

New Institutionalism(s)

Neo-functionalism and intergovernmentalism are 'grand theories' of European politics that seek to explain the overall direction and developments of European integration. By contrast, the new institutionalisms are 'middle range' theories that aim to account for specific European integration processes, but that do not seek to explain all of European integration within a single theory (Nugent, 2003, p.488). The move towards to such middle range theory in the context of European studies grew out of dissatisfaction on the part of some theorists with grand theory. Some scholars felt that theories such as neo-functionalism either missed the complexities of European Union or, if these complexities were factored into account, became too unwieldy to be useful (Nugent, 2003, p.488). Furthermore, in explaining the major episodes of EU integration, these grand theories do not really account for the day to day, week by week politics of the EU. Better, perhaps, in that case to focus on explaining smaller, but more manageable aspects of the European politics (Nugent, 2003, p.488). These middle range theories (such as the new institutionalisms) seek to do just that, often borrowing approaches from public policy and comparative politics that are normally used to study domestic politics, rather than International Relations.

As an approach to the study of the EU, new institutionalism rests on the assumption that 'institutions matter' in European politics (Nugent, 2003, p.488-9). However, new institutionalism is not a single theory, but rather a set of approaches, each of which looking at institutions in a different way, drawing out the different manner in which institutions impact on political processes. At the heart of these ideas is the assertion that institutions are political structures that constrain or enable the actions of the actors that operate within them. The rest of this extract focuses on three different strands

of new intuitionist thinking; Historical Institutionalism, Rational Choice Institutionalism and Sociological Institutionalism.

Historical Institutionalism (HI)

As an approach to EU politics, historical institutionalism focuses on the way that member states' decisions both within and about institutions create a set of structural institutional conditions that constrain their future behaviour. The key concepts in HI are 'path dependency' and 'unintended consequences'.

Path dependency refers to the concept of being constrained by previous decisions. It rests on the assumption that once a decision has been made, revoking and going back on that decision is costly (in the sense that it is problematic for states) and thus states therefore have to live and work within their previous decisions. Unintended consequences are the results that arise from member state decisions that they do not expect. States can end up approving and integrating in ways that they would have not envisaged because unintended consequences of their previous decisions arise and they are constrained to work with rather than against them. In the context of the EU, historical intuitionism focuses on the way EU member states previous decisions to integrate and establish supranational institutions constrains their freedom from manoeuvre and may end up having unintended consequences such as increasing the power of supranational actors such as the European Commission.

Rational Choice Institutionalism (RCI)

Rational choice institutionalists are primarily concerned with explaining why states delegate responsibilities to institutions. They argue that states create and work within institutions because they reduce 'transaction costs' and provide them with additional benefits. You might think that a focus on the

reduction of transaction costs and the maximisation of benefits has an intergovernmentalist feel about it - and you would be right. Rational choice institutionalism shares an assumption of cost-benefit rationalism on the part of states with intergovernmentalist theories. Rational choice institutionalists are intergovernmentalist in that they see states (unsurprisingly) as rational, unitary actors trying to maximise their interests within institutions. Indeed, like intergovernmentalism, RCI sees preference formation as occurring outside of any institutional setting. According to RCI institutions provide both the structural opportunities and restraints for states to rationally pursue their independently decided objectives.

Sociological Institutionalism

Sociological Institutionalism (SI) is somewhat different from the first two mentioned here. Rather than focusing on the institutional structures and processes within institutions or the material incentives or costs that institutions impose, SI is interested in the non-material, sociological qualities of institutions such as the norms and shared values that institutions represent and that in turn shape the policy that derives from them.

SI adopts an approach similar to constructivist notions of international relations (that we will look at later in this module) asserting that the social ideas and norms of what is considered 'right', 'just' or 'the done thing' within a given institution 'constructs' (i.e. determines or shapes) the reality and practices within that institution. When institutions are created they both reflect and imbue a certain set of ideas that restrain the decisions that actors make within these institutions. The ideas shape what is considered 'acceptable' and 'normal' behaviour and consequently, according to SI, these understandings of what is 'normal' determine the parameters of actors' decisions and subsequent actions.

Further reading

Nugent, N. (2003). *The Government and Politics of the European Union*. Palgrave: Basingstoke

Rosamond, B. (2000). *Theories of European Union Integration*. Macmillan: Basingstoke.