



The Europeanization of Politics

Christian Tuschhoff

Introduction¹

The European Union (EU) is a fundamentally ambivalent organization. Perspectives depend on whom you ask about what specific issue. College students for example will tell you that they benefit from the EU's so-called ERASMUS program that allows them to study at a university of other member states and receive a scholarship from the EU. When they earn credits abroad, these count towards their degree program at home, due to the EU's Bologna educational reform. Students' mobility is further enhanced because they now can use their local cellphone plan in all EU member states without paying roaming surcharges or having to buy a cellphone plan offered in another member state.

Within the so-called Schengen area citizens can move freely across national borders. Foreigners such as Americans are also no longer subject to national border controls after entering this area. Once you are in you are free to move. However, not only people move freely within the EU capital, goods, and services do too, as the example of the cellphone plan has shown. Such free movement greatly benefits consumers as they gain access to tariff-free products and services. When going to a supermarket in Germany for example a person can purchase fresh vegetables from Greece or tasty strawberries from Andalusia in Spain along with other fruits. Due to economies of scale advantages in the EU, prices are so low that large sections of the population can afford to buy these products.

¹ For most valuable comments on drafts of this chapter I wish to thank Thomas D. Lancaster and Jakob Schissler. Remaining mistakes are my own responsibility.

Consumption of foreign products is no longer a luxury that only the rich can afford. Clearly, Europeans enjoy the benefits they gain from the so-called four freedoms of the common European market: Free mobility of goods, services, capital, and people are key values of European integration.

However, ask the Andalusian picker of strawberries in Spain that are sold throughout the EU how much he or she earns per hour. Hardly enough to get by they will tell you. Farmers hire seasonal workers from Morocco as cheap labor that is also exempted from European law on labor rights. And, pickers have to work extremely long hours during the strawberry season. Picking strawberries is a strenuous job that takes a toll on pickers' longer-term health. European wide competition can therefore be a tremendous burden on some people, too. As the EU strengthens market forces it weakens social stability for the less affluent citizens und subsequently democracy (Streeck 2019; 2021).²

Citizens are not the only ones who look at the European Union from very different perspectives of interest. Member states have mixed feelings about the Union, too. Small member states such as Austria, Luxemburg, Malta, Cyprus, Slovenia, or the Czech Republic welcome opportunities of European integration. Without EU membership they would be hardly recognized in international relations. Instead, more powerful states would kick them around like a soccer ball. For them European integration means protection against the tremendous

² Particular left-wing European scholars assume that democracy fundamentally requires social cohesion by reconciling contending interests between capital and labor.

pressures of growing global interdependence or being bullied by the great powers. Within the EU they have at least a voice and a vote and they can use opportunities of coalition building in case bigger states attempt to penetrate them too deeply.

Bigger states such as Germany, France, Italy, Poland, or Spain also believe that the EU gives them more punch in world politics. However, they feel sometimes constrained in pursuing global interests because they must negotiate and persuade other members to support them. The United Kingdom evaluated the benefits against the cost of EU membership and concluded in a public referendum 2016 that the costs of membership mostly in terms of sovereignty losses outweigh its benefits. For the first time a member state left the EU in 2020. However, the fact that the majority of leaving in the referendum was rather narrow in the United Kingdom showed how contested membership is (Hobolt 2016). It can become a highly divisive issue in domestic politics as the subsequent development of the British exit from the EU (the so-called Brexit) demonstrated. Particularly interesting is the regional divide within the United Kingdom. Majorities of voters in Scotland and Northern Ireland wished to remain in the EU whereas majorities in England voted to leave (see chapter on UK, this volume). Again, EU membership is an ambivalent domestic politics matter for both member states and their citizens.

This ambivalence as well as contending expectations are one important explanation of the ambiguous image of the European Union that varies heavily within and across member states and time. Citizens positive image of the EU rarely crosses the 50 percent threshold and has persisted below 50 percent since 2007. Ireland, Bulgaria, Luxembourg and Poland view the EU in positive terms. Greeks and Czechs hold mostly negative views of the EU (Commission 2018: 103-104). In short, the EU encompasses several social cleavages that reflect contending interests as well as different values,

domestic structures and institutional arrangements. The opening of national borders within the EU generates both opportunities and challenges for everyone as the key outcome of European integration is mutual penetration by growing together.

This chapter seeks to demonstrate that EU politics deeply and directly affects the daily life of all its citizens. It creates both, opportunities and constraints for member state governments and people. They cannot be disentangled because the EU deeply penetrates domestic politics in member states. In essence, domestic politics cannot be understood without the inescapable context of EU politics. The EU effectively transformed its members.

EU politics therefore raises two key puzzles that political scientists sought to reckon with. Why did Europeans integrate into the EU in the first place when its effects were so ambiguous? How did Europeans respond and sought to protect themselves against undesirable penetration, when the EU hit home? The answer to both questions will allow to discuss the question of how democratically legitimate EU politics can be.

Why European Integration?

Historically, the EU made significant progress in several dimensions. From its foundation as the European Coal and Steel Community (ECSC) in 1952 it progressed by substantially broadening the policy areas for which it is responsible. The process of the EU assuming more and more policy responsibilities has been called “deepening.” Moreover, the organization enlarged its membership from the original six (France, Germany, Italy, the Netherlands, Belgium, and Luxembourg) to 27 member states today. It also includes central and east European members that were originally prohibited from joining due to the east-west conflict that lasted until 1990. The process of adding new members is called “widening” or enlargement.

Table 1: Variety of Geometry

States	Subgroups					EU Member- ship	Associations					
	BENELUX	Baltic Assembly	Visegrád	Frugal Four	Friends of Cohesion		Nordic Council	EEA	Euro	Schengen	Special Agreement	Fomer Member
Austria				X		X		X	X	X		
Belgium	X					X		X	X	X		
Bulgaria					X	X		X				
Croatia					X	X		X	X	X		
Cyprus					X	X		X	X			
Czech Rep.			X		X	X		X		X		
Denmark				X		X	X	X		X		
Estonia		X			X	X		X	X	X		
Finland						X	X	X	X	X		
France						X		X	X	X		
Germany						X		X	X	X		
Greece					X	X		X	X	X		
Hungary			X		X	X		X		X		
Ireland						X		X	X			
Italy					X	X		X	X	X		
Latvia		X			X	X		X	X	X		
Lithuania		X			X	X		X	X	X		
Luxembourg	X					X		X	X	X		
Malta					X	X		X	X	X		
Netherlands	X			X		X		X	X	X		
Poland			X		X	X		X		X		
Portugal					X	X		X	X	X		
Romania					X	X		X				
Slovakia			X		X	X		X	X	X		
Slovenia					X	X		X	X	X		
Spain					X	X		X	X	X		
Sweden				X		X	X	X	X	X		
Sum	3	3	4	4	17	27	3	27	20	23	0	0
Iceland							X	X		X		
Norway							X	X		X		
Switzerland										X	X	
Montenegro									X			
Kosovo									X			
UK												X
Sum							5	29	22	26	1	1

Source: own compilation

Moreover, a number of states such as Norway or Switzerland are closely associated short of a full membership. It can be expected that the United Kingdom (UK) will also establish close ties to the EU after terminating membership. In addition, the EU negotiated free trade treaties with a number of states such as Canada, Mexico, Turkey, and Vietnam or with the Latin-American organization MERCOSUR. Further agreements are negotiated with the United Kingdom, Japan, Australia; New Zealand, and Singapore.

MEMBERSHIP VARIETY AND INCOHERENCE

Still, membership or associations are complex and complicated because they not only entail political rights and privileges but also obligations and subordination under EU law including the rulings of the European Court

of Justice (ECJ). National preferences on this balance between rights and obligations vary substantially across member states (Rittberger/ Leuffen/ Schimmelfennig 2014). Some states such as Luxembourg enthusiastically welcome the prospect of an “ever closer union” by believing – based on their identities and values - that using their membership rights far outweigh obligations. Others – most explicitly the United Kingdom – were never fully comfortable with their EU membership feeling that – based on their precious value of sovereignty - obligations outweighed rights and privileges. Most member states are comfortable with some aspects of membership while they grudgingly swallow those aspects they dislike. Therefore, some EU policy areas do not cover all members but a subgroup only (table 1). For example, the

Euro as the currency of the European Union is legal tender in only 19 of the 27 member states plus four micro states such as Monaco as well as non-members Montenegro and Kosovo. The other members although obligated to introduce the Euro as soon as possible are not eager to meet the thresholds³ for qualifying for the introduction of the Euro. States such as Sweden, Poland, or the Czech Republic still use their national currencies. Similarly, only 22 of the 27 member states participate in the Schengen area that facilitates unrestricted internal migration. While members Ireland, Bulgaria, Romania, Cyprus, Croatia and Ireland do not participate, the non-members Liechtenstein, Switzerland, and Norway chose to join the Schengen system of internal free movement of persons. These examples illustrate a very important feature of the EU: it is not a highly coherent political body. Whenever members get a chance, they seek to negotiate their own type of membership rights and obligations conducive to their domestic values and institutional structures. Deepening was therefore the attempt of member states to maximize rights and opportunities for their citizens while minimizing obligations and constraints.

