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The Myth of Eurosclerosis: European Integration in the 1970s

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Introduction

The period from the mid-1960s to the mid-1980s in the context of European integration is often referred to as an era of stagnation or eurosclerosis. It is argued that the successful integration experienced by the 'Original Six' from 1952 onwards ground to a halt with the 'Empty Chair Crisis' in 1965, with the European Community (EC) continuing to stand still until the 1986 Single European Act (SEA) negotiations. Intergovernmentalist theory's state-centric approach and its scepticism towards integrative spill-over from 'low' to 'high' political areas seemingly makes a natural ally of these events. Hence, intergovernmentalism is commonly used as a framework within which to explain the eurosclerosis period. However, it is false to say that the EC stood still throughout these decades, for integration did continue in some form or another. If we shift our focus from a supersystemic to a sub-systemic level of analysis (Peterson, 1995: 71), it is clear that the integration project continued in numerous areas, including economic integration, foreign policy coordination, increasing Parliamentary powers and judicial activism. Not only were these developments of importance in themselves, they also created the pressures that culminated in future, highly visible integrative steps, such as the Single European Act (SEA), the introduction of a Common Foreign and Security Policy (CFSP) and Economic and Monetary

Union (EMU). Therefore, focusing upon the underlying processes of European integration creates a need not only to question the applicability of referring to a eurosclerosis period, but also to question the intergovernmentalist framework within which this period is often explained.

The purpose of this paper is to critically examine the eurosclerosis period and intergovernmentalist theory as a framework within which to explain this stage in the integration project. The first section briefly looks at the traditional, negative explanation given for this era, focusing on the change in EC policy style following the 'Luxembourg Compromise', enlargement and the international economic environment at the time. The paper then moves on to question this conventional belief via an analysis of institution-building during this period. The second section explores the increased importance of the European Parliament (EP) following the incremental development of its budgetary powers in 1970/75 and direct elections in 1979. The third section examines Commission activism during this time, particularly its role as policy initiator, whilst the paper then moves on to analyse loyalty transfer of interest groups from the national to the European sphere. Section five looks at European Political Cooperation (EPC), especially its role in facilitating the process of Member States' foreign policy coordination and the norms and values that were borne out of this process. Section six explores the increased policy-making competence of the EC during this time, specifically the launch of the European Monetary System (EMS) in 1979 and its implications for the future development of European economic integration. The seventh section examines the significance of the European Court of Justice (ECJ) as a force for integration during this era, focusing on the political implications of its landmark legal rulings.

This paper argues that intergovernmentalism is an inadequate theoretical framework within which to analyse the eurosclerosis period. The theory is able to explain the undoubted stalling of integration in the visible, 'high' political areas. However, its state-centrism leads it to be blinkered from the underlying processes that drive the integration project. Parliamentary, Commission and judicial activism continued in the unseen, 'low' political spheres – processes which furthered European integration and which laid the foundations for future spill-over into 'high' political areas, such as EMU. Even in the formally intergovernmental sector of European Political Cooperation (EPC) intergovernmentalist theory ignores the importance of the Commission and the habits of consultation and cooperation which paved the way for CFSP. This is not to say that state preferences had no part to play in the politics of this period, but that the state was only one player out of many in the European polity.

Conventional Explanation

Conventional explanations of the eurosclerosis period often state that the overall context of the period was unfavourable to further integration. French President de Gaulle is very prominent in this as he had a very definite view of France's place in the world, as a nation-state not beholden to any other entity (be it a European organisation or a transatlantic multilateral security organisation). De Gaulle's vision of a 'Europe of states', not peoples, was clearly shown in the Fouchet committees in which the French delegation argued for a remodelling of the EC on intergovernmental lines (Mazey, 2001: 37). The attempt by de Gaulle to uphold the authority of the Member States at the expense of the Commission culminated in the 'Empty Chair Crisis' which put paid to any notion of Commission activism. The resulting 'Luxembourg Compromise' dramatically changed the European policy style with individual states attempting to block measures and the Commission being forced to negotiate complex package-deals.

