU and its development not only institutionally, writ large, but also in a variety of specific domains. *Single Markets* by Michelle Egan (2015) provides a diachronic comparison of the development of the EU as a market beginning in the mid twentieth century with that of the US beginning in the nineteenth century. Building on the literature in American Political Development and European Integration theory, it provides great insight into how integrated economies begin and evolve, with highly contested ideas about how markets should operate and how authority is allocated, and contestation over the role and consequences of increased competition. The main conclusion, that states play a critical role in driving change, even though constrained by private interests and contentious politics, is elucidated in case studies of the ‘four freedoms,’ including interstate commerce, banking and finance, transportation services, and labor mobility with regard to the professions.

*Eurolegalism* by Dan Kelemen (2011) offers a similarly compelling view of the critical role of the ‘state,’ but in its legal and judicial functions. The book argues that the development of European integration has produced a European variant of adversarial legalism that has much in common with the US version, largely as a result of processes of deregulation and judicial reregulation linked to the Single Market, the EU’s own fragmented institutional structure, and how this affects policymaking. The book represents a challenge to recent EU theories about the increasing importance of more

informal and flexible ‘new’ modes of governance by demonstrating that judicialization combined with adversarial litigious interaction in formal settings has increasingly become the norm, including in securities regulation, competition policy, and disability rights. Kelemen concludes that the EU has indeed become what European Union officials claimed they wanted to avoid: a highly formalized system that resembles many elements of the US system. But this came about not by design but by the logic of the political economic shifts.

The nature of the EU with regard to its ‘state’-like functions has equally been a matter of general theoretical inquiry, with and without the US comparison. *Beyond the Regulatory Polity*, co-edited by Philipp Genschel and Markus Jachtenfuchs (2014), shows how the integration process across a wide range of areas, including military security, fiscal policy, and public administration, has steadily increased core state powers without, however, building toward a supranational state. On the contrary, the book suggests that this kind of integration through the regulation of national capacities had led to territorial fragmentation rather than EU cohesiveness. It also suggests that the earlier theoretical view of the EU as a multi-level polity with little ability to build core state authority does not describe the realities of an increasingly powerful EU ‘regulatory state’ that predominates through the regulation of its member-states.

But how, then, does the EU ‘state-like’ entity operate as a policy and regulatory actor? Here, too, comparisons with the US are the most frequent. But this is not only because of the theoretical comparisons but also because of the real interconnections between the EU and the US.

### **The EU as a Policy and Regulatory Actor**

As one of the largest advanced economic areas in the world, on a par with the US, the EU naturally also confronts regulatory and policy challenges comparable to those of the US. These include regulatory issues related to the environment, to financial regulation, product market regulation, and even migration flows and the security problems they have raised since September 11, 2001. With regard to this last issue, *Frontiers of Fear* by Ariane Chebel D’Appollonia (2012) provides an enlightening comparison of the securitization of immigration in the US and Europe. The book details the expansion of the generally expensive and counterproductive anti-immigrant policies after 9/11, providing new ways of thinking about the trade-offs between liberty and security, and the problems both American and European democracies face as they sacrifice the former to the latter.

With regard to environmental issues, *Politics of Precaution* by David Vogel (2012) develops an intriguing account of how the regulation of risks –both consumer and

environmental risk regulation--has followed opposite trajectories in the US and the EU. The US was the early starter, with stricter and more innovative regulatory policy than Europe between 1960 and 1990, but then slowed while Europe moved ahead to exercise leadership, as concerns over risk and pressures on politicians to deal with the problems rose for Europeans and declined for Americans. The EU benefited from the fact that European regulators generally agreed on the need for increasingly stringent rules following the precautionary principle, in contrast to the US in which American regulators split increasingly along partisan lines, with greater resistance to additional regulatory controls and demands for higher scientific certainty.

As for the private regulation of global financial and product markets, *The New Global Rulers* by Tim Büthe and Walter Mattli (2012) reveals a different trans-Atlantic contrast. Here, in the race to influence standard-setting between the two major players, the winner in terms of influence over the setting of global regulatory standards depends upon which one has higher 'institutional complementarity' in domestic standard-setting, meaning with firms that operate in a coordinated and hierarchical domestic system as opposed to fragmented domestic systems. Remarkably, while the US predominated in the setting of international accounting standards, with the International Accounting Standards Board having adopted many US standards with almost no changes, in product market regulation the EU's highly organized system of standard setting, with national standard-setting bodies combining into the EU overseer, made for its predominance over the highly fragmented US.

