United in Diversity?

A study of the Growing Nationalism and its Effects on Integration in the EU

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This essay is a study of European integration where Neofunctionalism and Liberal Intergovernmentalism will be examined. These theories will be used to discover how their ability to account for Nationalism within the European Union (EU). We will examine the growing Nationalism’s underlying causes and how Nationalism could affect the future integration of the EU. Whether Nationalism can become a counterforce to the EU’s unity is investigated. Several preconditions are identified for when Nationalism is developed, namely economic inequalities. By using policy analysis we conclude that the theories have different approaches and thereby varying explanatory powers. It was concluded that Liberal Intergovernmentalism was the more adequate theory to account for Nationalism. Furthermore, perspectives from different scholars on how the EU could handle the Nationalism are presented.

Key words: Nationalism, European integration Neofunctionalism, Liberal Intergovernmentalism, Policy analysis.
# Table of Content

Introduction ................................................................................................................................................. 1  
Aim and Questions ........................................................................................................................................... 2  
Material and Method ....................................................................................................................................... 2  
   Literature Search ......................................................................................................................................... 3  
   Limitations .................................................................................................................................................. 3  
   Information Evaluation ............................................................................................................................... 4  
Theory ............................................................................................................................................................ 5  
   Neofunctionalism ......................................................................................................................................... 5  
   Liberal Intergovernmentalism ..................................................................................................................... 6  
Previous research ......................................................................................................................................... 8  
   Halikiopoulou, Mock & Vasilopoulou ......................................................................................................... 8  
   De Vries & Edwards ................................................................................................................................... 9  
   Hooghe & Marks ....................................................................................................................................... 9  
   Fligstein, Polyakova & Sandholtz ............................................................................................................. 10  
Background .................................................................................................................................................. 11  
   European Integration ............................................................................................................................... 11  
   The Financial Crisis 2008 ......................................................................................................................... 13  
   Nationalism ................................................................................................................................................ 13  
   The European Parliament Elections 2014 ............................................................................................... 14  
Results ........................................................................................................................................................... 17  
   Growing Nationalism ............................................................................................................................. 17  
   Underlying Causes ................................................................................................................................... 17  
   Economic Inequalities ............................................................................................................................. 17  
   Theoretical Explanation ........................................................................................................................... 19  
   Alternatives for Europe ............................................................................................................................ 21  
Analysis and Discussion ............................................................................................................................... 24  
Future research ............................................................................................................................................ 26  
Conclusion .................................................................................................................................................... 28  
References .................................................................................................................................................... 29
Abbreviations

EC - European Council
ECB - European Central Bank
EEC - European Economic Community
EFD - Europe of Freedom and Democracy
EFDD - Europe of Freedom and Direct Democracy
EMU - European Monetary Union
EU - European Union
EUP - European Parliament
FPÖ - Freedom Party of Austria
GDP - Gross Domestic Product
M5S - Movement 5 Stelle
NPD - National Democratic Party of Germany
UKIP - United Kingdom Independence Party
WWII - Second World War
Definitions

**Acquis communautaire** - The entire body of common rights and responsibilities of the EU. The *acquis communautaire* is in constant development, it includes all the treaties, regulations and directives passed by the European institutions and also all the judgements made by the Court of Justice (BBC, 2001).

**Integration** - In this essay the term integration will be used when referring to economic and political integration.

**Nation state** - instead of using the term “countries” this essay will use the term nation states. The formal definition of a nation state is a formal political union with a multiple or single nationalities joined together with a representative state as their formal actor (UNESCO, 2015).

**State** - A state is a form of human association distinguished from other social groups by its purpose, its territory and the area of jurisdiction or geographic boundaries (Encykoædia Britannica 2015a).
Introduction
The EU’s integration has its roots in the Second World War (WWII). After the war the people of Europe were determined to prevent the history from repeating itself from such destruction. In the post-war era states had lost the people’s loyalty since the nation states had not been able to protect its people during the war. Nationalism and strong national identities were strongly connected to Hitler and Mussolini. Therefore, many began to see the possible benefits of European integration beyond the nation state.

With only six member states and limited authority the European Economic Community (EEC) began the European integration with modest goals. Since the 1950’s the European co-operations and integration developed from the Coal and Steel Community to include almost every aspect of modern economic, political and social life. The number of member states has increased from six to twenty-eight, a union which have had an increasing amount of member states and candidates. These developments occurred peacefully and with minor violence, this makes the EU’s integration project one of the most fascinating projects in the world politics today (Forland & Claes, 1999: 18; Fligstein, Polyakova & Sandholtz, 2012: 106).

According to the report Outlook on the Global Agenda, Nationalism is classified as one of the ten most important trends in the world 2015 (World Economic Forum, 2015). Especially since the financial crisis in 2008 the support for Nationalism has increased and therefore it is of great importance to investigate its future growth. Thus, this essay will examine if Nationalism will be able to grow to the extent where it can threaten the unity of Europe. The success of Nationalistic parties in the EUP (European Parliament) elections and within the EU’s member states, many wonder if the growing Nationalism will become a threat to the future integration of the EU. In some member states the scepticism has grown to the extent where debates about leaving the EU and plans of referendums regarding withdrawal have begun. Thereby, the subject is of great importance for all European citizens when different actors are trying to pull the EU in different directions.