In addition, the 1973 enlargement from six to nine inevitably increased the difficulty of EC decision-making, especially in the light of the 'Luxembourg Compromise'. Further integration was hampered by the fact that these new states entered at a time of recession and therefore had not experienced the positive effects of membership in the early years. This meant that there did not exist amongst the governments or the peoples the same degree of psychological commitment to the idea of integration as amongst the 'Original Six'. This eroded the 'Community spirit' of the 1950s/early 1960s. The UK'S almost immediate call for renegotiation in particular caused years of serious disruption to other business in the EC, crowding other matters off the agenda of European Council meetings. Instead of charting the future strategy of the EC, these meetings became bogged-down in bargaining over budgetary contributions.

The international economic environment at the time is also said to have hampered any further integrative steps. The consequences of the October 1973 Arab-Israeli War completely changed the political and economic environment within which the EC operated. The oil embargo on pro-Israeli states and OPEC's decision to quadruple the price of oil highlighted the lack of Community solidarity. France and the UK refused to defend the Netherlands when subject to this embargo and instead made bilateral deals with Arab states in order to safeguard their own oil supplies (Dedman, 1996: 124). The following economic recession saw a growth of protectionism between Member States as they became less inclined to agree to integrative measures that would weaken their ability to preserve domestic markets for domestic producers in order to control rising unemployment. Many states resorted to subsidising ailing industries during the recession, such as the UK government's £1,500 million rescue package for British Leyland (Dedman, 1996: 124).

This traditional explanation of this period of European integration seems to fit within the framework set by intergovernmentalist theory. The rise in nationalist sentiment culminating in the 'Empty Chair Crisis' and the resultant renegotiation of the integration experiment in favour of Member States at Luxembourg correlates with a state-centric viewpoint. This view is further enhanced by the seemingly limited room for manoeuvre allowed for the Commission and the economic protectionist measures adopted by Member States during the recession.

However, in any analysis of European integration it is of vital importance to focus upon the day-to-day functioning of the EC/EU alongside an examination of the processes through which major historic changes take place. This is not to say that the two are mutually exclusive for, as Sandholtz (Sandholtz, 1994: 260) makes clear, a reciprocal relationship exists. Intergovernmentalism implies that EC/EU institutions have no impact on state interest formation; rather states form their national preferences and then bring them to Brussels. However, there is a link between the institutions and state interests, for Community decisions may be bargains that reflect state interests, but those interests are themselves shaped in part by membership of the EC/EU. Hence, it is necessary to take into account the influence that continuous consultation and cooperation at all levels within the EC/EU's multilevel governance framework has on perceptions of state interest. This is of significance when looking at the eurosclerosis period because it is these underlying processes that continued the European project during this time and which are of crucial importance in explaining the events of the mid-1980s onwards.

European Parliament

An important process of institution-building continued in this period involving the European Parliament (EP), the Commission and European Political Cooperation (EPC), all of which furthered the integration project. As a result of the 1970 Treaty Amending Certain Budgetary Provisions of the Treaties and the 1975 Treaty Amending Certain Financial Provisions of the Treaties, the EP was given considerable treaty powers with regard to the EC budget (Nugent, 1999: 213). These treaties significantly gave the EP the right to propose modifications to compulsory expenditure, to propose amendments to non-compulsory expenditure, and to reject the EC draft budget. The EP was able to use its new-found budgetary powers to initiate new policies by creating additional items in the Community budget and allocating funds to them. This was especially the case over smaller, uncontroversial items, such as the 'European City of Culture' programme, assistance to environmental NGOs and funding for research against AIDS to name but a few (Corbett, 1998: 109). The EP was also able to influence

the implementation of existing policies by adopting amendments to the remarks in the budget specifying where money was to be spent (Corbett, 1998: 111).

