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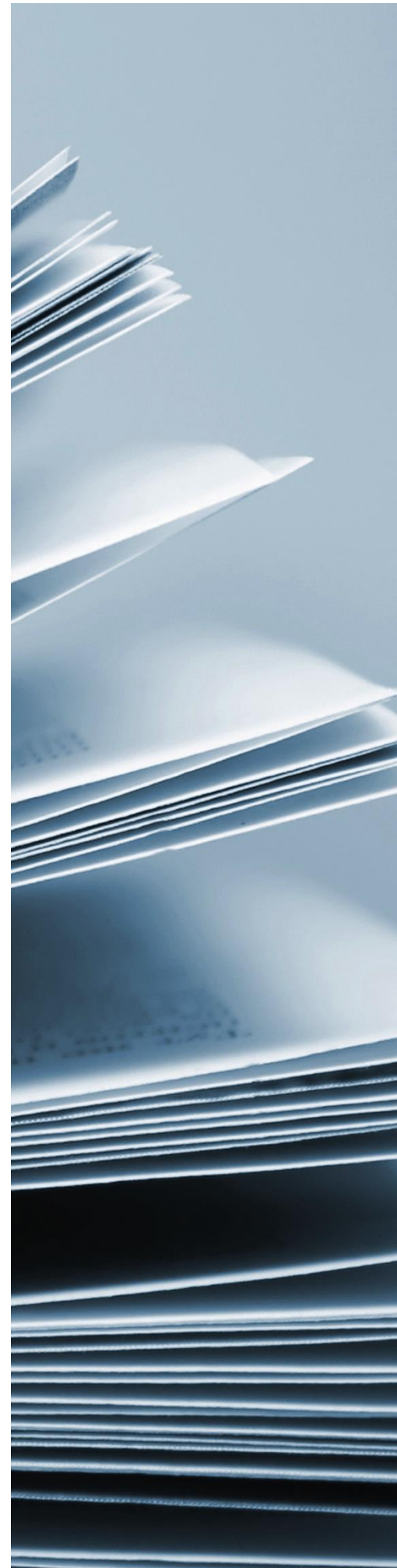
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**Differentiated integration and disintegration in the
European Union: State-of-the-art and ways for
future research**

**ISL WORKING PAPER
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Benjamin Leruth (University of Canberra)
Stefan Gänzle (University of Agder)
Jarle Trondal (University of Agder and University of Oslo)

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Differentiated integration and disintegration in the European Union: State-of-the-art and ways for future research

ABSTRACT

Following the United Kingdom (UK)'s vote to leave the European Union (EU) on 23 June 2016, the process of European integration is now at a critical juncture. Leaving aside Greenland's departure from the European Community in 1983 – because of its political union with Denmark, Greenland has been recognized as one of the Overseas Countries and Territories of the EU –, the United Kingdom is the first member state in the history of European integration to engage in a process of disintegration which may ultimately see full withdrawal from the EU in the spade of two years following the UK's trigger of Article 50 TEU. This means that a new chapter in the rich literature on differentiated European integration is going to be opened. Obviously, the dusk has yet to settle before the impact on both the EU and the UK will become discernible and the future shape of the UK-EU relationship in the post-Brexit era will finally appear. Thus, it is a timely task for practitioners and scholars of various EU-related disciplines to ponder what the implications for the future of European integration are in more genuinely. Has European integration reached a tipping and is interstate cooperation reverting to the 'old normal' of intergovernmental relations of 'sovereign states' constituting the bedrock of international relations? We are convinced that, now more than ever, academics from different sub-fields of European studies and stakeholders should be brought together in order to discuss the causes and consequences of Brexit. It is through interdisciplinary co-operation that researchers will be able to fully grasp the new developments across and beyond Europe. To this end the Collaborative Research Network (CRN) on 'Differentiated integration in the European Union after Brexit' has been launched under the auspices of the University Association for Contemporary European Studies (UACES). It has been co-founded and directed by the authors of this working paper. The CRN aims at enabling such discussion between academics, stakeholders and practitioners.