These studies of the EU as a policy or regulatory actor thus find that the EU has become a more formalized state-like entity than expected, with greater similarities to the US than imagined. It is often more fragmented in its local variations and applications even if sometimes stronger than expected in its global agenda-setting and policy-making. However, if the EU is indeed a 'state-like' entity that resembles a state like the US in its core functions, its litigious judicial arena, its market organization, and its policy and regulatory activities, what does this do to it and/or its member-states in terms of politics and democracy?

### **The EU as a Political Actor and Politically Contested Public Sphere**

European integration has been a democratically negotiated process among its member states, as they slowly and incrementally pooled sovereignty, shared authority, and created joint control in policy area after policy area and institution after institution. The hollowing out of national democracy has been an inadvertent by-product of such increasing integration, as more and more decisions are taken at the EU level rather than the national. National democratic politics have thereby been emptied of substance without, however, at the same time creating a fully democratic body politic at the EU

level as a replacement—nor could it given the long-discussed lack of a *demos*, sense of EU citizenship, or a European public sphere. European integration has also created a situation in which national democracies have increasingly become the domain of ‘politics without policy’ whereas the EU level appears as ‘policy without politics’—however ‘political’ (or politically charged) the policies may actually be (Schmidt 2006).

Peter Mair (2013) in *Ruling the Void* has elegantly defined the quandary not just for the EU but for western democracies more generally as one pitting governments’ ‘responsiveness’ to citizens against their ‘responsibility’ for carrying out the decisions of international and/or EU governance institutions that have increasingly taken over decision-making in an increasingly globalizing world and Europeanizing EU. Responsibility without responsiveness alienates the citizens, while responsiveness to the detriment of responsibility puts national governments at odds with the EU rules, and at risk of sanctions.

Of equal concern is the rise of populism, fueled by the ever-increasing role of technocracy plus the ever-weakening mainstream party politics. Extremist parties don’t simply go away when times get better—as the experience of the boom years of the early and mid 2000s demonstrate. Once populism takes hold, it is not easy to dislodge. The extreme right populist parties that thrived in the 2000s on identity politics focused on anti-immigrant issues and the EU have happily added skepticism about the Euro in the midst of the Eurozone crisis to its list of complaints. Moreover, with the 2015 crisis resulting from the massive flows of refugees and immigrants from North Africa and the Middle East, the populist parties on the extreme right in particular have continued to thrive on an issue that they have long exploited to build support.

Importantly, although public disenchantment with the EU in any form is mainly seen in the rise of extremist and populist parties, especially on the radical right, its roots can be found in the growing differentiation in citizens’ attitudes between a more cosmopolitan open idea of Europe and a more xenophobic closed view, as Hanspeter Kriesi and co-authors (2008) argued in *West European Politics in the Age of Globalization*. In *Political Conflict in Western Europe*, moreover, Hanspeter Kriesi and co-authors (2012) show that public debates have become increasingly politicized around EU and Euro issues, affecting both Eurozone and non-Eurozone countries, largely pitting the South against the North—and this despite the fact that the arguments of political elites engaged in crisis management have focused primarily on economic and political efficiency.

Populism should not be seen as a totally negative phenomenon, however, since it can have certain positive effects, such as giving voice to underrepresented groups, mobilizing and representing excluded sections of society, and increasing democratic accountability

by raising issues ignored or pushed aside by the mainstream parties. Here, the comparison of the EU with Latin America can prove enlightening, as Cas Mudde and Cristobal Kaltwasser (2012) show in *Populism in Europe and the Americas*. The extremes on the left in particular, by mobilizing on the basis of social justice and human rights as well as against the inequalities caused by the increasing predominance of financial capitalism and its accompanying booms and busts, or by the lack of progressive taxation, can serve as a positive pull on mainstream parties, on the right as much as the left. In the EU, however, there have been many fewer extreme left parties with a significant popular following (with the exception of Greece and Spain) than extreme right parties. And these are the parties that appear so far to have exerted the most influence in political debates so far, by pulling center right mainstream parties closer to their positions, especially with regard to opposition to immigration and freedom of movement or minority rights.

Finally, as Thomas Risse and collaborators argue in *European Public Spheres*, ‘politics is back’ in a whole variety of ways as a result of the Europeanization of public spheres at national and EU level. Innovation in terms of the discourse and communicative dimension of the EU goes beyond just the populists, and results from differences in national structures of communication, national media, online issues, and how this affects the politicization of EU affairs, of identity, and of political conflict and the politicization of European integration while contributing further to the problems of democracy.