Intergovernmentalists could point to the limited size of the budget, which was (and remains) a small percentage of Member States' budgets. However, in absolute terms, it was still larger than the budgets of a number of smaller Member States (Corbett, 1998: 106). Also, in its areas of responsibility, the Community's budget is not without significance; for example, in terms of structural funding, approximately half of infrastructure spending in Ireland, Greece and Portugal is funded through Community programmes (Corbett, 1998: 106). It is this area of regional policy that Marks relied upon when formulating his multilevel governance framework (Marks, 1993; Marks, Hooghe and Blank, 1996), clearly showing that numerous actors contribute to the European policy-making process, including (but not solely) the state. Thus, the EP's influence particularly over non-compulsory expenditure is of great importance. It is true that Common Agricultural Policy (CAP) expenditure (approximately half the Community budget) was defined as compulsory expenditure and so a significant bulk of the budget remained difficult to amend. However, as integration progressed, expenditure on policies falling under the non-compulsory banner developed faster than on policies falling under compulsory expenditure: non-compulsory expenditure increased from only 16.95% of the total budget in 1979 to 37.1% in 1992 (Corbett, 1998: 108). Thus, as Corbett (Corbett, 1998: 108) states, 'the sums over which the EP had the final say were a growing proportion of a growing budget.'

The EP's use of its budgetary powers was boosted with the introduction of direct election in 1979. The legitimacy conferred upon the institution and its resultant self-confidence led to an increase in the amount of attention paid to the EP by the Commission and the Council of Ministers, allowing it to have greater influence in the policy process. For example, pressure from the EP induced the Council to address three important issues: economic disparities, convergence (especially of the regions) and the EC's transport infrastructure (with a common transport policy in mind) (Middlemas, 1995: 91). This enhanced self-assertiveness has led Bieber to claim that 'it is fairly easy to discern the genealogy of the ideas – the connection between influence (opinion of the EP) and action (final text of a decision of the Council)' (McAllister, 1997: 153). Furthermore, EP activism during this period prepared the way for future EC developments, with the Crocodile Club containing the germs of ideas that would later come to fruition in the mid-1980s with the Cockfield White Paper on completing the internal market and the SEA (McAllister, 1997: 128).

In terms of the EP's capacity in the legislative field the importance of the ECJ's Isoglucose case ruling in 1980 cannot be underestimated. The fact that the ECJ annulled a Council regulation on the ground that it had been issued before the

EP's opinion was known clarified the point that the EP's views must be sought in connection with most of the EC's important legislation (Nugent, 1999: 207). Significantly, the EP had never intervened or brought a case itself to the Court before (Corbett, 1998: 118); a further sign of self-confidence resulting from the elections. This affirmation of the consultation procedure may seem of marginal importance (for the EP's view could be ignored by the Council) but the EP was able to make use of this single referral on many issues, depending on its own subject competence and tactical skills (Nugent, 1999: 207). Thus, the Isoglucose ruling cemented the EP's position in the EC's policy-making process and can be seen as a precursor to the greater role the EP would come to play within the process in future years through the cooperation and co-decision procedures. This has led to a situation currently where the majority of EU legislation is subject to the co-decision procedure (Nugent, 1999: 207).

Therefore, the 1970 and 1975 Treaties allowed the EP to develop its role in the adoption and implementation of the Community budget and to initiate new policies as well as influence the implementation of existing policies. This has led Feld to assert that the acquisition 'of clearly defined financial resources accruing directly to the Community and the expansion of Parliament's budgetary authority were major steps on the path towards political integration' (Dinan, 1999: 62). The EP's increased self-confidence resulting from direct elections and the affirmation of its position within the EC's policy-making process place question marks over an intergovernmentalist explanation of this period.

European Commission

These decades saw further institution-building via an increase in the size and complexity of the Commission. The capacity of the Commission to set and process the normal policy agenda of the EC remained relatively unaffected. Commission proposals grew by one third between 1975 and 1984, with Council adoption rates increasing from 75% to 84% over the same time period – the average length of time taken to process legislation decreasing from 150 days to 108 days (Nicoll and Salmon, 2001: 34). The EC's level of activity also grew with the Commission establishing a science and technology policy, a social action programme and further advances in the free movement of goods in certain sectors such as pharmaceuticals and medical services (Middlemas, 1995: 82). The Commission also played a significant role in guarding against protectionist actions by Member States which threatened the integration process, reporting on textiles and clothing, leather, footwear and steel (McAllister, 1997: 130). The Commission's 1979 General Report stated, 'with increasing frequency, the Commission has successfully intervened to curb protectionist pressures which the economic crisis has been arousing in Member States' (McAllister, 1997: 130).