The theoretical framework of this essay will be based on two classical theories of European integration, Neofunctionalism and Intergovernmentalism. These theories have different approaches to integration: One aiming for a more united and collective future and the other pursuing the member states’ interests. Different scholars’ perspectives will be presented in order to present possible future structures and powers of the EU.
Aim and Questions

The aim of this essay is to examine the growing Nationalism in Europe today and how it could affect the European integration. This essay aims to respond to the questions below:

- Will the Nationalism continue to grow in Europe and could it hinder the EU’s integration?
- Can Neofunctionalism and Liberal Intergovernmentalism account for hindrances of the European integration?
- How should the EU improve according to prominent scholars in order to respond to the growing Nationalism?

Material and Method

In this essay the growing support for Nationalism in the EU and its effects on integration will be examined. Theories of European integration have a central part of this essay. Neofunctionalism and Liberal Intergovernmentalism will be tested on their ability to explain the future European integration with Nationalism as a counterforce to this process. Therefore, the essay has a predictive ambition. The method used in this essay is policy analysis since these theories are policy analyses. Consequently, the Neofunctionalism and Liberal Intergovernmentalism are both the theories and method of this essay.

This essay will use the theory consuming approach where there is a specific case in centre, which in this study is Nationalism. With help of the existing theories of Neofunctionalism and Liberal Intergovernmentalism and explaining factors within the area, this essay aim to explain what occurred in the development of Nationalism. The main focal point of theory consuming methods is about explaining processes and occurrences and why theses happen in the examined case. If the theories do not fulfil their explanatory value in the case of Nationalism the credibility is likely to decrease (Esaisson, Gilljam, Oscarsson & Wångnerud, 2012: 41-42).

Furthermore, Policy analysts’ are concerned with the relationship between policies and problems and the content of these policies. The theories of Neofunctionalism and Liberal Intergovernmentalism aim to investigate what the decisions- and policymakers do or not do and are interested in inputs and processes of a policy area. Further, the theories, are concerned with the consequences of policy regarding outputs and outcomes (Greenwood, 1996: 29-30). Policy includes the actual actions taken in order to handle concrete problems. Furthermore, theoretical approaches in this area analyse and compare its content, or critically reflect upon it. (Diez & Wiener, 2004:18).

The founders of Neofunctionalism and Liberal Intergovernmentalism both have common problems and challenges in the society, which they tried to explain and theorise. Both theories take
economic interdependencies as the starting point for explaining national states’ preferences for the future of European integration. On the other hand another conflicting aspect is the nature and powers of supranational institutions. A policy analysis is required to be on an abstract level and reflecting on the normative foundations within a policy field (Diez & Wiener, 2004: 18; Hjern, 2000: 9; Risse, 2005: 299-300, 294-295).

In this manner we have used Andrew Moravcsik’s heuristic model (see Figure 1.) where he explains the Liberal Intergovernmentalists’ framework of analysis. Ernst Haas’ heuristic model has also been used. The Neofunctionalist model explains the integration process in a more simplistic way. The process of integration is in the following phases 1. Eurocrats and business leaders seek economic integration 2. Economic integration in certain sector 3. A higher authority supervises and promotes integration. 4. Sector full of integration 5. Spill over occurs and the process is repeated in a new sector. For a more elaborate explanation see the Theory chapter of this essay.

**Literature Search**

In order to find the information for this essay mainly the Jönköping University’s library resources have been used. In particular the database Primo has been our main source for peer reviewed articles. In addition, Academic Search Elite and JSTOR were used in order to expand the base of literature further. Moreover, Jönköping Stadsbibliotek provided us with useful literature. When searching for literature we coherently used the same search words for the different databases. Furthermore, international and Swedish newspapers have been used in order to access the most recent updates regarding Nationalism. The newspapers used are BBC, The Guardian and Svenska Dagbladet. In order to find the information needed the search words: “Nationalism + EU”, “European Integration”, “Euroscepticism” “Neofunctionalism”, “Liberal Intergovernmentalism” were used.

Since the subject of this paper is the growing Nationalism in the EU and its effects on the integration. The EU’s institutions are of great relevance and these institutions’ websites contain valuable data and basic information.

**Limitations**

Nationalism is a large subject in the EU to cover, therefore limitations have been made to the economic and political integration. Even though there is extensive literature on European integration we have been able to limit us to the contemporary Nationalism and how it has an influence on the economic and political integration in the EU. Even though there is extensive literature on European integration we have been able to limit us to the contemporary Nationalism and how it has an influence on the economic and political integration in the EU. When researching, the majority of literature found was regarding Nationalism and European integration and these
subjects' connection to economic factors. Consequently, we limited this essay's focal point to economic factors.

This was due to the fact that the integration in this essay will examine is the economic and political integration in the EU. Thereby excluding integration related to immigration. This would seem like a closely correlated topic to Nationalism, but research found states that immigration is not one of the most influential preconditions for Nationalism to develop. Instead, economic inequalities have proven to be the most influential precondition and anti-immigration sentiments develop as a result of feeling unsatisfied with the economic situation (Solt, 2011: 825).

The theories Neofunctionalism and Liberal Intergovernmentalism were chosen for analysis due to their polarised parts of the European integration debate. Both theories have been the most prominent theories when explaining European integration. The theories are also in many ways each other’s opposites due to their different principles and objectives. Therefore, we found it interesting to evaluate if the theories are capable of explaining the emerging Nationalism today (Risse, 2005: 294-295).

**Information Evaluation**

The material used in this essay has been selected based on the sources’ authenticity, objectivity, timeframe and non-biased (Esaisson, Gilljam, Oscarsson & Wängnerud, 2012: 279).

