

Review Article: Small States in European Integration

Nikolaj Petersen*

The article reviews four recent books which (mostly) deal with the EU policies of Nordic and Baltic countries, with a particular emphasis on their possible contribution to the development of a theory of national integration policy. Among the reviewed books, those by Hans Mouritzen offer interesting theoretical perspectives. The main conclusion, though, is that there is a long way to go before foreign policy theory and integration theory merge to produce a satisfactory theory of national integration policy.

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One of the curious lacunae in integration theory is the lack of a theory of national integration policy. Integration theory has focused on describing and explaining integration processes and the role of supra-national actors such as the Commission and the European Parliament. On the other hand, the role of the policies, interests and actions of its most important actors, the nation-states, has been neglected by theory; existing efforts are mainly empirical and a-theoretical, concentrating on national peculiarities rather than on establishing a theory of national integration policy. This may sound strange, because participation in international integration, such as the European Union, poses challenges and problems to the nation-state which greatly exceed those of normal international intercourse.

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The “integration dilemma,” i.e., the difficult trade-off between influence seeking and autonomy protection in international integration may be argued to be particularly salient to smaller states, for example the Nordic and Baltic states, which are the subject of the four books discussed in this essay. The four volumes all wrestle with the question of national reactions to the European integration process – though with different perspectives and different theoretical ambitions. Two of them are almost exclusively empirical, while the other two have important theoretical ambitions.

Lee Miles’ volume, *The European Union and the Nordic Countries*, is an extremely well edited book with a comprehensive analytical coverage of its subject, but at the same time largely a-theoretical. It is divided into three parts. The first consists of four histories of European Union-Nordic relations from the late 1940s to the recent enlargement process. These are solid accounts, interesting not least because they are written by non-Scandinavians (Alastair H. Thomas, David Phinnemore, Sieglinde Gstöhl and Lee Miles). However, they do not contain many new viewpoints. The analyses tend to corroborate Toivo Miljan’s old characteristic of the Scandinavians as “reluctant Europeans,” and it is predicted (by Sieglinde Gstöhl) that the new Nordic EU members are likely to become “minimalist” members of the Union.

Some of the reasons for this are highlighted, at least indirectly, in the ensuing part which consists of five country studies, written by Thomas Pedersen, Anders Widfeldt, Teija Tillikainen, Martin Sæter and Gunnar Helgi Kristinsson. Except for Pedersen’s article, they mainly focus on the decisions to join or not to join the Union with special reference to public opinion and the results of the three accession referendums of 1994. These are good, solid analyses, but do not contribute much to exploring the implications for national policies *within* the Union.

Thomas Pedersen’s contribution is, for obvious reasons, more oriented towards this type of analysis. It is also more theoretical, trying to apply Hermann’s theory of foreign policy change to Danish EU policy in the 1990s. As he argues, Denmark did not become fully committed to membership of a supra-national community until the late 1980s: “Danish EU policy underwent a change in 1989–90 which, though not as dramatic as the Swedish and Finnish, was equally fundamental” (p. 81). In his view, Denmark is therefore about as much a “newcomer” to European integration as Sweden and Finland. His question is therefore: Why this change?

Drawing on recent historical research, Pedersen questions the traditional image of Denmark as “a stalwart intergovernmentalist” from the very beginning of European integration. But he also points out that once a member of the EC, Danish governments chose to dodge the debate on political integration. Therefore, the turnabout came late, in 1990, and mainly as a reaction to external shocks, German unification in particular. Till then,

Danish EU policy had not been static, but changes were at best “adjustment changes” compared to the fundamental “program change” with an element of “problem and goal change” which took place in 1990. Besides external shocks, Pedersen also refers to the effect of restructuring the domestic scene, in particular changes within the Social Democratic and Socialist People’s parties. Compared to Mouritzen (see below), he does not assign much importance to the change in Danish EU policy after the failed 1992 referendum, and the question whether this represents another fundamental change according to Hermann is not posed.

Pedersen’s chapter winds up with an interesting, though rather undeveloped discussion of the policy making process in an integrating state, which in his analysis differs significantly from that of “normal” foreign policy. In this connection, he calls for a specific theory to explain the integration policies of states as opposed to “normal” foreign policy.

The Miles volume ends with a number of highly competent issue-oriented analyses, mostly by non-Scandinavian authors, of the implications for the European Union of the wider Nordic membership – and vice versa. In the concluding chapter of this highly satisfactory book, the editor posits five determinants of the impact of EU membership on Nordic countries and their effectiveness within the Union: the success of Nordic cooperation, the role of Norway and Iceland as “quasi-members” of EU, continued domestic opposition to the EU, and the speed of Finnish and Swedish recovery.

The volume edited by Maniokas and Vitkus is interesting in several ways: It is one of the first in-depth analyses of a prospective Baltic EU member, Lithuania, and simultaneously one of the first products of Lithuania’s fledgling political science community. The aim of the analysis, which was sponsored by the Lithuanian Ministry of Foreign Affairs, is practical, namely to evaluate the present relationship between the EU and Lithuania and more specifically to judge Lithuania’s readiness to join. This analysis is performed both at the macro-level, with a focus on the state of Lithuania’s political, economic and administrative systems, and at the micro-level, where the yardstick is the feasibility of Lithuania participating in the policies of the EU.