In terms of external affairs, Commission President Ortolí (1973-'77) played a crucial part in signing free trade agreements with European Free Trade Association (EFTA) countries and beginning discussions with North African countries on long-term trading relationships, as well as establishing the Lomé Convention in 1975 between the EC and 46 African, Caribbean and Pacific States (Middlemas, 1995: 75). Much credit should also be given to Commission President Jenkins (1977-81) who regained the Commission's role as a driving force behind integration. Jenkins' negotiation of Greece's terms of entry gave a new role to the Commission, whilst the launching of Spanish and Portuguese accession negotiations and Jenkins' ability to draw attention to the institutional implications of further enlargement (Dinan, 1999: 82) placed the Commission back at the centre of the EC. Rather than fitting within an intergovernmentalist framework, the Commission's role during this period seems to be one as a key player in the policy process. The Commission continued to process the EC's normal policy agenda whilst cultivating functional spill-over into more policy sectors as well as developing the EC's role as an international actor. The Commission maintained its position as a driving force behind European integration.

Interest Groups

The continuation and increase in Parliamentary and Commission activism had profound effects for interest groups across the EC. In line with neo-functional theory, interest groups began to shift their attention from the national to the European sphere during the 1970s. The enhanced policy competence of the EC and the multinational character of a growing number of large firms led to an increase in lobbying of the European institutions, particularly concerning the completion of the single market envisaged in the Treaty of Rome. Although business groups were not significant actors before 1980 (Greenwood, 1997: 248), by shifting their loyalties and forming pan-European pressure groups, they did lay the foundations for heavily influencing future developments. Large scale and intense business lobbying took place around both the SEA and EMU proposals by groups such as UNICE and the Association for Monetary Union in Europe.

Loyalty transfer was not only confined to business groups as employer and social organisations also established themselves in Brussels. The European Trade Union Congress (ETUC) was founded in 1972 and was able to gain a place at the bargaining table. Its influence steadily increased so that it came to be seen as the legitimate 'social partner' of UNICE, with Commission President Delors stating in 1984 that 'no new social policy initiatives would be forthcoming without the prior approval of both sides of industry, as represented by UNICE and ETUC' (Hix, 1999: 196). The ETUC has since played an instrumental role in ensuring labour and social issues remained on the European agenda, culminating in the

Social Charter being signed by all Member States (except for the UK) in 1989 (Greenwood, 1997: 165). Furthermore, the 1970s saw environmental issues and pressure groups emerge at the European level, with groups such as the European Environmental Bureau being formed in 1972. The EEB's stature has grown so much so that it now receives half of its total funding from European institutions (mainly from DG Environment) and is used by the Commission as its main interlocutor across a range of environmental issues (Greenwood, 1997: 181). It has now institutionalised its position to the extent that it was a member of the Commission delegation at the 1992 Rio Earth Summit (Greenwood, 1997: 181).

Thus, the experience of interest group activity fits within a neo-functional framework of analysis, rather than an intergovernmentalist one. Interest groups began to transfer their loyalties to the EC during the eurosclerosis period. Even though their influence was marginal in the early years, they have come to be major players in the European policy process, promoting new European competences in sectors originally excluded.

European Political Cooperation

The eurosclerosis period saw the creation of EPC and its associated institutions which established the process of Member States' foreign policy coordination. At first glance, EPC may appear a peculiar institution to place within a critique of intergovernmentalist theory, for it formally operated outside the EC framework seemingly along intergovernmental lines. However, the actual working of the system was less strictly intergovernmental than the formal procedures suggest, facilitating intense foreign policy cooperation. It is these repeated practices that not only imposed limits on Member States' capacity to act unilaterally (Schneider and Seybold, 1997: 369), but also aided a process of 'Europeanising' state foreign policies. It was this process that contributed towards the successful coordination of a common position at the Conference on Security and Cooperation in Europe (CSCE) in 1975, a common policy on the Middle East culminating with the Venice Declaration in 1980, and a high degree of unity in the UN, voting together on a majority of resolutions in the General Assembly (George and Bache, 2001: 100). Member States' wish to actively coordinate foreign policies and intensify the exchange of information is shown by the facts that by 1984 the Presidency had the task of organising 60-80 meetings during its period in office (Bonvicini, 1988: 52), whilst traffic around the COREU telex network increased from an initial 2,000-3,000 telegrams per year to some 9,000 in 1989 (Forster and Wallace, 2000: 466).