*Introduction*¹

This working paper – the first in a series of working papers to be released as part of the CRN’s activities – aims at sketching a state-of-the-art review of the existing literature on differentiated integration in the EU by suggesting a stages-based overview. Although differentiated integration has been an issue for other systems of regional integration, too, we constrain ourselves to the example of the EU integration process, in particular after the Maastricht Treaty. Thus, ideally, four stages of studies can be distinguished: (1) the ‘early’ studies of differentiation, which started emerging in the post-Maastricht 1990s; (2) the post-Euro and ‘big bang enlargement’ stage, which mostly focused on policy-based differentiation; (3) the post-Lisbon period which triggered substantial efforts in theorizing and conceptualising differentiated integration; and, eventually, (4) an emerging new generation, which aims at explaining how the multiple European crises will shape the future of European integration after Brexit through the lens of differentiation. The paper shows how increasing volume and forms of differentiation of the EU is followed by differentiation in the study of it. Three stages of studies have not established conceptual agreement of what (dis)integration is, what the main sources of it are, and with what consequences. One reason for this could be that “EU governance research tends to follow a pattern of self-centred and self-referring national focuses” where “the national agendas with their specific preoccupations and interests still matter” (Larat and Schneider 2009: 181). Thus, this fourth and new stage of studies is needed to come to some sort of scholarly agreement what is likely to be the next main step in the history of the EU: differentiated (dis)integration.

Before enquiring into ‘differentiation,’ a common understanding of ‘integration’ is needed, yet not often provided in the literature. We choose a less attended definition by James G. March (1999: 134) who understands integration as follows: “[w]e imagine a world consisting of a set of parts. At the least, integration is gauged by some measure of the density, intensity, and character of relations among the elements of that set” He then suggests three parameters for integration, that is consistency among the parts, interdependence among the parts, and structural connectedness among the parts. Following this understanding, differentiated European

¹ This chapter was prepared for the European Ombudsman 20th Anniversary Colloquium, Monday 22 June 2015, Radisson Blue EU Hotel, Brussels. We thank Nynke Kuperus for her research assistance.

integration should be gauged by the differentiation of the density, intensity and character of relations among the elements of a set (of member-states). Similarly, European disintegration could be equally assessed by lower density and intensity of consistency, interdependence and structural connectedness. Yet, as the following discussion suggests, different stages of studies have viewed differentiation of the EU differently (Goetz and Meyer-Sahling 2008; Kohler-Koch and Larat 2009).

Differentiated (dis)integration in Europe

Differentiated integration is not an entirely new phenomenon neither in the history of other systems of regional integration nor in European integration itself. With regards to the latter, there has been a burgeoning literature (see below) devoted to the study of differentiation ever since the phenomenon became more pressing in the aftermath of the Treaty of Maastricht, one of the EU's *sauts qualitatifs* in terms of integration. There are also several examples of disintegration – tentatively conceived as withdrawal from membership – that have occurred over time: Algeria (1962), Greenland (1985) and Saint Barthélemy (2012) have departed from the European Community and Union albeit for very different reasons. Clearly, none of these entities have left as ‘full’ member states, such as it is most likely going to be the case with United Kingdom although the country had secured several ‘opt-outs’ that is has been described as an ‘awkward partner’ (George 1998) of the EU altogether.

Differentiation can take various forms which are often intertwined, such as functional institutional and spatial/territorial as well as temporal differentiation (see e.g. contributions to Dyson and Sepos 2010). Turning to the EU, differentiated integration can almost be seen as the natural state of affairs because of the Union's very character as a ‘composite polity’ and as a ‘compound of states’ – as famously put in the Maastricht judgement of the German Constitutional Court. European integration is to be perceived as a process and polity borrowing federal(izing) as much as confederal(izing) aspects in terms of its governance. Only few of the EU's competences are exclusive, most being shared with the member states or even completely left in the realm of the nation or member state completely. While EU states have morphed from ‘nation-states’ into ‘member states’ (Bickerton 2012), they also exhibit traits of hybrid statehood which also implies that they can easily revert to more classical notions of atavistic and

autonomy-seeking ‘nation statehood’. Turning from the EU’s shape of polity to its policies, we find that many of the Community policies – such as for instance the Common Agricultural Policy (CAP) or, more obviously, regional and cohesion policy have emerged only in sketches and constantly developed over time – often benefitting from windows-of-opportunity or taking the form of side-payments to member states in order to ferment significant changes. With European integration advancing in a non-linear and non-comprehensive way, we must perceive of differentiation in terms of both a cause and effect of regional integration.