Even though Haas, the founder of Neofunctionalism, has been cited to a great extent by other authors we also read his original work to get a broader and objective perspective. Also, this is done with caution since Haas’ work was first published in 1950’s. Therefore, the time-frame for his research must be viewed critically since the political and public views have developed. It is a balancing act considering the different aspects when critiquing sources. In this case, the value of the primary source makes up for the less beneficial time-frame. Therefore, both primary sources and recent research have been used to validate the information. In order to find reliable and relevant information about the EU we have, to some extent, used the EU’s official websites. Although we were aware that the EU can have own incentives and can present somewhat bias information (Hyman, 2003; Börzel, 2005: 231-232).

Since the choice of method is policy analysis it means that we have analysed secondary sources in order to respond to the questions in this essay. Therefore, it has been crucial to choose the journals, articles, books carefully and intentionally choose prominent scholars whom are active in the field. Although European Integration theory has been analysed and researched to a great extent since the beginning of the EU this essay contributes with a new perspective regarding today’s
Nationalism. The essay gives an overarching insight in how Nationalism can affect the European integration in a way which the previous research has not.

Theory
In this part of the essay two theories of European integration will be presented, these are Neofunctionalism and Liberal Intergovernmentalism.

Neofunctionalism
Neofunctionalism is a developed version of functionalism, which has been practised on a regional level to explain early phases of institutions. Its predecessor Functionalism is an approach concerning the formation of international organisations. The theory encourages international cooperation on scientific, humanitarian, social and economic issues (Encyclopædia Britannica, 2015b).

Political integration is the process whereby political actors in several distinct national settings are persuaded to shift their loyalties, expectations and political activities toward a new center, whose institutions possess or demand jurisdiction over the pre-existing national states. (Haas 2004: 16).

Ernst Haas developed the theory Neofunctionalism in the 1960’s. Haas was a Robson Professor of Government Emeritus in the University of California, Berkeley and was considered a reputable scholar in the fields of international organisations and international relations. The notions and process of international integration was Haas areas of concern. Haas’ early books The Uniting of Europe (1948, reissued 2013) and Beyond the Nation-State (1964), is today read and cited to a great extent (Hyman, 2003). According to Börzel (2005: 231-232), the book The Uniting of Europe by Haas laid the foundation of the most noticeable paradigms of European integration with Neofunctionalism. As Rosamond (2000: 50) states, “Like it or not, we cannot think about the analysis of European integration without confronting Neofunctionalism.”

In the book The Uniting of Europe, Haas developed the idea of Spill-over. The idea of Spill-over is built on variations in the attitudes and behaviour of governments, parties and particularly labour and business interest groups (Haas, 2004: *x).

This notion of Spill-over is a process where nation states seek collaboration in one area an automatic process begins. When integration in one sector is full integration Spills-over to another sector. In more detail, Haas believed that integration had to, at its first stage, occur in “low politics”. Low politics encompass the political area that does not directly affect the security and survival of the nation state. But these sectors of potential Spill-over in low politics have to be key strategic economic sectors. For example, the way integration started in Europe with coal and steel collaborations. When
integration in this aspect of low politics has occurred a higher authority without national ties and interests needs to be created. This authority’s responsibility is to oversee the integration and promote further integration (Rosamond, 2000: 51).

Integration in some of the economic sectors will create functional pressure on related economic sectors to also integrate. This process will be more or less continuous, in part by the functional pressure created when integration in one sector is full, but also with guidance by the higher authority. This results in the development of interdependencies. The authority will not alone support further integration, gradually social interests will also shift from the nation state to have their loyalties with the higher authority (Rosamond 2000: 52; Forland & Claes, 1999: 100-101).

**Liberal Intergovernmentalism**

Andrew Moravcsik developed the theory Liberal Intergovernmentalism in the 1990’s. Its predecessor Intergovernmentalism was developed only a few years after Neofunctionalism. It was created as a counter-argument to Neofunctionalism and as a new viewpoint of regional integration. Intergovernmentalist theory was developed by Stanley Hoffman in 1965 and further developed by Moravcsik. The Intergovernmentalist theory of European integration relies on realist’s ideas of the nation state and its role on the international arena (Diez & Wiener, 2004: 75-76). Moravcsik is a professor in politics at Princeton University. Moravcsik's theory was quickly considered the most elaborate version of Intergovernmentalism. Also, today it is seen as one of the most foremost contesters of the European integration debate (Schimmelfennig, 2015: 178; Swedish Institute for European Policy Studies, 2015).

The Liberal Intergovernmentalism is created on Moravcsik’s attempt to theorise European Integration by using the two-level game model. The two-level game means that states’ approach on the international arena is formed from domestic political bargaining. But also, the outputs of international negotiations are reflected back to the domestic politics as well. In other words, governments’ actions at one level feed into the other level (Rosamond, 2000: 136-137, 205).

Moravcsik developed the theory by combining liberal theory of state preferences and neoliberal theory of international interdependence and institutions into realist approaches. The central point of Liberal Intergovernmentalist theory is that integration occurs as a result of a number of rational choices made by national leaders (Gustavsson & Tallberg, 2007: 437-438; Schimmelfennig 2014: 178).

These rational choices respond to the geopolitical and economic interests of the nation state. Namely; the national economic interests of the nation state; the relative power of each state in the international system; and the role of international institutions in reinforcing the grand negotiations
are the preconditions which form state preferences. The state preferences are formed and influenced around the geopolitical interests such as perceived threats to national sovereignty or territorial integrity. Furthermore, the nation states’ economic interests forms preferences for economic integration, these reflect the imperatives created by interdependencies. Foremost it is the state’s opportunity to maximise their gains by cross border trade and capital movements that intrigue it to seek cooperation and integration (Moravcsik, 1998: 18, 26).