As mentioned, EPC was originally established as a parallel process to that of integration via the EC. However, the clear linkages between trade (EC) and political (EPC) issues meant that the line of demarcation was often blurred creating

pressure for the Commission to be admitted. These pressures culminated with the adoption of the London Report in 1981 stating, 'within the framework of the established rules and procedures the Ten attach importance to the Commission of the European Communities being fully associated with Political Cooperation at all levels' (Nuttall, 1988: 104). This led to a situation whereby the Commission was present at the European Council, at Ministers of Foreign Affairs meetings, at all Working Group meetings and was directly linked to the COREU network (Nuttall, 1988: 106). The Commission's role was highly significant as it had the advantage of being able to evaluate the economic consequences of foreign policy. This was of particular importance with respect to discussions with third parties where political and economic issues were discussed simultaneously and often with blurring between the two, for example in the Euro-Arab dialogue (Nuttall, 1988: 110). Furthermore, the Commission's status was further emphasised when political cooperation wanted to have recourse to Community instruments (economic sanctions and aid) in order to achieve foreign policy objectives. Thus the Commission's role was crucial in the successful implementation of import restrictions against the USSR over the imposition of martial law in Poland (1982) and against Argentina the same year (Nuttall, 1988: 112).

Therefore, whilst formally working within an intergovernmental framework, the multidimensional character of foreign policy in an increasingly interdependent world created irresistible pressures for the inclusion of supranational institutions into the EPC process. Thus, as a result of the Commission having control over the economic instruments of foreign policy, procedurally EPC became intertwined with the institutions and procedures of the EC. It is these underlying processes that intergovernmentalism's state-centrism cannot penetrate, resulting in it offering an insufficient explanation of the continuing European integration process during this period.

Policy-Making Competence

As well as institution-building, the EC continued to expand its policy-making competence during the eurosclerosis period, most importantly in the economic sphere. The 1971 Werner Report set out a timetable for economic and monetary union (EMU) between 1971 and 1980. Despite the failure of the EC to remain committed to the timetable, the report did place economic integration firmly back on the European agenda. Of greater significance is the 1979 launch of the European Monetary System (EMS) which, whilst not exactly constituting a revival of EMU, did provide the basis for future steps in that direction. EMU was reaffirmed as a goal with the launch of the EMS and according to the Dooge Report (1985), the EMS 'enabled the unity of the Common Market to be preserved, reasonable exchange rates to be maintained, and the foundations

of the Community's monetary identity to be laid' (Dinan, 1999: 85). It was the establishment of the EMS that set in motion a chain of events that culminated in EMU, via the SEA. It is also necessary to recognise the importance of the Commission, and President Jenkins in particular, in this process. It was his argument that the EMS would have the macroeconomic advantages of lowering inflation, increasing investment and reducing unemployment, whilst not exacerbating regional disparities that was crucial in gaining the support of national leaders (Dinan, 1999: 86).

The expansion of the EC's policy-making competence was not confined to the economic sphere, for it occurred with regard to regional policy as well. Enlargement (an example of Haas' geographical spillover) created pressures for a regional fund in order to reduce disparities, culminating in the creation of the European Regional Development Fund (ERDF) in 1975. Regional issues have steadily increased in importance leading to the EU's cohesion policy consuming a third of the Community budget and the incorporation of sub-national actors into the EU's policy-making process through the Committee of the Regions. Thus, it was the policy decisions taken during the so-called eurosclerosis period that created an internal dynamic of their own, whereby the next logical step was either further integration or the further shifting of policy competence to the European level. Commission activism and the functional logic of this process further discredit intergovernmentalist theory.

European Court of Justice

The Treaty of Rome did not confer supremacy on Community law over national law. However, through its legal rulings in the 1970s, the European Court of Justice (ECJ) managed to lay the legal foundations for an integrated European economy and polity (Burley and Mattli, 1993: 42). A quantitative illustration of the growing importance of Community law during this time is the number of cases referred to the ECJ by domestic courts, rising from a low of 9 in 1968 to a high of 119 in 1978 (Burley and Mattli, 1993: 43). This has led Volcansek to call the ECJ 'the principal motor for the integration of Europe' (Volcansek, 1992: 109).