Still, it is remarkable that differentiated integration has never been seriously explored in the vast field of European integration theories which has been attributed “to the fact that the conditions present in Western Europe were unusually favourable to the generation/cultivation of spill-overs from one functional arena to another and from lower to higher levels of common authority” (Schmitter and Lefkofridi 2016: 2), in short, integration. The ‘permissive consensus’ – meaning that the process of integration was passively approved by public opinion or at least not actively contested – has allowed to perceive of European integration almost as a one-way street for a long time, resulting in a steady progression towards an ‘closer union of peoples and states’ as confirmed in the preamble to the Treaty of Rome. None of the established grand schools of thought of the likes of Liberal Intergovernmentalism, Neo-functionalism and Social Constructivism have developed propositions on differentiated integration – if not disintegration – and have been regularly criticized for their alleged bias in favour of European integration. This holds with the exception of Philippe Schmitter and Ernst B. Haas, the doyens of neo-functionalist thinking, who also remind us that any serious theory of regional integration needs to account for reverse processes, hence disintegration, as well (Haas and Schmitter 1964; Schmitter 1969).

Consequently, differentiation should not be just read as yet another form of or response to crisis. The process of European integration is abundant of examples of fundamental crises, such as the ones triggered by the failure of the European Defence Community in 1954, the Empty Chair Crisis of 1965/66 or the ‘Euro-sclerosis’ of the 1970 to name but three. Differentiated integration is not *per se* a crisis, yet needs rather to be perceived as a variant of integration. The next section will briefly outline how differentiated integration has been explored in various fields of literature and research over the past two decades.

The first stage (1990s and early 2000s): defining and discovering differentiated integration

While certain limited elements of (legal) differentiation are present in the Treaty of Rome (see e.g. Hanf 2001), the idea of differentiated integration finds its roots in a report on the future of European integration written by Belgian Prime Minister Leo Tindemans (1975), in which he laid the foundations of a ‘multi-speed Europe’ without explicitly mentioning this notion (Stubb 1996). The general concept of differentiation appeared for the first time in the primary Community law in 1986, as stated in Article 8c of the Single European Act (now Article 27 of the Treaty on the Functioning of the European Union [TFEU]):

When drawing up its proposals with a view to achieving the objectives set out in Article 7a [now Article 26 TFEU, author’s note], the Commission shall take into account the extent of the effort that certain economies showing differences in development will have to sustain for the establishment of the internal market and it may propose appropriate provisions. If these provisions take the form of derogations, they must be of a temporary nature and must cause the least possible disturbance to the functioning of the internal market.

Despite a few publications based on the Tindemans Report and the Single European Act written in the 1980s (Wallace *et al.* 1983; Ehlermann 1984; Grabitz 1984; Wallace and Ridley 1985), academic discussions on differentiated integration arose in the early 1990s for three main reasons. First, several opt-outs from the Maastricht Treaty were granted to the United Kingdom and Denmark in 1993, leading towards more institutionalised differentiation and raising questions on the future of European integration. Second, the end of the Cold War opened the door to the future ‘big bang enlargement’, creating new challenges for the future of European integration with the potential diversification of national interests (Centre for Economic Policy Research 1995). Finally, shortly after the ratification of the Maastricht Treaty, Ehlermann (1995: 1) outlined the fact that “the next Intergovernmental Conference will (and should) open the door for more possibilities of non-traditional differentiation”. Accordingly, discussions on the constitutionalization of differentiated integration in the Treaty of Amsterdam arose, and led to the introduction of the enhanced co-operation mechanism which, to date, has only been used in three cases (divorce law in 2010; unitary patent in 2013; and property regimes of international couples in 2016; see Philippart and Edwards 1999; Fabbrini 2012).

It is in this context that the first influent academic publications on differentiated integration emerged. Often used interchangeably with the notion of ‘flexible integration’ (see e.g. Kölliker 2001, 2006; Warleigh 2002; Holzinger and Schimmelfennig 2012), diverging views on the nature of this ‘phenomenon’ has led to the emergence of various definitions. Not surprisingly, a lack of conceptual consensus characterises the first generation of academic literature; some leading researchers even avoid offering an explicit definition on the term (see for instance Warleigh 2002; Andersen and Sitter 2006; de Neve 2007). The first attempt to grasp this ‘moving target’ was made by Alexander Stubb (1996: 283), who defines differentiated integration as “the general mode of integration strategies which try to reconcile heterogeneity within the European Union”. Stubb’s study is also the first attempt to conceptualise differentiated integration, by listing about 30 models of differentiation and classifying the mechanism into three categories linked to general concepts of European integration: ‘time’ (or ‘temporal differentiation’), with ‘multi-speed Europe’ as main concept; ‘space’ (or ‘territorial differentiation’), with ‘variable geometry Europe’ as the main concept; and ‘matter’ (or ‘sectoral differentiation’), with ‘à la carte Europe’ as main concept. Based on his categorization, Stubb (1997) later summarised the member states’ positions on differentiated integration at the 1996 intergovernmental conference: à la carte Europe is only favoured by the United Kingdom; multi-speed Europe is perceived as a viable options for all member states besides Greece; and variable geometry dividing the Union into two groups, as France, Germany, Belgium, the Netherlands, Luxembourg, Italy, Finland, Austria and (to a lesser extent) Sweden favoured more territorial flexibility.