In this process the member states establish national preferences e.g. interested in increasing export of certain goods. In the second step the state configure its preferences, it forms these preferences to move forward to an intergovernmental negotiation or not. In order to achieve this, the nation states develop strategies and bargain with each other. This is necessary in order to reach agreements that will gain and make them realise their goals more efficiently or with greater profit than unilateral actions would. See Figure 1. for the analysis model of the theory. Finally, the nation states choose to delegate and pool their sovereignty in international institutions. If they choose to delegate and pool their powers in an international institution, the institutions’ purpose is to secure the agreements that nation states made with one another (Moravcsik, 1998: 20; Moravcsik, 1993: 474). But this power given to international institutions is only delegated, not assigned. Therefore the member state can take back the powers at any time it wishes (Gustavsson & Tallberg, 2007: 437-438).

The driving force of European integration is in the nation state’s rational choices made for continued development, conducted by its leaders, in response to international interdependencies. Only when actors are sure that higher net benefits can be made from international integration they seek policy integration (Schimmelfennig, 2014: 178). Therefore, Liberal Intergovernmentalists state that only when an international policy will be more beneficial than a national policy actors are willing to take steps towards integration. In other words, European integration will only be considered when national actors are sure to make benefits.
Figure 1. The Liberal Intergovernmentalist Framework of Analysis.

<table>
<thead>
<tr>
<th>Liberal theories</th>
<th>Intergovernmentalist theories</th>
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<tbody>
<tr>
<td>(International demand for outcomes)</td>
<td>(International supply of outcomes)</td>
</tr>
<tr>
<td>Underlying social factors: pressure from domestic social actors, as represented in political institutions</td>
<td>Underlying political factors: intensity of national preferences; alternative coalitions; available issue linkages</td>
</tr>
</tbody>
</table>

\[
\text{NATIONAL PREFERENCE FORMATION} \rightarrow \text{CONFIGURATION OF STATE} \rightarrow \text{INTERGOVERNMENTAL NEGOTIATION} \rightarrow \text{RESULTS}
\]

(Moravcsik, 1993: 474)

Previous research

The articles presented below investigate European integration and Nationalism in similar ways in which this essay attends to do. These articles were chosen due to their varying perspectives on European integration and Nationalism. The articles use relevant terms such as identity, Euroscepticism and radical right wing parties. These articles are presented below.

Halikiopoulou, Mock & Vasilopoulou

The article *The Civic Zeitgeist: Nationalism and Liberal Values in the European Radical Right* argues about the characterisation of the nation state and national identity in the discourse of radical right wing parties. Europe consists of several nations, which have different languages historical and cultural traditions and the growth of the European organisation lays in the diverse people and multiculturalism but yet a set of shared democratic values. The EU’s official motto is “United in Diversity” and the authors stress that the best way to unite Europe would be through inclusiveness. The radical right wing parties emphasises their sovereignty and is exclusively ethnocentric, they recognise outsiders as threats to the integrity of the nation (Halikiopoulou, Mock & Vasilopoulou, 2013: 109).

The authors’ aim is to examine how the radical right wing parties use the national symbols of their nation states in order to mobilise the voters and advance and realise their goals in the political system. Furthermore, if a radical party is recognised as legitimate or normal voters are more likely to support the party. This occurs when the party at least, in part, indicates democracy and efficiency,
values that usually would be in connection to the standard national values. Although this is not always the case, state the authors, given the connection of radical right wing parties’ ideologies such as anti-democratic, anti-constitutional and with fascist legacies. While many sympathises with these parties’ policies, especially regarding immigration, most of the voters are not prepared to support a party that they identify as a threat to the democratic system (Halikiopoulou, Mock & Vasilopoulou, 2013: 111).

Furthermore, the article examines several radical right wing parties in Europe and how they express themselves, main goals and in particular immigration. The different parties all around Europe have had varied success, some of them successfully operate in democratic systems. In addition, the article argues that the different radical right wing parties’ levels of success depend on the parties’ ability to appropriate liberal values. Most importantly, be acknowledged as a “normal” party by the nation’s citizens (Halikiopoulou, Mock, & Vasilopoulou 2013: 111).

**De Vries & Edwards**

Euroseptic ideas exist both on the extreme right and left wing of the political spectrum, on different basis. De Vries and Edwards (2009: 6, 21) examine this further in the article *Taking Europe to its extremes*. According to the authors, within the Western Europe party systems a so-called “Europhoria” represent the norm. Until now, Euroscepticism and strong resistance against the integration process have mainly been found on the outskirt of the left and right spectrum, outside the political mainstream.

Furthermore, De Vries & Edwards (2009: 10) state that the Euroscepticism can be divided into two dimensions. The extremist parties on the right wing want to protect the national independence from control from Brussels and feelings of cultural insecurity lead to rejecting further integration. On the other political spectrum, the left wing extremist parties base their rejection of further integration on the neoliberal characteristics and its negative impact on the welfare state.

In conclusion, De Vries & Edwards believe that Europeans should be cautious about the growing Euroscepticism today. The main gatherings of these attitudes are on the outskirts of the political systems. These parties are decisive forces, which seriously can sway popular opinion against the EU. They use the growing uncertainties about Europe’s future to mobilise the public (De Vries & Edwards 2009: 6, 21-22).