Moreover, member states form more or less stable subgroups that coordinate their initiatives more closely (see table 1). Some East European members are organized in the Visegrad group or the Baltic Assembly that express special concerns of the newer members. Four states that converge on limiting the EU budget and oppose extending EU programs of redistribution (so-called cohesion and structural funds) formed the "frugal four Group. They are countered by the "Friends of Cohesion" group that consists of less developed Eastern and Southern member states with strong preferences for more redistributive programs.

Based on specific values and institutional structures domestic preferences for the

specific balances varied widely and generated a broad range of memberships that has been called "variable geometry." Therefore, the EU is a federal political system composed of states whose member arrangements overlap but do *not* coincide (Table 1). Needless to say, "variable geometry" makes running the EU a daunting political task indeed. To make the best out of this dilemma that EU set the goal of establishing "unity in diversity".

WHY MEMBER STATES FORMED THE EU

The politics of the EU is largely driven by an interest in avoiding any uncomfortable EU penetration into domestic affairs on the one hand and attempts to extend a member state's own rules and arrangements to the entire EU area on the other. Member states try to externalize their domestic policies to the entire EU area, i.e. "uploading" domestic policies to become EU rules (Börzel 2005: 62-64). The preferences of resisting rule-taking on the one hand and engaging in rule-making - the "uploading" of domestic arrangements to the entire EU - on the other inevitably make EU politics a highly conflictual matter.

Member states expect other member states to resemble them but are not simultaneously prepared to adjust to others themselves. This makes European integration extremely difficult. Therefore, EU scholarship wrestled with the puzzle why the EU has been invented as well as subsequently deepened and widened, when it is so ambivalent (Caporaso 2005; Caporaso 1998; Joerges 2016: 301-304). Experts came up with essentially three different answers that form specific schools of thought.

A liberal and intergovernmentalist school argued that powerful domestic groups and/or coalitions demanded integration because they would broadly benefit. First, they wished to realize benefits from economies of scale in a larger European market.

³ Members of the Euro zone are required to keep their annual budget deficit below three

percent and their total debt level below 60% of their GNP.

Second, they wanted to limit negative repercussions from externalities. In response, national governments supplied integration by negotiating the various international treaties that set up and then reformed the international organization that eventually has been called European Union (Moravcsik 1991; 1997; 1998). In addition, self-interested governments realized that maintaining national sovereignty required international cooperation because small states would otherwise become entirely dependent on bigger states (Milward 1992; Moravcsik 1994). Yet, according to the intergovernmental view European integration resulted in the outcome of realization of cooperation gains without domestic penetration. Therefore, these scholars view the EU essentially as an organization with an intergovernmentalists structure.

Whereas the intergovernmentalist school views national governments firmly in control of European integration, the institutionalist school argued that once established the EU took on a life on its own and became a supranational organization. Powerful non-majoritarian (i.e. non-elected) actors such as the European Commission, the European Court of Justice, or the European Central Bank moved forcefully to drive the integration process forward partly in an effort to strengthen their own power. They broadened their political influence in order to escape monitoring and oversight of national governments. As a result, they pushed the development of European law above and beyond what national governments had bargained for. Integration gained a self-propelling dynamic (Sandholtz/ Stone Sweet 1998). According to the institutionalist view, the outcome of European integration is the realization of cooperation gain plus mutual penetration of domestic politics. Therefore, these scholars view the EU essentially as an organization with an supranational structure. Both, the intergovernmentalist and the institutionalists school, built upon the insights of earlier functionalism: the European supply of

integration matched its domestic demand (Mattli 1999).

Third, the constructivist school argued that European integration resulted from the powerful ideas of peace and prosperity that attracted European leaders and the broader public after the devastations of World War II. The EU allowed a free exchange of ideas that resulted in processes of mutual learning and socialization that formed and consolidated common values and a European identity above and beyond the mere pursuit of material interest (Manners 2002; 2006; McNamara 2015; Risse 2010). In essence, European integration was a promising exercise in state- and nation-building. According to the constructivist view, European integration resulted in the outcome of identity transformation toward a "community of Europeans" (Risse 2010). Therefore, these scholars view the EU essentially *not* as an organization but a social community of citizens sharing the same ideas. Yet, these high expectations waned in reality when conflict and crisis hit.

SOLIDARITY AND RESENTMENT

National values and institutional structures determining the evaluation of costs and benefits of EU membership are subject to change. The EU often has to cope with rising public expectations. When a member state faces a crisis, it expects help from the EU. Typically, this is the time when other EU members believe solidarity with the state in crisis should be limited and that they should not be obligated to share the burden. One example of such a nationalist perspective has been the arrival of many migrants on the coasts of Italy. While Italy asked the EU to distribute these refugees fairly among all member states many other states argued that the existing rules (so-called Dublin III) for asylum seekers or refugees leave no basis for equal burden sharing among members and Italy should deal with the issue itself. Italy resorted to encouraging these refugees to move on to other member states and created a humanitarian crisis by using force to prevent

refugee ships from reaching Italian shores. Only these drastic measures prompted the other member states to change their mind and recognize that refugees are their problem, too. Yet, the EU failed to reach a sustainable agreement on the subject matter.

Similarly, Greece, Spain, and Ireland painfully discovered that they were largely alone when hit by severe financial crisis in 2010 subsequent to the global financial crisis of 2008. While the EU – more precisely the Euro-Group – was prepared in principle to bail out these members, it conditioned its support with extremely painful adjustment requirements.⁴ These forced the national governments to subject their societies to highly penetrating and painful domestic social and economic reforms of austerity. Unemployment rose significantly (Chalmers/ Jachtenfuchs/ Joerges 2016b: 2), governments increased taxes while simultaneously cutting social services (Dimoulas/ Fouskas 2017: 199-210; Girvin 2017: 219-221). It was therefore no surprise that highly emotional conflicts of mutual resentment substantially increased the material conflict over crisis burden sharing. Crisis states accused their fellow EU members of a lack of solidarity when it was needed most. These members responded by accusing crisis states of economic mismanagement and pursuing an unsustainably expensive life based on overly generous social benefits. These conflicts indicated that the EU instituted an only weak system of solidarity and burden sharing among members but citizens European identity is underdeveloped, too. Preferences and expectations directed towards the EU are deeply rooted in the

⁴ The key reason is, that “international organisations and the European Union institutions often perceive deterioration of public finances as a *symptom of underlying weaknesses* in the public administration or economy of a member state. Further remedial action may be required, therefore, in the organization of government, labour law, industrial policy and levels of product or service regulation or professional

member states’ domestic values and institutional structures.

Europeanization: When Europe Hits Home

While people and national governments appreciate the gains derived from their use of the four freedoms and incorrectly believe that other member states emulate their own domestic politics, how do they respond to the EU’s countless attempts to push down their throats rules that do not neatly fit into domestic politics? EU scholarship addressed this second puzzle that they term “Europeanization” (Börzel 2002; 2005; Börzel/ Risse 2000; 2003; Bulmer 2007; Bulmer/ Lequesne 2005: 10-15; Cowles/ Caporaso/ Risse 2001; Featherstone 2008; Featherstone/ Radaelli 2003; Giuliani 2003; Graziano/ Vink 2013; Graziano/ Vink 2007; Ladrech 2010; Olsen 2002; Radaelli 2003; Sedelmeier 2013). The problem arises because the EU partly serves member states as an international organization but has substantially more powers to govern than other international organizations and thus more deeply penetrates domestic politics of member states.

Member states often seek to resist such an EU penetration, i.e. the “downloading” or “rule-taking” of EU policies, particularly if these rules do not match pre-existing domestic arrangements or policies and are thus costly to implement. Therefore, the “goodness of fit”⁵ between EU policies and domestic arrangements determines the degree of member states’ resistance against Europeanization (Börzel/ Risse 2000; 2003).⁶

requirements” (Chalmers/ Jachtenfuchs/ Joerges 2016b: 2 emphasis added, ChT).

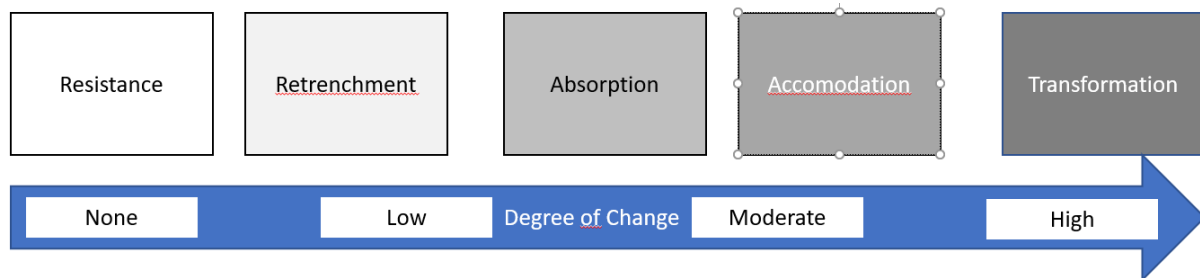
⁵ This narrow European scholarship parallels international relations research on how globalization affects domestic politics (Gourevitch 1978; Ikenberry/ Lake/ Mastanduno 1988; Keohane/ Milner 1996; Mastanduno/ Lake/ Ikenberry 1989; Solingen/ Gourevitch 2019).

⁶ For a critical view on the “goodness of fit” argument see Mastenbroek/ Kaeding (2006).