In a study of the political dynamics of differentiated integration published in the *European Law Journal*, Walker (1998: 374) was particularly critical and defined it as a ‘non-project’, which could lead to irreconcilable divergences in terms of managing boundaries between legal orders, political efficacy, democratic credentials and self-legitimation: “[c]ontingency, ambiguity and disagreement, rather than design, certainty and consensus, are key motifs in the composition of the new differentiated structure”. In another influent discussion of the Economic and Monetary Union, Schengen and tax harmonisation, Kölliker (2001: 147) found out that temporary differentiated mechanisms can lead to centripetal effects on ‘reluctant’ member states, but that only applies where policy design can “change the fundamental character of a common pool

resource or a public good”. One year later, Warleigh (2002: 2) argued that “flexibility offers the most useful means of balancing different (national) interests and thereby allowing progress to be made for (and in) the EU as a whole”. The three aforementioned studies demonstrate that this first generation of studies of differentiation were trying to understand its effects on the process of European integration.

During this period, a series of influent case study analyses were also published. These studies were also influenced by the first generation of studies of Europeanization (see Mèny *et al.* 1996; Olsen 1996; Hanf and Soetendorp 1998; Knill 2001; Zeff and Pirro 2001; Featherstone and Radaelli 2003). Early case studies of differentiation mostly focused on the relations between the Nordic countries and the EU. Mouritzen (1993) was one of the first scholars to work on the Nordic countries as an instance of differentiation. Following the Norwegians’ decision not to join the EU in 1994, Egeberg and Trondal (1999: 134) studied the relationship between Norway (as an European Economic Area member state) and the EU; they established that Norway may be “even more sectorally penetrated or harmonized” than other EU members as far as policy harmonization is concerned, meaning that non-membership may still involve a great deal of integration. They suggested that differentiated integration could be captured as two ‘forms’ of affiliation: a territorial form of affiliation between domestic ministries of foreign affairs and the Council, and a sectoral form of affiliation between domestic sectoral ministries and agencies and the EU’s executive branch of government. Following this study, Trondal (2002) conceptually questioned the membership/non-membership dichotomy by suggesting that different parts of member state administration might be connected differently to different parts of the EU institutional fabric (see below). The argument went that the structure of the European Commission, to which the Norwegian government is coupled, works according to a sectoral logic that can be derived from its main principles of organizational specialization; i.e. purpose and function. The Commission structure may thus underpin tendencies of national executive fragmentation. The Council structure, on the other hand, from which the Norwegian government is decoupled, fosters a geographical or territorial logic that encourages horizontal co-ordination efforts in the member states, and the formulation of national interests. Thus, those who argued that sectorization follows from enhanced europeanization (e.g. Siedentopf and Ziller 1988; Kassim and Wright 1991; Burnham and Maor 1995; Wessels and Rometsch 1996; Dehousse

1997) as well as those who observed national interests to be rediscovered (e.g. Moravcsik 1993; Milward 1996) were both partly right. In EU member states, the two tendencies may be seen as balancing each other more or less. In an EEA country, the integrative force of the Council structure is absent (Egeberg and Trondal 1999).