The ECJ played a vital role in guarding against threats to the internal market. This was achieved primarily through the landmark *Cassis de Dijon* case in 1979 which established the principle of mutual recognition of Member States' own national standards. This ruling effectively swept away a host of restrictions that Member States had previously employed to block imports from others and gave new impetus to free movement of products within the EC (Volcansek, 1992: 114). By interpreting the Treaty in this ruling (and others) to give the law its widest effect, with consequences unseen in the original texts, the ECJ not only

widened the scope of EC law, but also extended the EC institutions' competences. For example, in its Kramer ruling (1976) EC institutions' competences within the EC were extended under the treaties to the international engagements required to fulfil them (Middlemas, 1995: 91). This was furthered in 1978 by the ECJ's opinion that in the foreign policy arena, the Commission had competence to use international trade sanctions or embargoes to achieve the EC's agreed aims (Middlemas, 1995: 91).

Spill-over has also occurred in the legal domain. In functional terms, EC law is no longer as dominantly economic in character, but rather has spilled over into a variety of domains dealing with issues as varied as health and safety at work, entitlements to social welfare benefits, mutual recognition of professional qualifications and political participation rights (Burley and Mattli, 1993: 66). Political spillover has occurred as Member States have shifted their loyalties and values, accepting the Court's legal rulings. Even governments overtly hostile to the ECJ's authority have not sought to overturn a previous ruling (Burley and Mattli, 1993: 67).

The ECJ's authority has been accepted as a result of it being seen to practice law rather than politics and hence, it has been able to further the integration project. As Burley and Mattli state, 'law functions as a mask for politics, precisely the role neo-functionalists originally forecast for economics' (Burley and Mattli, 1993: 44). The ECJ has been protected from criticism as a result of it being seen to act in a non-political way, even though its decisions have had enormous political impact. Thus, from this legal neo-functionalist perspective, law acts as both a mask and a shield (Burley and Mattli, 1993: 72).

As a critique of intergovernmentalist theory, the role of the ECJ has an undoubtedly powerful case. The principles of direct effect and supremacy were consistently reaffirmed during the eurosclerosis period; for example in the *Walt Wilhelm* ruling (1969) the ECJ stated that 'the EEC Treaty has established its own system of law, integrated into the legal system of the Member States' and that 'Community law takes precedence' (Volcansek, 1992: 112). The ECJ's activism has created a clearly supranational legal element to the EC/EU which intergovernmentalism struggles to explain. As the chief liberal intergovernmentalist Moravcsik accepts, the expansion of judicial power in the EC 'presents an anomaly' for his theory (Moravcsik, 1993: 513).

Conclusion

Any attempt to explain the European integration process must take into account the sub-systemic factors which drive the project. In taking a state-centric viewpoint, intergovernmentalist theory is an inadequate framework of analysis. This is especially so of the so-called eurosclerosis period, in which it was these

underlying forces that furthered European integration whilst inertia set-in at the supersystemic level. It was the day-to-day politics of the EC which facilitated the coordination of foreign policies via the EPC mechanism and led to the relaunch of the European project in the mid-1980s, with the SEA and then EMU. Moreover, the subsequent history-making decisions of the EC, normally the result of intergovernmental bargaining, were in certain cases simply legal affirmations of pre-existing common practices. To a certain extent this is the case with the SEA whereby many of the ‘innovations’ of the SEA were already the day-to-day practice of the Community, such as environmental policy and EPC (Wincott, 1995: 603-4).

Intergovernmentalism fails to acknowledge the significance of the EC institutions during the eurosclerosis period. The budgetary powers given to the EP made it a significant player in the EC’s policy-making process, a position enhanced by the increased self-confidence the institution felt after direct elections. At the same time, the Commission continued to set and oversee its normal policy agenda whilst remaining a driving force behind the integration project, facilitating the expansion of the EC’s policy-making competence. This increase in Parliamentary and Commission activism resulted in interest groups shifting their loyalty to the European level, laying the foundations for their future role in the EC/EU’s historic decisions. This period also saw the establishment of EPC which brought in the Commission as an actor within the European foreign policy process.