Perhaps not unexpectedly, the report gives an overall positive statement of Lithuania’s readiness for membership. At the macro-level, it is argued that security policy or political stability concerns should not be prohibitive, and a favorable picture is painted of Lithuania’s macro-economic performance. But the study also notes important weaknesses, such as the problems of law harmonization and of public opinion; to this could evidently have been added the weakness of Lithuania’s administrative system.

At the micro-level, the picture is mixed. In some areas, especially those concerning the internal market, the analysis is fairly optimistic, while problems are foreseen in others, most notably in social (i.e., labor market) and environmental policy. Compared to the conclusions of the Commission’s

recent *Agenda 2000* report, the study gives a rather rosy evaluation. However, it does point to a number of problems which have to be solved before accession, and is – all in all – a competent and fairly level-headed analysis of the problems of adjustment by a small, post-Soviet state to the European Union. Interestingly enough, the report foresees the least problems for Lithuania in the political realm, which has dogged the integration policies of other small states like Denmark.

This is part of the theme of the third book reviewed here, Hans Mouritzen's *External Danger and Democracy*. The book proceeds from the question whether national EU policy should be formulated in the "foreign policy way," i.e., based on the notion of the "national interest," or on the basis of parochial or sector interests. As a point of departure, Mouritzen suggests that most member states actually practice the foreign policy strategy, following "the classic sociological theory arguing why a group, an organization or a nation-state will centralize and speak with one voice when exposed to external danger or other major challenge" (p. ix).

The aim of the book, then, is to test this theory on a number of selected cases, including "difficult" ones, in order to find out whether it is just as relevant to the Europe of today as it has been in some historical cases. The theory is specified thus: "The more manifest the external danger to a regime's values (including its autonomy) the more self-control will be mobilized through the curtailment of its sub-units' autonomy" (p. 11) – this curtailment being an extra power resource that the regime can mobilize in face of danger.

This proposition is tested against a number of cases, most of which involve classical security threats from a dominant, "unipolar" source (in this case Germany or the Soviet Union). This specification is intended to increase comparability with his modern cases which test the proposition against Danish, Swedish and Finnish policies towards the EC/EU's present "unipolar structure." One difference remains, though: While the pre-1990 dangers were imposed from the outside, the challenges of integration are by their very nature self-imposed or invited.

The historical threat cases need not detain us here. The theory seems to hold in most cases, except in the last one: The Swedish reaction to the Soviet submarine threat in the 1980s. However, Mouritzen is able to explain this anomaly by pointing to special features of the case.

The theoretical point of departure in the subsequent analysis of national responses to the EU is the notion of integration as a threat to national autonomy, one of the core values of foreign policy according to Mouritzen. Three cases are studied: Finland's application for EU membership in 1992, Sweden's ditto in 1991 and Denmark's reaction to the end of the Cold War, including the Maastricht process in 1990–91. In all cases, Mouritzen argues that the inherent threats to national autonomy resulted in or were associated with increased internal cohesion and centralization, but only at the elite level.

Especially in the Danish and Swedish cases, no national consensus emerged at the popular level, quite the opposite.

It thus seems that the three EU cases are partially deviant. Why this is so is explained by two factors: First, that the European “danger” is invited, not imposed. Secondly, that the EU is a structural danger, not an actor threat. This represents a considerable revision of the original theory and raises the question whether this theory really explains national EU behavior. The increasing elite consensus about the EU in the Nordic countries may arguably be related to other factors than threats to national autonomy.

Mouritzen’s argument then continues into a somewhat different, but probably more fruitful, direction when he notes that nations may adopt two different strategies towards the EU – a defensive and an offensive one. The defensive strategy has been the main strategy followed by the Nordic countries, at least until recently, but Mouritzen questions whether a more offensive style would be more productive. However, he argues, the defensiveness of Nordic EU policy rests on solid ground, primarily the lessons of history (a tradition of high degree of self-control in foreign policy) and skeptical populations. This part of the discussion is fruitful and could probably be developed. All in all, this is an interesting, though rather uneven and idiosyncratic book.

The last book in this review, *European Integration and National Adaptation*, is a collective work by scholars associated with the Copenhagen Center for Peace and Conflict Research. It focuses on testing the main author, Hans Mouritzen’s version of adaptation theory which he developed in his doctoral dissertation, *Finlandization. Towards a General Theory of Adaptive Politics* (1988). The dissertation conceptualized different modes of adaptation in terms of the “value accounts” that regimes are willing to live with vis-à-vis their external environments. Do they insist on a positive account, i.e., gaining more in terms of societal values from the environment than conceding to it? Are they satisfied with a balanced account? Are they ready to acquiesce in a negative account? Or are they seeking to reduce interaction to produce an insignificant value account? These different outcomes are associated with different modes of adaptation: Dominance, balance, acquiescence and quiescence. The values in question are general, issue-neutral values like offensive power (influence) and defensive power (autonomy) as well as issue-specific, substantial values like security, welfare and identity.