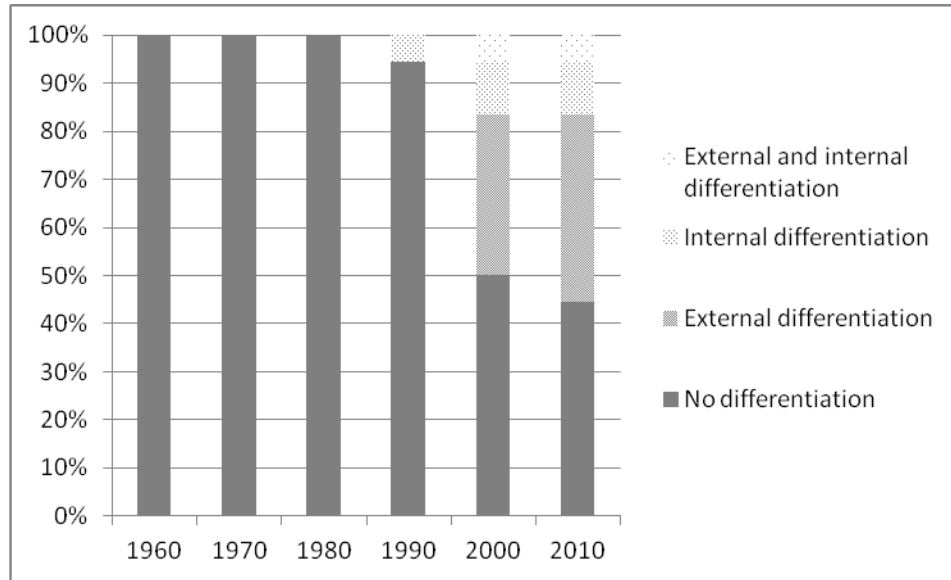
Petersen (1998) studied Denmark's integration policy in what he called a 'dilemma' between influence capability and stress sensitivity. Gstöhl (2002a; 2002b) also published studies on the so-called 'reluctant Europeans', i.e. European countries that did not join the EU (i.e. Norway and Switzerland) or did not join the Economic and Monetary Union (i.e. Sweden). Much like Kölliker, she also argued for the need to theorize differentiated integration following the ratification of the Treaty of Amsterdam (Gstöhl 2000).

Ingebritsen (1998) sparked a debate on the motives why some Nordic states resist EU membership and others do not. She argued that international security policy considerations and the political influence of leading economic sectors – in the case of Norway the petroleum industry – are the prime causes for dividing the Nordic states in their relations with the EU. Neumann (2003) as well as Tiilikainen (2003) have challenged this point of departure and emphasized the role of cultural identity and the different historical and political orientations of the five Nordic countries as explanatory variables for differential patterns of Nordic accession and association. Interestingly enough and unlike this particular interest on the Nordic countries, there were few country-specific studies focusing on the United Kingdom as a case for differentiated integration. In 1995, the UK-based Centre for Economic Policy Research (1995) published an extensive, 191-pages long report advocating flexibility to shape the future of European integration.

The second stage: the post-Euro and 'big bang enlargement' studies The introduction of the third stage of the Economic and Monetary Union and the 2004 'big bang enlargement' effectively led to an increase in differentiated integration, and to the emergence of what many will dub a 'two-speed Europe' (see e.g. Piris 2012). By 2010, more than half of EU policies were implemented in different ways (see Figure 1). Majone (2009: 205) acknowledged that the EU is evolving into a "number of, often overlapping, state groupings established for cooperation in a variety of fields" (see also Jensen and Slapin 2012). During this period, academic studies

extended the work conducted by the first generation of scholars by improving the theoretical and empirical depth of what started to become a sub-field of European studies.

Figure 1. Evolution of differentiated integration over time



Source: Leuffen *et al.* (2013); see section on the third stage of studies on differentiation. Analysis based on the 18 policy areas covered in European integration.

From a theoretical perspective, many studies attempted focused on the scope and limits of differentiated integration in the EU. Andersen and Sitter (2006) asked ‘how much differentiation can the EU accommodate?’ and proposed a typology of European integration with four models: homogeneous integration; aligned integration; deviant integration; and autonomous integration. They argued that differentiation is now “a common and normal phenomenon” and that its study should also include formal and informal arrangements (*ibid.*: 327). De Neve (2007: 516) asked whether differentiated integration is reshaping “the European polity into what increasingly resembles a multi-layered European Onion”, and also questioned whether there could be ‘too much’ differentiated integration. Following the first Irish vote on the Lisbon Treaty, Jensen and Slapin (2011) focused on the efficiency of what they call the ‘multi-speed approach’ and created a model under which opt-outs could lead to cascades (i.e. a ‘domino effect’ under which member states opt out because of other member states’ decisions to opt out; with the authors using Sweden’s informal EMU opt-out as a case study) or no cascades (with the authors using

Schengen and the Social Charter as case studies). The latter study, however, reflects some of the semantic confusion in the existing literature, as it contradicts Stubb's original categorisation of differentiated integration by using 'multi-speed integration' as a synonym of differentiation (see also Leruth and Lord 2015). The varied ideas about differentiation led Johan P. Olsen (2007) to ask what kind of political order Europe was in search of. The EU was depicted as "a conceptual battleground and an institutional building site" (Olsen 2010: 81). The EU was also viewed as a compound and unsettled system consisting of a varied mix of organizational forms, governance patterns, and ideas about legitimate forms and speeds of integration. Institutional differentiation was understood as "new institutional spheres have split off from older ones and developed their own identities" (ibid.: 142) and where political order consists of relatively autonomous institutional sub-systems with separate actors, structures, sources of legitimacy and resources. The overall institutional ecology was seen as consisting of nested and coevolving institutions that yet enjoy relative mutual independence.