**Hooghe & Marks**

In Hooghe and Marks’ article *Does Identity or Economic Rationality Drive Public Opinion on European Integration?* (2004) the authors discuss identity and how it influences the integration.
Hooghe & Marks (2004: 415) investigates the importance of identity and its connection to the attitude towards integration. Mainly the preferences for international governance have focused on what is the most economically profitable. Also, this subject is usually analysed in what way integration affects identity, but this article turns the direction of investigation and analyses how individuals’ identities affect integration preferences. How individual attributes such as education and occupation can affect these preferences. Thereby, this article gives a new perspective on integration preferences.

The authors state that citizens do review the economic consequences of integration before deciding their preferences. Although economy is of importance, group membership is more powerful. The EU has since its start been an economic community and therefore, states the authors, that explanations of the public’s opinion of European integration has focused on economic aspects (Hooghe & Marks, 2004: 415). Regarding the citizens’ identities there are many aspects that play a vital part. As mentioned above, citizens’ group-identity such as class can be one of the aspects, which often is related to a certain preference of integration.

In conclusion, Hooghe & Marks, (2004: 418) believe that one have to understand how individuals frame their national identity. This is the more powerful aspect when citizens consider European Integration.

Fligstein, Polyakova & Sandholtz
Another article that discuss these issues is European Integration, Nationalism and European Identity by Fligstein, Polyakova & Sandholtz (2012). The article investigates the European integration and how national and European identities play a vital role in economic and political aspects of European integration.

Although the decisions taken in Brussels have created a closer cooperation between EU’s member states the public support and integration has not increased. During the last decade, especially since the financial crisis in 2008, the support for the EU has decreased and a majority of citizens have further turned their loyalties towards domestic governments. However, even though the public support for the EU is on the decline the idea of a country leaving the EU is for many unimaginable (Fligstein, Polyakova & Sandholtz, 2012: 108).

According to Fligstein, Polyakova & Sandholtz (2012: 118) the European identity is weaker in member states which have had strong, consolidated democracies. These are less likely to identify with Europe and seek European integration since their development has not generally improved after joining the EU. On the other hand, member states which democracy has improved are more likely to be positive towards the EU. Consequently, Eurosceptic views are more likely to increase
in member states such as Austria, Sweden, Denmark, and Great Britain, which have had a long tradition of democracy.

The people who feel that they have benefited the least from the EU membership will rather turn to their domestic governments to protect them from inequalities and even from the EU. The majority of Europeans identify themselves with their national identity and therefore the authors state that we should treat the increasing nationalism with precaution (Fligstein, Polyakova & Sandholtz, 2012: 119).

Although the authors are viewing the growing Nationalism in EU with precaution and believe that it can continue to grow strong, they are optimistic about the future European integration. The authors state that the process of European integration has only started. It began in the 1960’s and our opportunities to freely interact with other Europeans have only been possible in the recent twenty-five years. Therefore, it is not yet possible to state that European integration has failed. Instead, it should be given more time before criticising the process and in order for people to become more confident towards the EU. Also, they believe that the EU’s member states will continue to deepen the integration and co-operations. However, tensions by national oppositions against the EU will not disappear even though the integration continues (Fligstein, Polyakova & Sandholtz, 2012: 120).

**Background**

In this part of the essay background information related to the subject will be presented in order for the reader to get a more comprehensive understanding of the subject before moving on to the Result.

**European Integration**

In 1952 the first step towards today’s EU was taken and, the European Coal and Steel Community was founded. Furthermore, the aim was to transfer their heavy industries coal and steel under a common management. This was a strategic area, which prevented the member states to rearm without the other member states noticing. The nation states behind the community were West-Germany, France, Italy, the Netherlands, Belgium and Luxembourg. Furthermore the cooperation extended to the Treaty of Rome in 1958 and the European Economic Community (EEC). In order to make services and goods move freely across borders, a customs union was created in 1968. Together all this agreements became the European Community (EC). In 1993 EC turn into the EU as a result of The Maastricht Treaty (European Union, 2015).
Treaties in the EU are of great importance since they often have caused the political landscape of the EU to shift. Some, which are of great importance for the EU’s integration, are: The Treaty of Rome establishing the European Economic Community and The Maastricht Treaty in 1991 (the Treaty on the European Union). Also, The Lisbon Treaty signed in 2007, amending the Treaty of the European Union and the Treaty establishing the European Community (Baun, 1995: 605; Dinan, 2011: 103; Vanke, 2007: 444).

The most recent and extensive treaty, which has further deepened the integration of the EU is the Lisbon Treaty which was implemented in 2009. It is an amendment of The Maastricht Treaty and The Treaty of Rome, it can be described as the constitutional basis of the EU. The amending treaties of Maastricht and Rome contained policies which also have created great change of the EU’s integration. For example, The Treaty of Maastricht advanced the European integration into the cornerstones of nation states’ sovereignty: the nations’ foreign and security policies and also justice and home affairs (Börzel, 2006: 218; Dinan, 2011: 104).

The purpose of The Lisbon Treaty was to make the EU’s institutions more effective, transparent and increase the institutions’ democracy. The treaty also made the EU more supranational since it enhanced the EUP’s budgetary and oversight authority. The treaty also transformed the European Council’s (EC) presidential system (European Commission, 2015a).

Europe has a single market, common fundamental rights and freedoms, free movement and supranational and intergovernmental institutions. However, some are starting to question the EU and its future political landscape. On one hand, the EU has gone through a unique degree of integration beyond the nation state. On the other hand, this is mainly within the economic aspects, the political integration is still not integrated to the same extent (Börzel, 2005: 218).