Member states respond to Europeanization not necessarily in the binary fashion by either adjusting or resisting change. Instead these terms refer to the far ends of a much broader spectrum of possible reactions. When a misfit exists between the EU and

domestic arrangements of member states it generates pressure. States can respond in a number of ways. Following Tanja Börzel (2005: 58-59) Figure 1 identifies types of outcomes arranged on a spectrum based on the degree of domestic change.

Figure 1: Types and Degree of Outcome of Domestic Adjustment Processes



Source: Adapted from Börzel 2005, Bulmer/Lequenes 2005

*Resistance:*⁷ member states can resist EU imposed domestic change by simply refusing to alter policies or adapt institutions. Member states that prove unsuccessful in setting the pace can use a strategy of foot dragging when Europeanization hits. During the implementation phase of new EU rules they can delay costly domestic adjustments, seek exemptions, or negotiate some compensation through side-payments (Börzel 2002: 203-206). Even though they are unlikely to avoid compliance eventually they can receive some reward for abandoning their resistance. This is one reason, why policymaking in the EU is a highly uneven process that is often dragged out for many years. Resistance against the EU is even more pronounced by closely associated non-members such as Switzerland or Norway (see table 1). As illustrated, both refused to join the EU formally because they sought to avoid deeper penetration of the EU even though membership would have given them a voice in the EU decision-making process (Kux 1998: 167-168;

Soetendorp/ Hanf 1998: 191; Sverdrup 1998: 150; Vahl/ Berg 2018).

In case of non-compliance, the European Commission as the guardian of the treaties increases the pressure on non-compliant member states and ultimately asks the European Court of Justice to rule that the member state must adapt or face severe consequences. One example is that some Central European countries refused to accept refugees as part of a European wide arrangement of redistribution. The possibility of opting out of certain new treaty sections mentioned above is also an example of resistance but one on which the Commission cannot legally challenge the member state that opted out.

Retrenchment: member states change their policies or institutional structures but in ways incompatible with new EU requirements. An example is Italy's coping with refugees and asylum seekers mentioned above. Whereas the so-called Dublin III EU system required Italy to process refugees and asylum seekers and keep them within

However, without a mismatch between European and domestic arrangements it is hard to prove that domestic adjustment resulted from the impact of the EU. There is no cooperation requirement but harmony between domestic

and European politics as defined by Robert Keohane (1984: 53).

⁷ Börzel termed this type "inertia" rather than resistance (Börzel 2005: 58).

its territory the Italian government informally encouraged them to move on to other EU member states. Other member states responded by reinstating border controls which, if continued indefinitely, is a violation of the Schengen agreement of freedom of movement of persons. The most extreme example of retrenchment is the Brexit of the United Kingdom.

Absorption: Member states incorporate EU requirements into domestic institutions and policies but do not change existing structures substantially. E.g. the EU agreed on new laws to protect privacy in the internet. As a consequence, all member states adjusted their domestic policies of privacy protection in order to meet the new EU requirements. Subsequently, many citizens and particularly small companies complained that they suddenly faced new requirements when running their websites. They had to inform visitors in privacy statements on how their rights were protected and ask permission for things such as the use of cookies. In case of non-compliance website owners faced the possibility of expensive law suits. Citizens were furious about such new bureaucratic tortures even though the new rules did not change the existing domestic structures and were intended to provide privacy protection.

Accommodation: member states adapt existing processes, policies, and institutional structures but leave the core features of their domestic systems untouched. An example is the direct applicability of EU law in member states. This means that European laws directly create rights and obligations for citizens, companies, or associations but also bind member state governments. For example, European competition law requires that all levels of governments must advertise offers of public contracts European-wide. There are also strict limits to the extent governments can subsidize companies because this constitutes unfair competition among firms. National and subnational laws and policies had to be changed accordingly. While this does not change the

principle that state and non-state actors have to abide by the rule of law, the content of domestic law is substantially modified automatically.

Transformation: member states replace existing policies, processes and institutional structures by new substantially different ones and/or alter existing core features of domestic arrangements. A good example is the introduction of the Euro as a common currency. It meant that member states replaced existing national currencies with the Euro as the sole legal tender. Moreover, jurisdiction over monetary policy making – a substantial part of national sovereignty – moved from national to European policy makers, i.e. the European Central Bank (Börzel 2005: 58-59; Börzel/ Risse 2003: 70-71).

When member states face these options of how to respond to Europeanization how do they choose among them? Several factors determine how states respond.

CAPABILITIES

First, as this textbook shows, EU member states possess quite different capabilities of how to cope with external challenges, including EU politics. They do not need to wait until Europeanization hits home. In the EU system of cooperative federalism, they can actively engage in the policymaking process and influence new rules using their "voice" (Hirschman 1970: 30-43). Ideally, they "upload" their domestic policies to the entire EU by using the strategy of "pace-setting" (Börzel 2002: 197).

Especially the bigger and highly industrialized member states such as France and Germany seek to anticipate moves of the EU and shape European policies in ways consistent with their domestic values and institutional structures. It is no coincidence that the institutional design of the EU Commission reflects French ideas and ECB resembles the model of the German *Bundesbank*. By anticipating the potential of a later misfit they seek to preemptively "upload" their domestic arrangements to the entire

European arena (Börzel 2002: 197-203). Essentially, these “uploading” capabilities are necessary in order to avoid having to bow to EU pressures when there is no goodness of fit between the EU and domestic politics. Obviously, bigger member states with more voting power in EU bodies have some advantage when using the pace-setting strategy.

Smaller countries can compensate for their lack of formal influence by acting strategically. They can feed expertise and information to the proper EU institutions at the right time of the drafting policy process or even place their own expert in the office of the Commission in charge of drafting the rule. Using these strategies, Denmark has been particularly successful in shaping European environmental policies (Liefferink/Wurzel 2016: 959). Finally, the strategy of setting the pace uses majority building among member states to garner political support among other member states. The formation of subgroups as indicated in table 1 is highly conducive to the formation of standing international coalitions. They are the base for extending them to become a winning majority. Still, in light of the regulatory diversity among member states, it is not likely that any one member can upload its own frameworks unfettered. Instead, the most likely outcome of the policy-making process are rules that patch together arrangements originating from different member states. Germany was able to upload its approach to facilitate clean drinking water. However, other member states added more stringent controls to clean water and used the European Court of Justice to force Germany into compliance with these stricter European rules. Therefore, even pace-setting states eventually face

some degree of Europeanization (Börzel 2002: 199-201).

Smaller and less developed member states typically lack such “uploading” capabilities or find themselves unable to form a winning majority coalition around a coherent EU policy with sufficient uploading capabilities. As a result, the mismatch penetrates their domestic arrangements. Anticipating the mismatch, smaller or less developed member states may try to receive some compensation for agreeing to pain-generating EU policies (Börzel 2002: 203-206). The degree of domestic pain that results from Europeanization often depends on member states’ capabilities to accommodate such EU penetration. Particularly small states with corporatist institutional arrangements such as Austria or the Netherlands excel in adjustment because their societies and domestic arrangements are extremely flexible and therefore highly conducive to adjustments because the costs can be legitimately and fairly distributed to a wide range of domestic groupings (Katzenstein 1984; 1985).⁸

Essentially, small or less developed member states compensate their lack of uploading capabilities with substantial downloading capabilities. However, downloading capabilities are not without limits. Smaller members such as Denmark or Sweden feel more vulnerable to the free movement of capital than to free movement of people, goods, and services (Kurzer 1993). This is why they resisted the Euro by opting out (table 1). Others especially new and less developed member states such as Poland, the Czech Republic, Bulgaria or Rumania equally show no enthusiasm to quickly move towards meeting the necessary criteria to introduce the Euro as their currency. Developed small states such as Netherlands or Austria as well as fast developing new

⁸ It is no coincidence that scholars from small states criticize the goodness of fit argument by stating there may exist domestic preferences for change rather than avoiding the costs of changing the status quo (Dörrenbächer/ Mastenbroek

2019; Mastenbroek/ Kaeding 2006). By contrast, scholars promoting the goodness of fit argument originate from big member states – Börzel/Risse (Germany), Ladrech (France), and Graziano/Radaelli (Italy).

members such as the Baltic states or Slovenia adopted the Euro already.

Therefore, the meaning of member states' capabilities of coping with Europeanization has to be quite broad. It not only includes material resources necessary to compensate domestic groups that lose from new European policies or invest in new administrative capacities, it also encompasses broad structural features to maintain a political consensus necessary for social cohesion when Europe hits home but provides no compensation to pay for domestic adjustments. A good example is the response of Greece and Cyprus to the Euro crisis in 2010. The other members of the Euro-Group required quite harsh and highly unpopular domestic reforms from both in exchange for a concerted effort to bail them out from their unsustainable debt burden (Dimoulas/ Fouskas 2017). Maintaining social cohesion became the key for Greece and Cyprus when the bail-out conditions of the Euro-Group threatened to break these two member states' societies apart (Jurado et al. 2020; Walter et al. 2018).

A factor subordinated to capabilities that determines how member state governments respond to Europeanization is their capacity to issue the required adjustment measures. Non-compliance with new EU rules is not necessarily a deliberate act (Sedelmeier 2013: 830). EU laws tend to be extremely complex and written in a technical language that to some extent camouflages national adjustment requirements. Such a deliberate de-politization of European politics is a means to facilitate agreement within the EU polity in the first place. Member governments with small bureaucracies, a lack of expertise, involvement, and information may not always realize early how and to what extent their domestic arrangements conflict with new EU rules. They can easily underestimate the requirement of adjustment and its associated costs. New member states tend to face similar challenges. Often, smaller or new member states find out the details of new

legislation only after they start its implementation or when the EU Commission or another member state inform them about non-compliance. In this case, a lack of governmental capacity prevented resistance at earlier stages of policy making that would have been more effective.