During this period, Dyson and Sepos (2010: 4) edited one of the first books which focused on differentiated integration as a whole. The editors defined it as "[...] the process whereby European States, or sub-units, opt to move at different speeds and/or towards different objectives with regard to common policies, by adopting different formal and informal arrangements, whether inside or outside the EU treaty framework, and by assuming different rights and obligations". This extends Kölliker's definition by including "formal and informal arrangements" in the framework of differentiation, which were first introduced by Andersen and Sitter (2006). Nevertheless, both definitions only emphasise the 'demand' side of differentiated integration by member states, and not its 'supply' side (i.e. the power of supranational institutions to shape European integration). Dyson and Sepos' book includes a series of very useful empirical studies which demonstrate the complexity of differentiated integration. Other influential empirical analysis published during this period tended to focus on differentiated integration in specific policies and/or policy areas. These include a special issue of the *Journal of European Integration* on Euro-outsiders (Miles 2005); the impact of non-Eurozone membership (e.g. Marcussen 2009); opt-outs in Justice and Home Affairs (Adler-Nissen 2009, 2011, 2014; Balzacq and Hadfield 2012); the Single Market (e.g. Howarth and Sadeh 2010); and the Common Foreign and Security Policy (e.g. Lavenex 2011). During this period, two influential

research networks (CONNEX and EUROGOV) concluded that even the study of European integration was unable to integrate (Kohler-Koch and Larat 2009) and that the EU was characterized by *multiple* – and thus differentiated – ‘modes’ of governance (e.g. Héritier and Rhodes 2011). This period also saw different sub-fields of social sciences and law entering the study field of European integration which led to several ‘turns’ in the literature – such as the constructivist turn (e.g. Risse 2000; Checkel 2007), the governance turn (e.g. Kohler-Koch and Rittberger 2006), the public administration turn (e.g. Egeberg 2006; Trondal 2007), and so on.

The third phase: post-Lisbon studies and new concepts

With the Great Recession of 2007-08, the EU entered a multi-faceted crisis (Leruth 2017). The future of European integration became an increasingly debated issue, and so did the issue of differentiated integration. The possibility of ‘Brexit’ (i.e. the United Kingdom leaving the European Union) and even ‘Grexit’ (i.e. Greece leaving either the EU or the Eurozone) surfaced, Eurosceptic political parties became increasingly prominent across Europe, and so did the potential for European disintegration (Vollaard 2014; Leruth *et al.* 2018).

The third generation of studies on differentiated integration have been dominated by what we could refer to as a ‘Swiss-German’ school, with numerous scholars attempting to ‘tidy up’ the existing literature. In a research agenda section of the Journal of European Public Policy, Holzinger and Schimmelfennig (2012: 293) outlined some of the existing shortcomings in this field of study: “empirical analysis has been limited to a few important cases of treaty law (such as EMU and Schengen), but there are no comprehensive data sets”. Criticising Stubb’s original categorisation, they highlighted that differentiation always has territorial and sectoral impacts (see Egeberg and Trondal 1999), and that purely functional conceptions are not included in this categorisation.

They suggest a categorisation into six dimensions:

- 1) Permanent vs. temporary differentiation;
- 2) Territorial vs. purely functional differentiation;
- 3) Differentiation across nation states vs. multi-level differentiation;
- 4) Differentiation takes place within the EU treaties vs. outside the EU treaties;
- 5) Decision-making at EU level vs. at regime level (i.e. intergovernmental decisions);
- 6) Only for member states vs. also for non-member states/areas outside the EU territory.

The authors also underline that empirical examples can be found for almost all models, suggesting that “differentiated integration comes in an astonishing variety of forms and [...] the concepts of differentiated integration can and should be used systematically to describe these forms and their frequency” (ibid.: 297). The categorisation offered by the authors provides a meticulous way of analysing differentiated integration, which reflects the complex reality of European integration.