As well as institution-building, the 1970s saw the EC’s policy competence increase, significantly in the economic sphere. The Werner Report and launch of the EMS set in motion a cycle of events which resulted in economic integration via EMU. However, most significantly it was the role of the ECJ during these years which continued and furthered European integration. Through its landmark rulings, it guarded against attempts to undermine the internal market, expanded its competence and established a clear supranational legal framework.

Thus, it is false to claim that the experience of the EC during the 1970s was one of stagnation. The integration project continued; it was simply that it continued out of the public eye, in the underlying processes that drive European integration. It was these processes that facilitated future, highly visible events in the EC/EU. Intergovernmentalist theory’s inability to understand this internal dynamic of integration leads it to provide an inaccurate and highly inadequate analysis of this period.

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Abstract

The period from the mid-1960s to the mid-1980s in the context of European integration is often referred to as a period of eurosclerosis. The seeming stalling of integrative moves during these years due to Member States' refusal to further surrender their sovereignty along with the growth of protectionism in the face of economic recession supports this view. Intergovernmentalist theory is conventionally seen as the framework within which to view this period as a result of its focus on state self-interest. The aim of this paper is to critically examine the eurosclerosis period and intergovernmentalist theory as a framework within which to explain this era in the European integration process. This paper argues that by focusing on the history-making, supersystemic level intergovernmentalism fails to account for the policy-shaping, sub-systemic factors that acted as a driving force for European integration. The state-centric focus of intergovernmentalism means that it is unable to appreciate the underlying policy developments that occurred during this period. These developments during the so-called eurosclerosis years laid the foundations for future, 'high' politics events in the European Community (EC)-European Union (EU), such as the Single European Act and Economic and Monetary Union. In taking this approach, this paper will examine the institution-building that took place during this period via an analysis of the European Parliament, the Commission and European Political Cooperation. The paper will also analyse the expansion of the EC's policy making competence, particularly in the economic sphere. In addition, an examination of the role of the European Court of Justice (ECJ) will take place, focusing on the political impacts of its landmark legal rulings. The paper concludes that not only is it false to speak of a period of stagnation, but also that intergovernmentalism, by failing to appreciate the internal dynamics of the integration process, fails to act as an adequate framework within which to analyse this period.

Résumé

Dans le contexte de l'intégration européenne, la période allant du milieu des années soixante au milieu des années quatre-vingt est connue comme celle de l'Eurosclérose. Cette approche s'appuie sur le sentiment d'une stagnation de l'intégration durant ces années, principalement en raison du refus des États membres d'abandonner leur souveraineté et de la montée du protectionnisme face à la récession économique. La théorie intergouvernementaliste est vue de manière conventionnelle comme le cadre dans

lequel on peut analyser cette période en se concentrant sur les intérêts propres des États. L'objectif de cet article est d'examiner de manière critique la période d'eurosclérose mais également la théorie intergouvernementaliste en tant que cadre permettant d'expliquer cette période dans le processus de l'intégration européenne. Cet article considère que, en se concentrant sur l'approche historique, l'analyse intergouvernementaliste de niveau super-systémique n'arrive pas à prendre en compte les facteurs sous-systémiques qui ont agi comme des forces motrices de l'intégration européenne. L'approche stato-centrée de l'intergouvernementalisme ne lui permet pas de prendre en compte les développements politiques sous-jacents qui se sont développés durant cette période. Ces développements, durant les années dites d'eurosclérose, furent à la base des futurs actes politiques majeurs de la Communauté européenne-Union européenne, tels l'Acte unique et l'Union économique et monétaire. Dans cette approche, cet article examine les processus de constructions institutionnelles qui eurent lieu durant cette période, à travers une analyse du Parlement européen, de la Commission européenne et de la Coopération politique européenne. Cet article analyse également la croissance de la compétence politique de la Communauté européenne, en particulier dans le domaine économique. Enfin, une analyse du rôle de la Cour de justice des Communautés européennes s'intéresse aux impacts politiques de ses principales décisions légales. Cet article conclut qu'il n'est pas seulement faux de parler d'une période de stagnation, mais également que l'intergouvernementalisme, parce qu'il n'était pas à même d'apprécier les dynamiques internes du processus d'intégration, ne peut être considéré comme un cadre adéquat pour analyser cette période.