DOMINANT DOMESTIC GROUPS OR COALITIONS

In addition to available capabilities states choose among their adjustment options by following the preferences of their dominant domestic group or societal coalition (Frieden 2015; Frieden/ Lake/ Schultz 2016; Frieden/ Rogowski 1996; Lake 2009; Rogowski 1989). When a state opens its borders – e.g. Europeanizes by implementing the four freedoms - some groups (the domestic owners of abundant production factors) will greatly benefit from access to vastly bigger European markets. They can realize profits from economies of scale. Germany's carmakers for example export most of their cars into European markets. Were they confined to the German car market, they could not sell so many cars and given the huge supply of cars, each unit would be rather cheap. By contrast, some groups (the domestic owners of scarce production factors) suffer from unwelcomed international competition. They will be hard pressed not only to export their products and services but also to maintain the level of prices prior to the opening of borders. Most likely, some of these businesses will have to close, people will either lose their jobs or have to accept wage cuts. An example are French farmers. Used to produce high quality yet expensive food products to be sold to the French population they now face severe competition from southern and eastern EU members. While these competitors do not produce the same quality of food, many people buy it because it is less expensive and more affordable. French farmers routinely complain and protest about European competition. Therefore, economic opening such as European integration or even globalization is a mixed blessing to different kinds of business and

their labor forces.⁹ Whether or not the government of a member state accepts or resists European opening therefore partly depends on which of these two groups (the owners of abundant or scarce production factors) are the *dominant* political force at the time of the decision. Therefore, the veto power of domestic actors is the second factor that can explain whether or not a member state accepts or resists Europeanization (Börzel/ Risse 2003: 65; Sedelmeier 2013: 829-830).

When governments then choose among the options outlined in Figure 1 they follow the lead of these dominant domestic groups or societal coalitions. The chapter on Italy shows for example that the Italian political elite acted Europe-friendly over long periods of time. However, member state responses to Europeanization can vary according to the policy issue at stake. In case of economic issues such groups can consist of owners of production factors, i.e. labor, landowners, or capital-owners. Or policy issues affect domestic groups depending on their association with specific industrial sectors.

The choice among the options of how to respond to Europeanization partially depends on the relative strength of labor and participation of labor-related political parties in government (Garrett 1996). Dominant coalitions do not last forever. Europeanization has the potential to change the relative strength of groups and thereby move the preferred choice among the options in Figure 1 over time. For example, the literature on the political strength of labor suggests that growing internationalization or Europeanization led to growing divisions between skilled and unskilled labor. Sweden for example succeeded in maintaining the link between skilled and unskilled workers within

each industrial sector. However, the distance between workers relying on wages and those receiving salaries widened (Ibsen/ Thelen 2017: 411). As the wedge between these two groups grew the solidarity among labor as the united working class weakened significantly and resulted in a shift of political power and influence towards business (Hall/ Thelen 2008; Ibsen/ Thelen 2017; Streeck 2021; Streeck/ Thelen 2005; Thelen 2014).

Environmental policies may evoke responses by domestic business interest but also social movements and green parties interested in environmental protection. Therefore, the dominant political group or societal coalition may differ from the one in economic issues. Similarly, migration issues evoke more dominating domestic responses from both nationalists and cosmopolitan groups rather than labor and business. Brexit for example resulted from the dominance of nationalist movements and political parties that preferred the strategy of resentment in Figure 1 (see UK chapter this volume). Moreover, as the EU penetrates member states it generates opportunities for certain groups pursuing opposing values such as nationalist or regionalist parties to challenge existing separation of power arrangements by promoting regional independence. In member states with strong movements for regional or national independence such as Spain or the United Kingdom, these movements push for a change of the existing polity when they ask for more or even full national independence (Dardanelli 2017). Moreover, the need to pursue national interests in the European arena forced all members to coordinate political action within governments, between branches of government, and especially in federations between state and federal

⁹ To be sure, standard trade theory argues that the economy as a whole always benefits from international opening because stronger competition increases the efficiency of all economies. However, economist also admit that what is good for the country as a whole can be

detrimental to some citizens or groups that have to pay the prize for the general increase in living standards. On this issue of the so-called "comparative advantage" see Frieden/ Lake/ Schultz (2016: 334-339); (Rodrik 2011).

organizations. This very need tended to empower the offices of heads of state and government.¹⁰ It disadvantaged national parliaments but boldened the position of regional actors. The rules of the Euro tend to strengthen the position of finance ministers in national cabinets because they must enforce the limits on national debts to which Euro member states agreed.

DOMESTIC INSTITUTIONS

A third factor determining how member states respond to Europeanization is the capacity for mobilization and strategic action. Domestic groups certainly have preferences and interests that they wish to pursue. However, in order to do so, they need capacities to mobilize their members, to strategically use the access channels to both their national and the European governments, to develop strategies to promote their own interests and dismiss those of their opponents and ultimately prevail in the struggle for power. Often, prevailing requires the resource of an institutional structure that facilitates contacts with agencies at all level of governments in order to receive early information and being able to lobby effectively. Domestic groups without these capacities or resources are clearly disadvantaged and unlikely to prevail (Börzel/ Risse 2003: 66).

According to Wolfgang Streeck (1992), interest groups can organize differently. The chosen type of organization subsequently determines the effectiveness of their pursuit of interest. Some groups choose to organize according to the "logic of strategy." They empower a central office that develops a coherent and effective strategy to pressure decision-makers. Groups members are important but have only limited influence over the group's strategy. Other groups prefer the "logic of membership." They seek to mobilize broad membership participation when developing their political

positions. Such attempts of consensus formation tend to result in the lowest common denominator that lacks coherence and interests cannot be pursued with high strategic effectiveness. Therefore, the underlying logics of group organization – strategy or membership – is an important institutional factor determining the chance of a group to dominate others.

Equally important, domestic institutions such as electoral rules, the number of veto players, or the extent of bureaucratic independence can block or refract the impact of Europeanization. These institutions determine the extent to which a member state is permeable to Europeanization processes. They determine the degree of government independence from societal pressure and its capacity to compensate societal losers from Europeanization (Garrett/ Lange 1996: 52-53). Governments in member states with proportional representation electoral systems are more isolated from societal pressure than highly accountable governments elected by single district, first past the post, and winner takes all electoral arrangements. The strength of governments fragmented by horizontal and vertical separation of power institutions is low compared to centralized unitary political systems. Systems of governments that delegate significant power to non-majoritarian actors such as the judiciary or central banks enjoy more independence from public pressure than systems with elected governments highly accountable to voters. In essence, all these institutions determine the degree of independence of a government and thus its ability to act in the interest of the society as a whole rather than respond to the pressure of a dominant interest group or political coalition (Acemoglu/ Robinson 2019). More independent and stronger governments tend towards responses on the right side of Figure 1 because they can effectively moderate the

¹⁰ In parliamentary system the EU empowers the heads of governments. In presidential system it empowers the heads of state.

distributional consequences of Europeanization. They are strong enough to compensate losers of Europeanization and maintain a societal consensus across groups and coalitions. More dependent and less isolated governments lack capacities of addressing uneven distributional consequences. Maintaining the societal consensus requires them to resist Europeanization as much as possible (Mastanduno/ Lake/ Ikenberry 1989). For example, federations typically need a much longer time than unitary member states to domestically implement new European policies because separation of power arrangements mean that more veto players need to be satisfied in adjustment processes (Luif 1998: 127; Soetendorp/ Hanf 1998: 191).

These institutional structures also determine the degree of authority and independence delegated to political elites. Typically, political elites are more pro-European than the general public (Soetendorp/ Hanf 1998: 190) as the chapter on Italy demonstrates. Therefore, member states' institutions that empower elites tend towards the right side of Figure 1 (Luif 1998), while member states with less powerful elites such as Denmark or Sweden that need to be more consciences of their general publics tend towards the left side of options in Figure 1 (Dosenrode 1998; Ekengreen/ Sundelius 1998). It is no coincidence that Switzerland with a political system based upon frequent public referenda negotiated its unique type of non-membership with the European Union and therefore parted way with the other members of European Free Trade Association (EFTA) Norway, Liechtenstein and Iceland that use a common agreement with the EU (Agreement on the European Economic Area, EEA) to conduct their relationships as table 1 indicates (Kux 1998; Vahl/ Berg 2018).