Another attempt at categorising differentiated integration was made by Leuffen *et al.* (2013), in a book that is already being considered as the must-read for scholars interested in the topic. In their views, the EU is a system of differentiated integration, i.e. “one Europe with a single organizational and member state core and a territorial extension that varies by function” (Schimmelfennig *et al.* 2015: 767). Basing their study on primary law, they start from the assumption that “the EU potentially covers the entire range of policies, but that each policy varies with regard to the level of centralization and the territorial extension” (Leuffen *et al.* 2013: 12). They determine that differentiated integration varies primarily along two dimensions: the variation in the level of centralisation across policies (*vertical differentiation*), and the variation in territorial extension across policies (*horizontal differentiation*). Furthermore, they classify horizontal differentiation into four sub-categories: (1) no horizontal differentiation, where all EU rules apply uniformly to all EU member states (e.g. pre-Maastricht Europe); (2) External differentiation, where EU rules apply uniformly to all EU member states, but non-member states can also adopt these rules (e.g. the European Economic Area); (3) Internal differentiation, where EU rules do not apply uniformly to all EU member states (e.g. Denmark through the Edinburgh Agreement or the enhanced co-operation procedure); (4) Internal and external differentiation,

where EU rules from which some EU member states opted out, while non-member states opted in (e.g. Schengen).

Between 2012 and 2017, Frank Schimmelfennig and his team at ETH Zurich published a series of in-depth articles examining various aspects of differentiated integration, such as constitutional differentiation (Schimmelfennig and Winzen 2014), the impact of EU enlargement on differentiated integration (Schimmelfennig 2014; Schimmelfennig and Winzen 2017), and the impact of differentiation on EU governance (Schimmelfennig 2016a, 2016b). Further studies also focused on differentiated integration within EU legislation, which demonstrate the increasing complexity of EU law and law-making (e.g. Kroll and Leuffen 2015; Duttler *et al.* 2017). Two major special issues focusing on differentiated integration were also published in recent years. In 2015, a Journal of European Public Policy special issue edited by Leruth and Lord (2015) reflected on the evolution of the literature on differentiated integration, and included further theoretical and empirical papers reflecting on the future of the EU (see e.g. Fossum 2015; Lord 2015; Leruth 2015; Warleigh-Lack 2015). One year later, another special issue of West European Politics argued that a differentiated EU leads to differentiated politicisation across times, countries and settings (de Wilde *et al.* 2016).

In sum, this third ‘generation’ of studies extended the scope of differentiated integration, giving further theoretical and empirical depth to the debate and suggested conceptual ways of studying differentiation. By that time, it appeared clear that differentiation should be considered as a permanent and ‘normal’ feature of European integration (Leruth and Lord 2015).

The fourth, emerging stage: the post-Brexit Union

As mentioned in the introduction, the EU is now at a crossroads. The United Kingdom’s vote to leave the EU and the British government’s subsequent decision to trigger Article 50 means that the Union is now facing a series of unprecedented challenges in uncharted territories. As a result, many scholars have attempted to explain how and why ‘Brexit’ happened, as well as its most likely consequences for the future of the EU. For the first time in the history of the EU, one country chose to leave the Union via referendum, thus leading not only to differentiated European integration but towards a form of European *disintegration*. Yet, the existing literature on European disintegration is relatively scarce, mostly because of the lack of empirical evidence

pre-Brexit (Zielonka 2014). In commentaries published shortly after the referendum, Jones (2016) and Rosamond (2016), among others, emphasise the need to fill this new gap in the literature by developing ideas of European disintegration.

To date, one of the only articles that attempted to ‘explain’ European disintegration is the one written by Vollaard (2014), written in the context of the Euro crisis. In this piece, the author suggests that existing studies of differentiated integration (such as Leuffen *et al.* 2013) “only explain why some Member States do not join all integrative steps, and not whether the EU could become *less* integrated” (Vollaard 2014: 1143). Yet, by combining these insights on European disintegration with differentiated integration studies, it is possible to categorise Brexit as a ground-breaking case of *differentiated disintegration*. Analytically speaking, differentiated integration and disintegration involves merely variation on those dimensions that are thought to capture the phenomenon.