The ‘normalization’ of EU studies, in short, entails not just cross-region or country comparisons about the state of the ‘state’ but also about democracy, and how it fares not just electorally but in terms of political and communicative practices. Naturally, both of these kinds of studies feed into the latest focus in EU studies research: the Eurozone crisis as a problem of politics as well as economics.

### **The EU as Political and Economic Actor in the Eurozone Crisis**

Increasing attention has been focused on the EU as a political economic actor in the context of the Eurozone crisis. Although academic studies have naturally considered what is unique about the phenomenon, scholars in the US and Europe have ‘normalized’ their analyses by setting the crisis and EU responses in the context of long-standing theoretical and methodological traditions and/or by contrasting the empirical responses.

In the more theoretically driven accounts, while some scholars opt to examine structural factors as drivers of change, others opt for ideas. On the structural side, Wolfgang Streeck’s *Buying Time* (2014) is a masterful analysis of the crisis of democratic capitalism. It details the progressive development of capitalism generally and of Europe’s political economy specifically that explains the crisis in terms of a structural



(Marxian) analysis since the postwar era. On the ideational side, Mark Blyth's *Austerity: The History of a Dangerous Idea* (2013) provides a broad historical sweep of the concept of austerity, with a trenchant analysis of the deep-seated philosophies behind the austerity policies of the Eurozone crisis and why they have not only been wrong in terms of ideas but also destructive of economic prosperity.

The emphasis on ideas, now treated separately from their policy impact or their reinforcement of class structures, can additionally be seen in my co-edited *Resilient Liberalism in Europe's Political Economy* (Schmidt and Thatcher 2013), in which we provide five lines of analysis to explain the resilience of neo-liberal ideas during the crisis. These encompass, first, the flexibility of neo-liberalism's core principles that make it highly adaptable over time; second, the gaps between neo-liberal rhetoric and reality which enable politicians to promise everything, fail to deliver, yet get re-elected; third, the strength of neo-liberal discourse in debates, in which seemingly common sense arguments comparing household debt to state debt (as in the 'Schwabian housewife') resonate better than more counter-intuitive Keynesian explanations about the need for government to spend in a recession; fourth, the power of interests in the strategic use of ideas, such as the multinationals; and fifth, the force of institutions in the embedding of neo-liberal ideas, as in the rules of the Eurozone.

Much of the scholarship tends to mix methodological approaches while setting the EU into a broader comparative context and considering it against theoretical understandings of political economy and politics. Notable edited volumes include *Coping with Crisis* co-edited by Nancy Bermeo and Jonas Pontusson's (2012), *Politics in the Age of Austerity* co-edited by Armin Schäfer and Wolfgang Streeck (2013), *The Future of the Euro* co-edited by Matthias Matthijs and Mark Blyth (2015), and *Democratic Politics in a European Union under Stress* co-edited by Olaf Cramme and Sarah Hobolt (2015).

Generally speaking, these scholars tend to emphasize problems ranging from to the framing and diagnosis of the crisis to the chosen remedies and the lack of real solutions. These include the mis-framing of the crisis as one of public debt, inappropriately generalized from the case of Greece, rather than private debt; and the misdiagnosis of the problem as behavioral, seen as emerging from the Member States' failure to follow the rules of the Stability and Growth Pact (SGP), rather than structural, caused by the euro itself. They also blame the chosen remedies, centered on pro-cyclical policies of 'sound' money, budgetary austerity, and 'structural reform,' instead of counter-cyclical policies that could have generated growth through macroeconomic stimulus, industrial investment, and socioeconomic support, and that would not have put Southern European countries in particular on a downward spiral of wage-repression. They find the ultimate failure to result from the lack of adequate solutions that leave an incomplete risk pool and

insurance mechanism put in place more by default than design, rather than completing monetary union with a financial union and/or a fiscal union.

### **Conclusion**

This *tour d'horizon* has shown that EU studies has indeed become 'normalized' in its comparisons of the EU to the US and other regions and to explore contrasting cases while directly or indirectly questioning the conclusions of earlier EU-centric studies about the EU's singularity, whether as a regional entity compared to other regions, as a polity, market, judicial arena, or as a policy and regulatory actor. Alternatively, such normalization involves using political and social science generalizations about the nature of political economic structures, the importance of ideas, or the scope of politicization and party politics. Either way, the study of the EU has been entering the mainstream of political science scholarship. It may lose its distinctiveness as a result. But in exchange it will at least retain or even gain a growing audience on both sides of the Atlantic.

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