The difference is that while the dissertation focused on security policy, the present volume applies adaptation theory to integration policy. The book is in three parts: The first part is theoretical and presents and specifies the adaptation perspective. The second part applies this perspective to six different cases, Denmark, Holland, Finland, Poland, Lithuania, and the Ukraine. The third part draws some theoretical lessons from the empirical analyses.

The six empirical case studies are arranged according to the countries' relationship to the EU pole. There are two "insider" cases, Denmark and Holland, two "would-be insider," i.e., applicant cases, Finland and Poland, and finally two "outsider" cases, Lithuania and the Ukraine. That Finland has become an insider and Lithuania a "would-be insider" since then hardly detracts from the basic idea behind the set-up, namely that political distance from the EU pole matters in terms of policy.

Three of the cases deserve a brief comment: The study on Denmark (by Mouritzen) is fairly wide-ranging as it covers most of Denmark's reaction to its post-Cold War situation. But EC/EU policy is certainly central to the analysis. In the author's perspective, the referendum of June 2, 1992 sharply distinguished between two adaptive modes. Before the referendum, the Danish elite was willing to accept a general loss of autonomy to European integration in the hope of gaining increased influence, status and prestige in European politics. June 2 changed all that, forcing the political elite once more to concentrate on defending national autonomy and, in the process, leave more "offensive" aspirations aside. Thus, Denmark reverted to a value trade-off similar to the one pursued before the mid-1980s, i.e., a balance at a lower level of exchange, with more autonomy and less influence.

The Finnish case, also by Mouritzen, illustrates some of the calculations of the "would-be insider." The traditional Finnish Cold War policy towards European integration was a reflection of Finland's basic posture of acquiescence vis-à-vis the Soviet Union which resulted in a passive, autonomy-protecting stance towards the EC. This persisted until the August 1991 coup in Moscow, which freed Finland to pursue a more active European policy, characterized by a surprising willingness to concede autonomy to the EU. This willingness was mainly motivated by hopes of bolstering Finland's autonomy (security) towards the new and unpredictable Russian Federation, the expectation of welfare gains as a member and not least by Finland's position as an EU applicant. Mouritzen predicts, however, that in the long run this initial adaptive acquiescence will be supplanted by a more balanced mode of adaptation.

Another empirical case is Lithuania, written by Kornelija Jurgatiene and Ole Wæver. In a thorough analysis, the foreign policy values of the new Lithuanian regime are identified; among these a strong ethno-nationalism (not unnatural for a new state) is singled out. These values are then confronted with the whole gamut of Lithuania's external relations – with Russia, Central Europe, the Nordic countries, NATO, the European Union, etc. Concerning the latter aspect, it is pointed out that restriction of autonomy is difficult in a country subjected to 50 years of forced integration; the main picture is therefore a certain willingness to concede autonomy to the EU in order to promote security and export interests, but also an effort to protect national independence. In conclusion, the two authors characterize the Lithuanian

posture (as per 1994) as quiescent. “Lithuania is not giving in to major pressures from either side, not extracting concessions from any of the parties either – it is surviving on not being drawn into big politics either way” (p. 228). Since then, however, a shift in attitudes has taken place as Lithuania has become an applicant for EU membership; the policy assumptions behind the analysis in the Maniokas-Vitkus volume resemble the adaptive acquiescence of Finland before membership.

Mouritzen draws some theoretical conclusions from the six cases, linking the various adaptive modes to the relevant “constellation” in relation to the unipolar EU structure in post-Cold War Europe. As indicated, he distinguishes between three constellations: EU insiders, would-be insiders and outsiders, which are countries either unwilling or unable to envisage EU membership. For the insiders, Mouritzen concludes that a balanced mode is most likely. As insiders, they are deeply dependent on the norms and decisions of the Union, but because of the decision rules of the Union, they also have a reasonable influence on those decisions. As demonstrated by the two examples of Denmark and Holland, a balanced mode can differ significantly as to where the balance is sought between offensive power (influence) and autonomy. Holland, for example, because of its history has not been content with the kind of small state influence that Danish policy makers find satisfactory. The Dutch balance is therefore found at a higher level of interaction than the Danish one.

With respect to would-be insiders, the prediction is for acquiescent policies. The country in question is in an applicant situation, perhaps competing with other applicants, and therefore has a strong incentive to prove itself worthy of membership as a good European. In addition, it may be added, membership does imply a wholesale acceptance of the *acquis communautaire* with its numerous infractions of national sovereignty. This policy is characteristic of Finland (before accession), Poland, and today also Lithuania.

Finally, the prediction for outsiders is more vague. As outsiders, nations can adopt various modes, such as quiescence (in the case of Lithuania before seeking membership) or a less clearly defined policy in the case of the Ukraine.

This volume has, like Mouritzen’s first book, certain weaknesses. It is not well edited, to say the least. Nevertheless, it represents one of the more convincing bids for a theory of national integration policy, also compared to other efforts, such as the two-level analysis approach by Putnam and Moravesik. However, there is still a long way to go before foreign policy theory and integration theory merge in order to produce a satisfactory account of how nations behave in an integration process.