Moreover, some types of informal institutions of member states can be more conducive to consensus-building, cost-sharing and adjustment to new EU rules than others. Persuading veto players to abandon their opposition and to support compromise solutions tends to be easier in domestic political systems that institutionalize an emphasis of cooperation rather than "winner takes all" outcomes. It is no coincidence that the EU polity resembles the German model of cooperative federalism rather than the American model of competitive federalism.¹¹ Cooperative federalism separates functions such as legislation and administration rather than powers. This allows governments at different levels of federalism to maintain a stake in the system as a whole. Requirements of negotiation among governments facilitate problem-solving by consensus and compromise. Proportional representation is also more conducive to governing by persuasion than majoritarian electoral systems.¹² When domestic institutional structures generate incentives for compromise and consensus-building the resistance of veto players may be weaker than in systems embodying confrontation and competition. Therefore, these institutions are more conducive to adjusting to new EU rules even though it may take more time to finding compromise solutions. Moreover, domestic systems that entail corporatist features such as Austria can better adapt to external changes because these features facilitate an equitable and just distribution of the burden of adjustment costs across conflicting social groups. This means that the domestic institutions embodies values how the winners of a policy must compensate the losers. When adjustment costs can be distributed in a legitimate and broadly accepted manner, the resistance to new EU rules dramatically weakens (Börzel/ Risse 2003: 69; Katzenstein 1984; 1985).

¹¹ See the chapter on Germany in this book.

¹² The difference between these two types of democracies may be one important reason why the British never felt quite comfortable in the

EU. Their system of parliamentary supremacy and majoritarian voting does not fit the cooperative arrangements of the EU polity.

SOCIALIZATION AND LEARNING - CHANGING PREFERENCES

However, the choice between adjustment or resistance to new EU rules might not just be determined by material factors of cost-benefit calculations only. Member states can be quite willing to accept new EU rules if they are socialized into adjustment procedures or if they are willing to learn that new rules may have independent value (Dörrenbächer/ Mastebroek 2019; Mastebroek/ van Keulen 2006; Mastebroek/ Kaeding 2006). In these cases, member states will change their preference from maintenance of the status quo towards changing it even if change takes time and money. Essentially this means that outcomes can affect values in a feedback process that reverses the causal direction, too. Values will no longer be the starting point that causes outcomes. Instead outcomes feed back and change preexisting values.

Such a change of preferences is a fourth factor that likely occurs under two conditions. First, domestic individuals or groups mobilize public support behind an agenda for change by using ethical or moral arguments designed to alter basic preferences. Such mobilization usually originates from two different kind of actors. One is so-called epistemic community. These are networks of experts who possess scientific knowledge about issues at stake. A good example are researchers of climate change. They used their expertise to persuade large sections of the population that they should support the EU agenda to reduce emissions of greenhouse gases in order to keep global warming below a two percent increase above the 1990 level. Epistemic communities prove to be most effective persuading the public when the uncertainty of the challenge is high and when the consensus among these experts is very broad. Under these conditions, member states likely adjust to EU rules even though the costs are high and burden their societies. A second type of actors are advocacy or principled

issue networks such as proponents of human rights. These networks are not bound by special knowledge about a subject matter but by a strong conviction about shared beliefs and values such as humanness or religion. They mobilize public support behind a new European agenda not by reducing uncertainty about a pending threat but by appealing to basic norms and ideals considered as the foundation of a European identity. Examples include policies of human rights protection, the distribution of refugees among member states, or issues of gender equality or LGBT rights. While these advocacy networks derive the legitimacy of their political demands clearly from the foundational treaties of the EU they may be opposed by other political networks that pursue agendas of nationalism and the maintenance of privileges for ethnic, gender, or religious groups (Börzel/ Risse 2003: 66-68).

Transformation of States

As the EU with its organizational predecessors enters the 8th decade of its development the question arises what its long-term impact has been on the nature of its member states. After all, transformation is the most serious type of penetration of member states in Figure 1. Whereas intergovernmentalists claim that states remained the same mostly because they were quite able to protect their core functions such as independent defense and security policy (Menon 2014; Moravcsik 1994) other scholars found significant evidence that the EU today penetrates its member states much more deeply than most people realize. The penetration of member states reaches not only deep but has affected core state functions, too (Chalmers/ Jachtenfuchs/ Joerges 2016a; Genschel/ Jachtenfuchs 2014a).

Furthermore, many of these rather significant and penetrating rules were made without a great deal of public information and awareness (Genschel/ Jachtenfuchs 2014b: 254-255; Heidbreder 2014; Héritier 2014;

Mérand/ Angers 2014; Trondal 2014). Often the EU agrees on these rules by stealth. Most citizens do not know how EU rulemaking works nor do they understand their significance for their own life and the operation of their national governments. This is one reason why the outbreak of a crisis such as in Greece or Cyprus in 2010 caught Greeks and Cypriots largely by surprise and turned around the formerly strong public support of the European Union in these countries (Walter et al. 2018).

Essentially, the EU has steadily transformed the way policy-making and politics works within member states. It is no longer possible to separate national from European politics and policy-making. Instead a new kind of "multilevel governance" has evolved in Europe (Hooghe 2001; Schakel/ Hooghe/ Marks 2014). Actors in member states constantly calculate their preferences and act by keeping all levels of government in mind. National politics is no longer thinkable and feasible without reference to the European level and vice versa.

One important issue is that the EU treaties require all member states to meet high standards of democracy (see chapter on Poland). As Jeffrey Anderson (2002) has shown, these requirements drove significant polity reforms in all member states. Interestingly, these democracy reforms were highly uneven and moved in quite different directions. Member states do not merely adjust to EU pressure by becoming more similar to one another. Rather than converging and forming an "ever closer Union" of a common democracy model, as the EU slogan envisions, member states adjust quite differently to the EU by following their own national values and structures. Therefore, European integration does *not* lead to higher degrees of convergence but maintains the diversity of member states' distinctness (Anderson 2002; Börzel 2005: 48; Soetendorp/ Hanf 1998: 186, 189). Diversity rather than isomorphism (DiMaggio/ Powell 1983: 149) is the essential outcome of European integration.

In terms of policy areas, the EU penetration of member states did not stop with "low politics" issues such as economy, environment, infrastructure or research and development but also encompasses core state functions such as military security, fiscal policy and public administration arrangements, i.e. "high politics." Until the UK Brexit penetration was also unidirectional. There were no cyclical ebbs and flows but steady developments of deepening only (Genschel/ Jachtenfuchs 2014b: 250). Still, the extent of penetration varies by issue area. The formation of the monetary union spilled over into fiscal policy area. The Euro crisis after 2010 generated an even stronger push towards limiting state powers of fiscal policymaking (Genschel/ Jachtenfuchs 2014b: 251).

COMPARING TRANSFORMATION BY POLICY AREA

In security policy, penetration does not mean building new or independent European armed forces (see table 2). These still remain under member state jurisdiction. However, processes how national armed forces are developed, equipped (Weiss 2014), trained, or operated (Mérand/ Angers 2014) increasingly follow mechanisms of European coordination such as standard operating procedures for defense planning, weapons procurement, force generation, and mission operation (Genschel/ Jachtenfuchs 2014b: 251). The EU has not built its own independent defense capacities but has exercised considerable influence over how member states use their national forces. This means that the principle of national sovereignty remains in place but the way states execute this sovereignty is limited by mechanisms and processes of Europeanization.

In public administration of member states, the EU has formed new centers around the European Commission that apply a tight grip on bureaucracies of member states. Here, as in other areas, the EU uses both its regulatory powers and standard operating procedures (SOPs). "The formerly closed national systems of public

administration are broken up, divested of their operational independence, and fused into a transnational administrative conglomerate that provides an (imperfect) functional substitute to a centralized EU administration” (Genschel/ Jachtenfuchs 2014b: 253).” National administrators must follow EU rules and bureaucratic routines of

policy implementation (SOPs) tie them closely to the Commission (Genschel/ Jachtenfuchs 2014b: 251; Heidbreder 2014; Trondal 2014). Arguably, EU penetration in fiscal policy and public administration is deeper than in defense policymaking.

Table 2: Comparing Penetration by Policy Area

	Security	Public Administration	Fiscal Policy
Instruments	SOPs (planning and coordination)	SOPs (planning, coordination, oversight) Regulatory policy-making	Restriction by rules (Goal setting, obligation, limitation)
Capacity Building	No	Limited	Outsourced
Enforcement	Transparency by monitoring	Bureaucratic coordination and standardization	Strong oversight, Limited power to sanction
Stealth	No	Yes	Yes
Governance	Coordination	Cooperation	Command
Penetration	Shallow	Intermediate, asymmetric	Deep, asymmetric
Means	Incentive	(Best) Practice	Pre-Commitment
Effects on Members	Dependent on habit and persuasiveness	Dependent on capacities	Dependent on state of development, capacities

Source: own compilation

The EU does not control substantial resources of its own that would be comparable to a central state or a federal government. It governs by regulation not by allocating huge amounts of resources. Its budget and the bureaucratic apparatus are comparatively small relative to the member-state level. The EU has almost no revenue of its own but depends on contributions of member states (Hallerberg 2014).¹³ It did not set up its own fund to fight a future

Euro crisis or build up strong armed forces to act in world affairs. Instead, it is a powerful rulemaker and regulator that tells member states when and how to mobilize their capacities for common purposes (Chalmers/ Jachtenfuchs/ Joerges 2016b: 8). It has significantly tightened its oversight powers particularly in fiscal policymaking including taxation (Genschel/ Jachtenfuchs 2010). The Euro crisis resulted in more regulatory power delegated

¹³ Even the various temporary or permanent funding capacities develop as responses towards the Euro crisis are intergovernmental in

nature and thus do not amount to EU capacities (Jabko 2014: 137-140; Schelkle 2014: 108-110).

to the EU, particularly the Commission, and limited capacity building modelled after the International Monetary Fund.