The EU is a hybrid intergovernmental and supranational organisation. The EU’s institutions operate according to various levels of supranational and intergovernmental procedures. Supranational institutions are composed of people that represent the European interest, they have the authority of independent decision-making and the capacity to enforce certain decisions on member states. Supranational procedures imply that member states accept surrendering their veto. The opposite of supranational institutions is intergovernmental institutions. In these institutions the control of the process lies within the state and common institutions merely facilitate decision making amongst state representatives. The interest of the individual member state is the focus of the EU’s decisions making process. The Intergovernmental procedures imply that member state governments are not required to give up their right to veto in undesirable decisions (Hancock, 2015: 665; Gowland, Dunphy & Lythe, 2006: 325). Both these procedures can be applicable on the
theories used in this essay. Supranational institutions have traits connected to Neofunctionalist theory. On the contrary, Liberal Intergovernmentalist’s vision is intergovernmental institutions.

The EU institutions, which can be classified as intergovernmental, are the European Council and the Council of Ministers. The European Commission and the European Court of Justice are the supranational institutions. On the other hand, the European Parliament has both supranational and intergovernmental features. Furthermore, The European Central bank has supranational responsibility regarding the member states within the euro zone (Hancock, 2015: 667-677).

**The Financial Crisis 2008**

In the past ten years the support for the European integration has been on the decline. In particular, the public support has decreased due to the worldwide financial crisis in 2008. Increased immigration and slow economic growth are some of the causes for the continued decline. This has caused citizens to rather trust their domestic governments than the EU (Fligstein, Polyakova & Sandholtz, 2012: 107).

Von Sydow states that, amongst many other, that the EU as a political system attracts questions regarding the further integrations process after the crisis 2008. The author lists areas of importance when examining the aspects of the EU that are in a particular vulnerable situation after the crisis, such as the asymmetrical effects of the crisis and the threat against the unity. The first aspect can be explained that the new member states joining the EU are the ones affected the most of the crisis. So far the old and larger member states have not suffered to the same extent. According to von Sydow, stronger tendencies of comprehensive national logic existed during the crisis. Some scholars have pointed out that the foremost interest has been on protecting their own territory such as the employment and social enterprises. Consequently, open or more concealed forms of protectionism occurred during the crisis in 2008 (von Sydow, 2010: 113, 117, 123-124).

**Nationalism**

According to Hobsbawm (1990: 10) Nationalism takes pre-existing cultures and turns them into nations. Thereby, Nationalism creates nations and not the other way around. Nation state leaders use Nationalistic symbols in order to achieve certain political goals. Nationalism and national identification change and shift over time, and it has proven to go through change rapidly. Hobsbawm (1990: 10-11) states that Nationalism is a phenomenon, which is constructed from above but in order to understand it, an analysis from below is necessary.

Throughout history humans have created groups of different kinds about principles that are used to separate “us” from “them”. Nations is one example. The history can retell that millions have died in wars on behalf of their nation such as in World War I and II. According to Grosby it is
important to understand what a nation is: this tendency of humanity to divide itself into distinct and often conflicting groups (Grosby, 2005: 1).

Radical parties’ approach towards Europe is that the EU is a threat to the autonomy, identity and unity of the nation. This means that they identify the EU as a threat to the nation’s homogeneity. The parties of the radical right wings encounter the EU on primarily ethnic grounds. On the other side of the political sphere, the radical left wing parties have another sceptical view towards the EU, primarily on civic grounds. These parties identify the EU as an instrument of great power and an imperialistic threat to the territorial integrity of the member states. Preferably, radical right wing parties would like to leave the EU since they state that the EU, and other supranational organisations, is a threat to their sovereignty (Halikiopoulou, Nanou, & Vasilopoulou 2012: 508; Rydgren, 2012: 256).

The central idea of Nationalism is the right of the nation state to act as independent, free and sovereign. At the same time it is a coherent ideology, referring to the nationalists’ aim of autonomy, unity and identity and it gives answers to the national question. The authors states that systematic answers to social questions such as welfare and justice is lacking within Nationalism (Halikiopoulou, Nanou & Vasilopoulou, 2012: 509).

The European Parliament Elections 2014
Jungar (2014) examine different extreme right wing parties within Europe and focusing on the EUP election in 2014. In the elections The National Front in France reached their top result in history. A third of the French voters voted for the National Front and became France largest party in the EUP. The National Front has for a long time been named an extreme right wing party. Even though they gained a lot of power from their French voters the party has not been able to create a group in the EUP. Therefore, the party is amongst the Non-Inscrits (NI). Many Eurosceptic parties have ended up as NI, since they have not been able to create own groups. Although, Front National did seek cooperation with the parties Lega Nord, Dutch Freedom party and Freedom party of Austria (FPÖ) but did not managed to create an own group. Other examples of parties amongst the NI are National Democratic Party (NPD), Golden Dawn, Jobbik (Movement for a Better Hungary), FPÖ and Vlaams Belang (Flemish Interest). The NI-group consists of seven percent of the EUP’s seats and therefore it is possible that new groups from the NI will form during this mandate (European Parliament, 2015; Küchler, 2014; Berg, Blomberg & Lewander, 2014: 12).

Jungar (2014) clarifies that the Finns Party is an alliance between right wing populists and nationalists, where the strong Nationalistic faction have gained a considerable higher power over the party. In the EUP elections 2014 the Finns Party received twelve percent. NPD is another
right-wing party with a representative in the EUP. The party is active in Germany and with ideological roots in Nazi-Germany. A discussion regarding the party was started in Germany concerning whether or not the NPD should be allowed to participate in the elections. In Germany participation requires the parties to follow democratic values.