Drawing on the aforementioned work of Leuffen *et al.* (2013) on differentiation, *differentiated disintegration can be defined as the general mode of strategies under which a member state withdraws from participation in the process of European integration or under which EU policies are transferred back to member states*. This (working) concept of differentiated disintegration will take shape within the next couple of years, depending on the outcome of negotiations between the EU and the United Kingdom. Interestingly, this discussion applies states as unit of analysis and does thus not disaggregate the state into its component parts. The public administration turn in EU studies have done so, yet, the differentiated (dis)integration literature has not attended much to this public administration literature when conceptualizing and mapping differentiated European integration. One could imagine, for example, that administrative units such as agencies withdraw from cooperation within a member-state, or that a member-state withdraws from formal membership in the EU whilst some domestic agencies keep their membership in EU administrative networks. This idea is captured by the public administration approach to European integration that sees the Union as consisting of interconnected sets of agencies, ministries and regulatory networks (e.g. Egeberg 2006; Bauer and Trondal 2015; Heidbreder 2015; Knill and Bauer 2016).

Conclusion: differentiated (dis)integration as a field of study

On 1 March 2017, the European Commission (2017) presented its White Paper on the Future of Europe, which established five concrete scenarios for Europe by 2025: carrying on; nothing but the Single Market; those who want more do more; doing less more efficiently, and doing much more together. The third scenario, which is allegedly favoured by Jean-Claude Juncker and Angela Merkel (EurActiv 2017), explicitly calls for further differentiation; while scenarios two and four call for different forms of disintegration. One thing is sure: following the Brexit vote and with an EU in crisis facing increasing levels of Euroscepticism at all levels, the status quo option is no longer an option (Leruth *et al.* 2018). Yet, we would suggest three broad conceptual scenarios that might organize the discussion on differentiated integration and linked to this, EU's resilience in the face of crises:

Scenario 1: Breaking down

A first scenario builds on rational choice based perspectives and suggests that the EU as we know it will *break up* due to member-states' unwillingness to deal collectively with crises. Particularly in intergovernmentally organized areas policy-making outcomes assumedly follow processes of member state bargaining, where strategically rational actors meet to maximize their predetermined and fixed preferences. On this basis, one would expect the EU to be fragile in the face of crisis: Only to the extent that the member states perceive integration or cooperation to be in their interests will they seek common solutions to externally induced challenges. Neo-realist perspectives would therefore predict crisis to *undermine and fragment* the EU project. To the extent that member states are able to agree on common action in the face of common threats, EU policies would be increasingly oriented towards bolstering the member states' common *interests*. Also liberal intergovernmentalist approaches would expect crisis to challenge the EU project, unless member states expect that economic gains of common policies outweigh expected costs of working together. In general, member states would however be less likely to share sovereignty or contribute to redistribution in times of austerity, or when faced with an EU sceptic population, and would in any case strive to remain in power to veto any future changes.

Scenario 2: Muddling through

A second scenario builds on organizational-institutional approaches and suggests that the EU will *muddle through* crisis through path-dependent and incremental responses that build on pre-existing institutional architectures: Rather than breaking up, crisis may reinforce well-known organizational solutions and governing arrangements and thus have little profound effects on EU integration and governance. Institutional approaches suggest that governance systems and governance practices under stress may revert to or reinforce pre-existing organizational traditions, practices and formats, reinforcing institutional path-dependencies. This may occur because organizations are thrown into a reactive mode of response where decision makers replicate structures that are perceived as successes in the past. Pre-existing institutions may serve as an important source of stability in the face of crisis, enabling organizations to ride out stressful times.

Scenario 3: Heading forward

A last scenario suggests that crises may trigger more integration to address common challenges, leading to the delegation of new powers to EU institutions in a variety of policy fields. There are several ways in which crisis may lead to such change: First, crisis may entail a fundamental questioning of pre-existing governance arrangements and cause a fundamental institutional soul-seeking; crisis may produce critical junctures that generate ‘windows of opportunity’ for significant policy change; and crisis may trigger organizational meltdown and create opportunity structures for the origin of new organizations. This is so as organizations facing crisis may experience a disruption of equilibrium conditions. Crisis may thus also spur the emergence of entirely new institutional arrangements. Contemporary European examples include the rise of new European Union financial surveillance agencies, the structuring of the new European Union banking union, the emergent European energy union, and so on.

Although the third scenario suggests that crisis may lead to more integration, it does not specify what this might imply in terms of concrete institutional design. That is an empirical question to be analysed. This working paper demonstrated that much like the use of differentiated integration, academic studies of the phenomenon have evolved considerably over the past twenty

years. From the Maastricht Treaty to the European Commission's white paper, scholars have attempted to theorise and conceptualise this 'moving target'. Given the wide range of publications related to differentiation, it is now fair to consider differentiated (dis)integration as the next main step in the study of the EU.

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