In terms of regulatory policy the EU significantly strengthened the rules of the Stability and Growth Pact (1998) and brought national fiscal policy of member states more in line with the EU economy as a whole. The pact required that member states do not exceed annual budget deficits of three percent and the total debt level must not exceed 60% of GNP. However, by 2005 more than half of the Eurozone members with about 80% of its GNP violated these rules of the pact. The EU took action only after capital markets responded to Greece's high level of debt and the crisis threatened to spill over to other members (Hallerberg 2014: 93). With several packages of new laws, the member states delegated more power to the Commission to scrutinize drafts of member state budgets even before they are sent to national legislatures for debate and approval. The Commission can now issue recommendations and even threaten sanctions in case budget drafts are inconsistent with EU rules. Sanctions can be avoided only when the European Council vetoes them with a qualified majority (Genschel/ Jachtenfuchs 2014b: 253; Hallerberg/ Marzinotto/ Wolf 2012: 14-31; Jabko 2014: 132-141; Schelkle 2014: 107-108).

These new EU rules are intended to better coordinate economic policies of member states especially the members of the Eurozone, and bring national policies in line with EU policies as a whole. However, they deeply penetrate member states because they subordinate national policymaking to EU interests and enforce compliance. Especially, the power of national legislatures over the budget and fiscal policy is severely restricted.

Moreover, regulatory policy is blind to differences of economic performance between member states. Whereas the more industrialized members clearly benefit from the four freedoms of the EU less developed

members are much less competitive. Therefore, the open European market generates permanent economic imbalances among member states. These imbalances (Chinn 2013: 68-71) are even more consequential among Eurozone members because they now lack the prior possibility of using monetary policy and/or exchange rate policy as a remedy. Instead their societies are hit with the full force of competition by more developed Eurozone members and the only way to adjust are very painful domestic reforms. Apart from very limited so-called structural funds, the EU lacks any significant capacities to effectively address these imbalances among member states. This means that the EU makes the rules but leave the member states in charge of the resulting pain to the people.

Recognizing that these imbalances are a problem, the EU also build up limited financial capacities for better crisis management. In several steps it created the European Stability Mechanism (ESM). This new fund, modelled after the International Monetary Fund (IMF), can provide liquidity to member states facing a depth crisis in the future. While the fund recognizes a joint liability in case of crisis, the national guarantees are strictly limited. This asymmetric institutional arrangement benefits the creditor member states and burden the debtor states.

Payments are also restricted to address short-term liquidity problems only and do not address the long-term problem of imbalances. Decision-making is strictly inter-governmental and include weighted votes reflecting the relative capital shares of the members (Genschel/ Jachtenfuchs 2016: 181; Schelkle 2014: 109-110). Waltraud Schelkle (2014: 111-113) points to the very limited nature of the ESM and explains that the ECB had to step in with providing far higher capacities because the elected officials proved to be unable to address the problems effectively.

Democratic Legitimacy

When the EU deeply penetrates its member states how legitimate and democratic is it? Two types of democratic legitimacy need to be distinguished (Scharpf 1998: 6). Input-legitimacy means government by the people. Citizens choose their representatives in free elections regularly and thus hold them accountable. Input legitimacy is required especially for distributive policies. After all no taxation without representation. This is problematic in the EU because key decision makers (Commission, ECB; Court of Justice) are not elected (i.e. non-majoritarian) actors. Therefore, the EU lacks input-legitimacy and must refrain from distributive policies (Chalmers/ Jachtenfuchs/ Joerges 2016b: 3). Output-legitimacy means government for the people. Even unelected leaders can do the right thing and serve the common good. They justify their decisions and actions by explaining their reasons to the public. Output legitimacy requires that people are satisfied with and accept the policies of the decision makers regardless of whether these are elected or non-elected officials. As the EU's regulatory policies apply equally to all citizens, they mostly rely on output legitimacy. Still, regulatory policies may have distributive consequences.

Building the ESM and the policy of the ECB generated very strong political opposition particularly in Germany against what is called a "transfer union." This means that because the EU lacks input-legitimacy it cannot address the problem of sustained imbalances among member states effectively but puts the burden of adjustment entirely on the less developed members. Creating a "fiscal union" with independent tax and spending powers would distribute the burden more equally among member states and their citizens. It requires an EU budget based on own revenues and the ability to burden current and future taxpayers with debt services (Schelkle 2014: 107). Yet, the EU lacks the democratically required credentials for distributive policy-making of a fiscal union. Such a union

would essentially be taxation without representation unless the EU builds up procedures of input-legitimacy such as democratic elections above and beyond the European parliament. Thus far, it is stuck in a dilemma between effective economic policy-making on the one hand and its limitation to output legitimacy on the other. This is the main reason why even serious crisis did not push the EU towards taking a different path of European integration such as state building. For the foreseeable future it will stick to the established path of integrating by delegating more regulatory power to the EU.

Conclusion

Over the past 70 years European integration led to increased prosperity and higher living standards for most Europeans because it squeezed higher efficiency gains out of a larger, integrated European market. Moreover, Europeans enjoy the benefits of the values incorporated in the four freedoms. Based on these values and benefits they have demanded more integration which resulted in both deepening and widening the European Union. In terms of structures these processes generated a hybrid organization that combines intergovernmental and supranational features. An in terms of outcomes it made progress towards a community of Europeans in which citizens of different member states learn sharing the same identities and ideas.

However, the transformation did not go smoothly all the time but faced setbacks. The ambivalent nature of the European integration surfaced every time the European Union hit home. Europeanization – the deep penetration and adjustment of member states in terms of values and structures – has always been extremely painful. When the pain outweighs the gain, members move towards leaving the Union. The United Kingdom has made this decision. Poland might follow. Ironically, these exists can generate the outcome of a less heterogeneous "ever closer Union" that is less

strained by national diversity. They create a higher likelihood that the EU moves towards a “community of Europeans” (Risse) with transformed identities.

Should this optimistic scenario become reality the EU will also have a better chance of solving the severe problems of its democratic legitimacy. Converging values can generate structures of input legitimacy that

results in the outcome of a truly democratic Union. However, this scenario is by no means granted. In fact, more likely is that the European Union continues its strategy of muddling through and find ways to continuously balance contending values and structures of its member states that generates an outcome of permanent change and adjustment.

References

- Acemoglu, Daron/ Robinson, James A. (2019), *The Narrow Corridor. States, Societies and the Fate of Liberty* London, UK: Viking; Penguin Press.
- Anderson, Jeffrey J. (2002), 'Europeanization and the Transformation of the Democratic Polity, 1945-2000', *Journal of Common Market Studies*, 40 (5): 793-822.
- Börzel, Tanja A. (2002), 'Pace-Setting, Foot-Dragging, and Fence-Sitting: Member State Responses to Europeanization', *Journal of Common Market Studies*, 40 (2): 193-214.
- Börzel, Tanja A. (2005), 'Europeanization: How the European Union Interacts with Its Member States' in: Simon Bulmer/ Lequesne, Christian eds., *The Member States of the European Union*, 1st. ed. Oxford, UK: Oxford University Press, 45-69.
- Börzel, Tanja A./ Risse, Thomas (2000), 'When Europe Hits Home: Europeanization and Domestic Change', *European Integration Online Papers* (online: <http://eiop.or.at/eiop/texte/2000-015a.htm>, accessed: October 17 2021).
- Börzel, Tanja A./ Risse, Thomas (2003), 'Conceptualizing the Domestic Impact of Europe' in: Kevin Featherstone/ Radaelli, Claudio M. eds., *The Politics of Europeanization* Oxford, UK: Oxford Scholarship Online,
- Bulmer, Simon (2007), 'Theorizing Europeanization' in: Paolo Graziano/ Vink, Maarten P. eds., *Europeanization. New Research Agendas* Houndsmill, UK/ New York, NY: Palgrave, 46-58.
- Bulmer, Simon/ Lequesne, Christian (2005), 'The European Union and Its Member States: An Overview' in: Simon Bulmer/ Lequesne, Christian eds., *The Member States of the European Union* Oxford, UK/ New York, NY: Oxford University Press, 1-20.
- Caporaso, James (2005), 'The Three Worlds of Regional Integration Theory' in: Paolo Graziano/ Vink, Maarten P. eds., *Europeanization. New Research Agendas* Houndsmill, UK; New York, NY: Palgrave Macmillan, 23-34.
- Caporaso, James A. (1998), 'Regional Integration Theory: Understanding Our Past and Anticipating Our Future' in: Wayne Sandholtz/ Sweet, Alec Stone eds., *European Integration and Supranational Governance* Oxford, UK: Oxford University Press, 334-351.
- Chalmers, Damian/ Jachtenfuchs, Markus/ Joerges, Christian (2016a), *The End of the Eurocrats' Dream. Adjusting to European Diversity* Cambridge, UK: Cambridge University Press.
- Chalmers, Damian/ Jachtenfuchs, Markus/ Joerges, Christian (2016b), 'The Retransformation of Europe' in: Damian Chalmers/ Jachtenfuchs, Markus/ Joerges, Christian eds., *The End of the Eurocrats' Dream* Cambridge, UK: Cambridge University Press, 1-28.
- Chinn, Menzie David (2013), 'Global Imbalances' in: Gerard Caprio ed., *The Evidence and Impact of Financial Globalization* Oxford, UK: Elviesier, 67-79.
- Commission, European (2018), *Public Opinion in the European Union. Standard Eurobarometer 90* Brussels: European Union.