The UK Independent Party (UKIP) started off as an economic liberal party that was sceptical towards the EU. Jungar (2014) points out that this different them from other parties such as The National Front and The Swedish Democrats since they have roots in Nationalism. Furthermore, Jungar states that during the new leadership of Nigel Farage’s the questions concerning immigrants have gained greater importance. UKIP is turning against the mobility in Europe and in particular against migration from Central Europe. The party also became Great Britain’s largest party in the EUP elections in 2014. Furthermore UKIP, together with the Swedish Democrats and Movimento 5 Stelle (M5S) is part of the EUP group EFDD (Europe of Freedom and Direct Democracy).

The European Parliament smallest group is the EFD and since June 2014 the group is operating under the name EFDD. As Figure 2. Shows, the EFDD group has received increasing amount of votes since the start of 1999. EFDD managed to gain from 34 to 48 parliamentarians in the EUP elections 2014. David Borrelli from the party M5S and Nigel Farage from British UKIP have a shared presidency of EFDD. These two parties are the ones that dominate the Parliament group (Europaportalen, 2015; Efddgroup, 2014). The Eurosceptic parties’ increasing support was prevalent in the latest election but the EFDD parties have differing ideologies and therefore the group’s parties change groups. For example the Danish People’s Party and the Finn’s Party left the EFDD group and joined the European Conservatives and Reformists Group (ECR) instead. Consequently, Eurosceptic parties are active, not only in the EFDD and NI-group (Lewander, 2014: 35).
The political groups in the current Parliament in order of size are:

Group of the European People’s Party (Christian Democrats) (EPP)
Group of the Progressive Alliance of Socialists and Democrats in the EP (S&D),
European Conservatives and Reformists Group (ECR)
Group of the Alliance of Liberals and Democrats for Europe (ALDE)
Confederal Group of the European United Left–Nordic Green Left (GUE/NGL)
Group of the Greens–European Free Alliance (Greens/EFA)
Europe of Freedom and Direct Democracy (EFDD)
Non-attached (Non-Inscrits – NI)
Results
Growing Nationalism
In order to predict whether Nationalism will continue to grow a thorough examination of its underlying causes is needed. It is then possible to determine whether it will have an impact of the European integration or not. As stated in the background, Nationalism has in the recent years increased in popularity within Europe.

Underlying Causes
Nationalism is imposed and constructed in the nation state’s citizens through national anthems, flags, holidays, traditions, etc., provided by the nation state’s leaders. According to Solt (2012: 821) the amount of national symbols imposed at a nation state’s citizen’s increase when inequalities grow. Solt states that this is a strategy used by state leaders to conceal inequalities and derive the attention away from the issues. The national identity is equal for anyone belonging to the nation state. Consequently, Nationalism will be higher when there are greater inequalities.

Solt (2011: 821-822) continues to discuss the underlying causes of Nationalism. One theory is that the national identity gives people psychological benefits. The national identity makes them feel better about themselves and their position in society. In particular, this has been proven to be the case of people with low-income. The national identity offers them a different and higher social status identity in society. According to Hooghe and Marks economic factors does indeed affect people’s opinion about European integration. Citizens who feel confident about their economic future are more likely to be positive towards European integration and vice versa (Hooghe & Marks 2004: 416).

Simultaneously, when there are higher inequalities people with low-income are more likely to adapt a national identity in order to feel better about themselves. Therefore, concludes Solt, income inequalities and relative income are the most influential preconditions for Nationalism to develop. Solt also states a number of indicators, which are of relevance, but not to the same extent as the aforementioned. These variables are education, age, gender, marital status and unemployment. Furthermore, Solt states that nation states with lower levels of GDP (Gross Domestic Products) are more likely to be Nationalistic (Solt, 2011: 825).

Economic Inequalities
We are, still today, living in the aftermaths of the financial crisis of 2008 and many nation states have still not recovered from the crisis. According to Roubini (2014), the most critical area after the financial crisis is the economic insecurity. The slow economic recovery made populist parties’
successful since they promote more protectionist policies, often blaming immigrants for the slow growth and imposing strong national identities.

The EU has a problem with the increasing economic gap within the EU’s member states. This is creating the perfect conditions for parties to use xenophobia in order to gain power, creating a stronger “us” and “them” in order to make the unsatisfied in the society feel like they belong to the stronger national identity (Hansen, 2012: 75-76).

According to the European Commission & Eurostat (2014: 3) the income inequality has increased in all but twelve member states of the EU between the years 2008-2012 (Croatia not included in this research). In Europe, nearly 40 percent of the total equalised income goes to people belonging to the highest quintile. People in the lowest quintile earned less than 10 percent of the total incomes. Consequently, this distribution of income explains the increasing income inequalities. As a result of the financial crisis, the inequalities in the remaining fifteen states have grown. Not only Eurostat has seen that the inequalities increase due to the economic crisis. Because of the high levels of debt after the financial crisis Blanchard (2015) projects that it will take time before the economies recovers.

On the contrary, the European Commission (2015b: 1-2) is optimistic about the economic recovery. They states that due to increased private consumption, decreasing oil prices, the continued fall of the Euros effective change rate (which boosts firms’ competitiveness and profit margins) and European Central Bank’s (ECB) quantitative easing the economy will soon recover. But, the European Commission also states that the positive factors have to spread to a broader range of sectors and Europe’s economic recovery is not yet secured. In particular, the geopolitical tensions with Russia and high unemployment rate are hindering the GDP growth. Although, the European Commission has its own incentives to a more optimistic projection of the recovery.