Christian Tuschhoff – The Europeanization of Politics

- Cowles, Maria Green/ Caporaso, James/ Risse, Thomas, eds., (2001), *Transforming Europe. Europeanization and Domestic Change*, Ithaca, NY/ London, UK: Cornell University Press.
- Dardanelli, Paolo (2017), *Restructuring the European State. European Integration and State Reform* Montreal; Kingston; London, UK; Chicago, IL: McGill-Queen's University Press.
- DiMaggio, Paul J./ Powell, Walter W. (1983), 'The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields', *American Sociological Review*, 48 (2): 147-160.
- Dimoulas, Constantine/ Fouskas, Vassilis K. (2017), 'Imperial Bondage: Austerity in Greece, 2008– 2018', *Austerity: A Journey to an Unknown Territory*, 191-212.
- Dörrenbächer, Nora/ Mastenbroek, Ellen (2019), 'Passing the Buck? Analyzing the Delegation of Discretion after Transposition of European Union Law', *Regulation & Governance*, 13 (1): 70-85.
- Dosenrode, Soren Z. von (1998), 'Denmark: The Testing of a Hesitant Membership' in: Kenneth Hanf/ Soetendorp, Ben eds., *Adapting to European Integration. Small States and the European Union* London, UK; New York, NY: Longman, 52-68.
- Ekengreen, Magnus/ Sundelius, Bengt (1998), 'Sweden: The State Joins the European Union' in: Kenneth Hanf/ Soetendorp, Ben eds., *Adapting to European Integration. Small States and the European Union* London, UK/ New York, NY: Longman, 131-148.
- Featherstone, Kevin (2008), *The Limits of Europeanization. Reform Capacity and Policy Conflict in Greece* New York, NY: Palgrave Macmillan.
- Featherstone, Kevin/ Radaelli, Claudio M. (2003), *The Politics of Europeanization* Oxford: Oxford Univ. Press.
- Frieden, Jeffrey A. (2015), *Currency Politics. The Political Economy of Exchange Rate Policy* Princeton, NJ: Princeton University Press.
- Frieden, Jeffrey A./ Lake, David A./ Schultz, Kenneth A. (2016), *World Politics. Interests, Interactions, Institutions*, 3. Aufl. New York, NY; London, UK: W.W. Norton.
- Frieden, Jeffrey A./ Rogowski, Ronald (1996), 'The Impact of the International Economy on National Policies: An Analytical Overview' in: Robert O. Keohane/ Milner, Helen V. eds., *Internationalization and Domestic Politics* Cambridge, UK: Cambridge University Press, 25-47.
- Garrett, Geoffrey (1996), 'Capital Mobility, Trade, and Domestic Politics of Economic Policy' in: Robert O. Keohane/ Milner, Helen V. eds., *Internationalization and Domestic Politics* Cambridge, UK: Cambridge University Press, 79-107.
- Garrett, Geoffrey/ Lange, Peter (1996), 'Internationalization; Institutions, and Political Change' in: Robert O. Keohane/ Milner, Helen V. eds., *Internationalization and Domestic Politics* Cambridge, UK: Cambridge University Press, 48-75.
- Genschel, Philipp/ Jachtenfuchs, Markus (2010), *The Fiscal Anatomy of a Regulatory Polity. Tax Policy and Multilevel Governance in the EU*: University of Bremen, Transtate Working Papers 114 Bremen: University of Bremen.
- Genschel, Philipp/ Jachtenfuchs, Markus, eds., (2014a), *Beyond the Regulatory Polity? The European Integration of Core State Powers*, 1. ed. ed., Oxford, UK: Oxford University Press.
- Genschel, Philipp/ Jachtenfuchs, Markus (2014b), 'Conclusion: The European Integration of Core State Powers. Patterns and Causes' in: Philipp Genschel/ Jachtenfuchs, Markus eds., *Beyond the Regulatory Polity? The European Integration of Core State Powers* Oxford, UK: Oxford University Press, 249-270.
- Genschel, Philipp/ Jachtenfuchs, Markus (2016), 'Conflict-minimising Integration: How the EU Achieves Massive Integration Despite Massive Protest' in: Damian Chalmers/

Christian Tuschhoff – The Europeanization of Politics

- Jachtenfuchs, Markus/ Joerges, Christian eds., *The End of the Eurocrats' Dream* Cambridge, UK: Cambridge University Press, 166-189.
- Girvin, Brian (2017), 'The Political Consequences of Austerity in the Republic of Ireland: Domestic Choice, International Constraints and Democratic Deficits', *Austerity: A Journey to an Unknown Territory*, 213-237.
- Giuliani, Marco (2003), 'Europeanization in Comparative Perspective: Institutional Fit and National Adaptation' in: Kevin Featherstone/ Radaelli, Claudio M. eds., *The Politics of Europeanization*, 134-156.
- Gourevitch, Peter (1978), 'The Second Image Reversed. The International Sources of Domestic Politics', *International Organization*, 32 (4): 881-912.
- Graziano, Paolo R./ Vink, Maarten P. (2013), 'Europeanization: Concepts, Theory; and Methods' in: Simon Bulmer/ Lequesne, Christian eds., *The Member States of the European Union*, 2nd. ed. Oxford, UK: Oxford University Press, 31-54.
- Graziano, Paolo/ Vink, eds., (2007), *Europeanization. New Research Agendas*, 1. publ. ed., Basingstoke; New York, NY: Palgrave Macmillan.
- Hall, P. A./ Thelen, K. (2008), 'Institutional Change in Varieties of Capitalism', *Socio-Economic Review*, 7 (1): 7-34.
- Hallerberg, Mark (2014), 'Why is there Fiscal Capacity but Little Regulation in the US, but Regulation and Little Fiscal Capacity in Europe? The Global Financial Crisis as a Test Case' in: Philipp Genschel/ Jachtenfuchs, Markus eds., *Beyond the Regulatory Polity? The European Integration of Core State Powers* Oxford, UK: Oxford University Press, 87-104.
- Hallerberg, Mark/ Marzinotto, Benedicte/ Wolf, Guntram B. (2012), *An Assessment of the European Semester*. European Parliament Brussels: European Parliament.
- Heidbreder, Eva G. (2014), 'Regulating Capacity Building by Stealth: Pattern and Extent of EU Involvement in Public Administration' in: Philipp Genschel/ Jachtenfuchs, Markus eds., *Beyond the Regulatory Polity? The European Integration of Core State Powers* Oxford, UK: Oxford University Press, 145-165.
- Héritier, Adrienne (2014), 'Covert Integration of Core State Powers: Renegotiating INcomplete Contracts' in: Philipp Genschel/ Jachtenfuchs, Markus eds., *Beyond the Regulatory Polity? The European Integration of Core State Powers* Oxford, UK: Oxford University Press, 230-248.
- Hirschman, Albert O. (1970), *Exit, Voice, and Loyalty. Responses to Decline in Firms, Organizations, and States*. Cambridge, MA: Harvard University Press.
- Hobolt, Sara B. (2016), 'The Brexit Vote. A Divided Nation, a Divided Continent', *Journal of European Public Policy*, 23 (9): 1259-1277.
- Hooghe, Liesbeth (2001), *Multi-Level Governance and European Integration* Lanham, MD: Rowman & Littlefield Publishers.
- Ibsen, Christian Lyhne/ Thelen, Kathleen (2017), 'Diverging Solidarity', *World Politics*, 69 (03): 409-447.
- Ikenberry, G. John/ Lake, David A./ Mastanduno, Michael (1988), 'Introduction: Approaches to Explaining American Foreign Economic Policy' in: G. John Ikenberry/ Lake, David A./ Mastanduno, Michael eds., *The State and American Foreign Economic Policy* Ithaca, NY; London, UK: Cornell University Press, 1-14.
- Jabko, Nicolas (2014), 'The Divided Sovereignty of the Eurozone' in: Philipp Genschel/ Jachtenfuchs, Markus eds., *Beyond the Regulatory Polity? The European Integration of Core State Powers* Oxford, UK: Oxford University Press,
- Joerges, Christian (2016), 'Integration through Law and the Crisis of Law in Europe's Emergency' in: Damian Chalmers/ Jachtenfuchs, Markus/ Joerges, Christian eds., *The End of the Eurocrat's Dream* Cambridge, UK: Cambridge University Press, 299-338.

Christian Tuschhoff – The Europeanization of Politics

- Jurado, Ignacio/ Walter, Stefanie/ Konstantinidis, Nikitas/ Dinas, Elias (2020), 'Keeping the Euro at Any Cost? Explaining Attitudes toward the Euro-Austerity Trade-off in Greece', *European Union Politics*, 21 (3): 383-405.
- Katzenstein, Peter J. (1984), *Corporatism and Change : Austria, Switzerland, and the Politics of Industry* Ithaca [N.Y.]: Cornell University Press.
- Katzenstein, Peter J. (1985), *Small States in World Markets. Industrial Policy in Europe* Ithaca, N.Y.; London, UK: Cornell University Press.
- Keohane, Robert O. (1984), *After Hegemony. Cooperation and Discord in the World Political Economy* Princeton, NJ: Princeton University Press.
- Keohane, Robert O./ Milner, Helen V., eds., (1996), *Internationalization and Domestic Politics*, Cambridge, UK: Cambridge University Press.
- Kurzer, Paulette (1993), *Business and Banking. Political Change and Economic Integration in Western Europe* Ithaca, NY; London, UK: Cornell University Press.
- Kux, Stephan (1998), 'Switzerland: Adjustment Despite Deadlock' in: Kenneth Hanf/ Soetendorp, Ben eds., *Adapting to European Integration. Small States and the European Union* London, UK; New York, NY: Longman, 167-185.
- Ladrech, Robert (2010), *Europeanization and National Politics*, 1. publ. Aufl. Basingstoke [u.a.]: Palgrave Macmillan.
- Lake, David A. (2009), 'Open Economy Politics. A Critical Review', *The Review of International Organizations*, 4 (3): 219-244.
- Liefferink, Duncan/ Wurzel, Rüdiger K. W. (2016), 'Environmental Leaders and Pioneers. Agents of Change?', *Journal of European Public Policy*, 24 (7): 951-968.
- Luif, Paul (1998), 'Austria: Adaptation Through Anticipation' in: Kenneth Hanf/ Soetendorp, Ben eds., *Adapting to European Integration. Small States and the European Union* London, UK; New York, NY: Longman, 116-130.
- Manners, Ian (2002), 'Normative Power Europe: A Contradiction in Terms?', *Journal of Common Market Studies*, 40 (2): 235-258.
- Manners, Ian (2006), 'Normative Power Europe Reconsidered: Beyond the Crossroads', *Journal of European Public Policy*, 13 (2): 182-199.
- Mastanduno, Michael/ Lake, David A./ Ikenberry, G. John (1989), 'Towards a Realist Theory of State Action', *International Studies Quarterly*, 33 (4): 457-474.
- Mastenbroek, E./ van Keulen, M. (2006), 'Beyond the Goodness of Fit. A Preference-based Account of Europeanization' in: R. Holzhaecker/ Haverland, M. eds., *European Research Reloaded-Cooperation and Europeanized States Integration among Europeanized States*, 19-42.
- Mastenbroek, Ellen/ Kaeding, Michael (2006), 'Europeanization Beyond the Goodness of Fit: Domestic Politics in the Forefront', *Comparative European Politics*, 4 (4): 331-354.
- Mattli, Walter (1999), *The Logic of Regional Integration. Europe and Beyond* Cambridge, U.K. ; New York: Cambridge University Press.
- McNamara, Kathleen R. (2015), 'JCMS Annual Review Lecture: Imagining Europe: The Cultural Foundations of EU Governance', *JCMS: Journal of Common Market Studies*, 53 (Annual Review): 22-39.
- Menon, Anand (2014), 'Defence Policy and the Logic of "High Politics"' in: Philipp Genschel/ Jachtenfuchs, Markus eds., *Beyond the Regulatory Polity? The European Integration of Core State Powers* Oxford, UK: Oxford University Press, 66-84.
- Mérand, Frédéric/ Angers, Kathleen (2014), 'Military Integration in Europe' in: Philipp Genschel/ Jachtenfuchs, Markus eds., *Beyond the Regulatory Polity? The European Integration of Core State Powers* Oxford, UK: Oxford University Press, 46-65.
- Milward, Alan S. (1992), *The European Rescue of the Nation-State*, 1. publ. Aufl. London, UK: Routledge.

Christian Tuschhoff – The Europeanization of Politics

- Moravcsik, Andrew (1991), 'Negotiating the Single European Act: National Interests and Conventional Statecraft in the European Community', *International Organization*, 45 (1): 19-56.
- Moravcsik, Andrew (1994), *Why the European Community Strengthens the State: Domestic Politics and International Institutions*: Minda de Gunzburg Center for European Studies Harvard University, Working Paper Series Cambridge, MA:
- Moravcsik, Andrew (1997), 'Taking Preferences Seriously. A Liberal Theory of International Politics', *International Organization*, 51 (4): 513-553.
- Moravcsik, Andrew (1998), *The Choice for Europe. Social Purpose & State Power from Messina to Maastricht* Ithaca, NY: Cornell University Press.
- Olsen, Johan P. (2002), 'The Many Faces of Europeanization', *JCMS: Journal of Common Market Studies*, 40 (5): 921-952.
- Radaelli, Claudio M. (2003), 'The Europeanization of Public Policy' in: Kevin Featherstone/ Radaelli, Claudio M. eds., *The Politics of Europeanization*, 27-56.
- Risse, Thomas (2010), *A Community of Europeans? Transnational Identities and Public Spheres* Ithaca, NY; London, UK: Cornell University Press.
- Rittberger, Berthold/ Leuffen, Dirk/ Schimmelfennig, Frank (2014), 'Differentiated Integration of Core State Powers' in: Philipp Genschel/ Jachtenfuchs, Markus eds., *Beyond the Regulatory Polity? The European Integration of Core State Powers* Oxford, UK: Oxford University Press, 189-210.
- Rodrik, Dani (2011), *The Globalization Paradox. Democracy and the Future of the World Economy* New York, NY; London, UK: W.W. Norton & Co.
- Rogowski, Ronald (1989), *Commerce and Coalitions. How Trade Affects Domestic Political Alignments* Princeton, NJ: Princeton University Press.
- Sandholtz, Wayne/ Stone Sweet, Alec eds., (1998), *European Integration and Supranational Governance*, Oxford, UK/ New York, NY et. al.: Oxford University Press.
- Schakel, Arjan H./ Hooghe, Liesbet/ Marks, Gary (2014), 'Multilevel Governance and the State' in: Stephan Leibfried/ Huber, Evelyne/ Lange, Matthew/ Levy, Jonah D./ Stephens, John D. eds., *The Oxford Handbook of Transformations of the State*, Online. ed. Oxford, UK: Oxford University Press, 266-282.
- Scharpf, Fritz W. (1998), *Governing in Europe. Effective and Democratic?* Oxford, UK: Oxford University Press.
- Schelkle, Waltraud (2014), 'Fiscal Integration by Default' in: Philipp Genschel/ Jachtenfuchs, Markus eds., *Beyond the Regulatory Polity? The European Integration of Core State Powers* Oxford, UK: Oxford University Press, 105-123.
- Sedelmeier, Ulrich (2013), 'Europeanization' in: Erik Jones/ Menon, Anand/ Weatherill, Stephen eds., *The Oxford Handbook of the European Union*, online. ed. Oxford, UK: Oxford University Press,
- Soetendorp, Ben/ Hanf, Kenneth (1998), 'Conclusion: The Nature of National Adaption to European Integration' in: Kenneth Hanf/ Soetendorp, Ben eds., *Adapting to European Integration. Small States and the European Union* London, UK/ New York, NY: Longman, 187-194.
- Solingen, Etel/ Gourevitch, Peter (2019), 'Domestic Coalitions: International Sources and Effects' in: William R. Thompson ed., *The Oxford Encyclopedia of Empirical International Relations Theory*, E-Book. ed. Oxford, UK; New York, NY: Oxford University Press,
- Streeck, Wolfgang (1992), *Social Institutions and Economic Performance. Studies of Industrial Relations in Advanced Capitalist Economies* London; Newbury Park; New Delhi: Sage Publications.

Christian Tuschhoff – The Europeanization of Politics

- Streeck, Wolfgang (2019), 'Progressive Regression. Metamorphosis of European Social Policy', *New Left Review* (118): 117-139.
- Streeck, Wolfgang (2021), *Politische Ökonomie im ausgehenden Neoliberalismus. Zwischen Globalismus und Demokratie* Berlin: Suhrkamp.
- Streeck, Wolfgang/ Thelen, Kathleen, eds., (2005), *Beyond Continuity. Institutional Change in Advanced Political Economies*, Oxford, UK: Oxford University Press.
- Sverdrup, Ulf (1998), 'Norway: An Adaptive Non-Member' in: Kenneth Hanf/ Soetendorp, Ben eds., *Adapting to European Integration. Small States and the European Union* London, UK/ New York, NY: Longman, 149-166.
- Thelen, Kathleen Ann (2014), *Varieties of Liberalization and the New Politics of Social Solidarity*, 1. publ. Aufl. New York, NY: Cambridge University Press.
- Trondal, Jarle (2014), 'The Rise of European Public Administration: European Capacity Building by Stealth' in: Philipp Genschel/ Jachtenfuchs, Markus eds., *Beyond the Regulatory Polity? The European Integration of Core State Powers* Oxford, UK: Oxford University Press, 166-186.
- Vahl, Marius/ Berg, Aslak (2018), 'EFTA' in: Robert E. Looney ed., *Handbook of International Trade Agreements. Country, Regional and Global Approaches*, E-Book. ed. London, UK: Routledge, 271-281.
- Walter, Stefanie/ Dinas, Elias/ Jurado, Ignacio/ Konstantinidis, Nikitas (2018), 'Noncooperation by Popular Vote: Expectations, Foreign Intervention, and the Vote in the 2015 Greek Bailout Referendum', *International Organization*, 72 (4): 969-994.
- Weiss, Moritz (2014), 'Integrating the Acquisition of Leviathan's Swords? The Emerging Regulation of Defence Procurement within the EU' in: Philipp Genschel/ Jachtenfuchs, Markus eds., *Beyond the Regulatory Polity? The European Integration of Core State Powers* Oxford, UK: Oxford University Press, 27-45.