Due to the European integration, the member states have severely reduced their ability to manage economic challenges. The EU’s political disagreement limits the member states when it comes to problem solving. The monetary union created devastating democratic and economic impacts when the ambition of the EMU was to reach further integration (Scharpf, 2015: 266).

The financial crisis has brought austerity measures upon many member states and the need for richer European states to support less wealthy member states. Furthermore, Nationalistic opinions

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1 Quintiles refer to the position in the frequency distribution. The quintile cut-off value is obtained by sorting all income from lowest to highest, and then choosing the value of income under which 20 % (lower limit), 40 % (second limit), 60 % (third), 80 % (fourth) and 100 % (upper limit) of the sample are located. (European Commission & Eurostat, 2014: 8)
are inclined to increase since austerity measures are widely unpopular by the general public. Therefore it is essential to get the whole of Europe out of the recession to tighten the economic gap between and within member states.

Nationalism becomes dangerous when the Nationalistic views are “normalised” and the extreme right wing parties make a PR-transformation and appear to behave more appropriately. For example, these parties tone down their empathsies with Nazism and Fascism. Parties like the French National Front downplay the anti-Semitic history of the party. Instead the party highlights the multicultural threat to national identity from the EU and other nation states in Europe. It is possible for normalised Nationalistic parties to gain a wider public support. (Palmer, 2013).

Although many believe that the European Nationalism will increase Rydgren (2012: 256) believes that these parties will not have the power to fragmentise the EU’s unity. He states that these parties are too small to bring forward their opinions on their own. In order to be successful they would have to create coalitions with liberal or conservative parties, something which seems unlikely today. But, Rydgren believes that it is not possible to yet foresee the complete political and economic aftermaths of the financial crisis and therefore we cannot yet rule out the possibility of a continued support for Nationalistic views. The World Economic Forum (2015) projected that of the top ten trends, the main challenges to the world in 2015 is income inequalities. Although Nationalism is the top eighth challenge on this list it will be severely affected by the income inequalities. In conclusion, it is possible to see that the economic inequalities have increased in the recent years, mainly since the financial crisis in 2008. As long as the economy and unemployment rate increases the Nationalism will have continued support in Europe.

**Theoretical Explanation**

As stated in the previous section the current economic and political situation within the EU is pointing towards a continued support for Nationalism. If Nationalism continues to grow the domestic governments will be more likely to pull their powers back to the national level and pursue politics that aim to make the EU more intergovernmental. Or, at least, give the EU as little power as possible. In order to examine this, Nationalism will be applied to the Liberal Intergovernmentalist Analysis model (see Figure 1.) and Nationalism will also be applied to the Neofunctionalist heuristic model.

When the Liberal Intergovernmentalist heuristic model is used it is possible to analyse Nationalism from the first step which is “National Preference Formation”. This is where the nation states’ preferences are formed. In the second step “Configuration of State Preferences” the state form these preferences to move forward to an intergovernmental negotiation or not. This is difficult due
to the states’ negotiations’ outcomes. Although, if Nationalism grows to the extent where such parties become governing parties the “state preferences” will be protectionism and to bring back the powers to the nation state (Moravcsik, 1993: 474).

Since Liberal Intergovernmentalists’ key actor is the nation states Moravcsik developed a theory which also could handle set-backs of integration, since integration is not always in the nation state’s interest. First of all, the theory is focused on inter-state relations. Liberal Intergovernmentalists believe that the nation states only gather their powers in the EU in order for the institutions of the EU to supervise the member states’ negotiations and agreements. This means that they could take back the powers at any time it would like to. Only when profit can be made integration is considered (Moravcsik, 1993: 474). According to the Liberal Intergovernmentalists this is possible since the powers were never transferred to the EU, only borrowed.

Another point of view is presented by the Neofunctionalists’ heuristic model. The outcome is that this model does not provide any alternative developments besides integration and continuous Spill-over. When applying Nationalism to the model the Neofunctionalism lose its credibility since it does not explain setbacks of integration. However, Schmitter (2005: 257-258) state that this is due to the fact that the theory does not have a time-frame for how long integration would take. But also, because of the Neofunctionalists process of integration implies that the people of the member states would begin to shift loyalties towards more supranational sentiments. Also, Neofunctionalists believed that Nationalism would wither away and was out-dated since it was closely connected to National Socialism (Rosamond, 2000: 77).

According to Neofunctionalism, the Nationalism will soon weaken and the support decreases. Since Nationalism is not seen as something likely to repeat itself. In addition the theory of Neofunctionalism does not account for aspects such as Nationalism, which can be named a setback of the EU’s integration.

The Neofunctionalist process of integration begins with that Eurocrats and business leaders seek economic integration since it is more profitable to integrate than the domestic market. Henceforth, economic integration in one specific sector will take place. In order to secure these agreements a higher authority is appointed with the purpose to supervise and promote integration. This authority should not have ties to any national interests. After one sector is completely integrated, Spill-over will occur as a consequence of the completely integrated sector. Integration will carry on in this manner continuously when one sector has been completely integrated and then be repeated in a new sector (Førland & Claes, 1999: 100).
The European integration stagnated during the 1970’s to such extent that even Haas started doubting the Neofunctionalist theory. However, in the 1980’s the integration was re-launched by a series of developments such as increased powers to the EUP, the Schengen Agreement, the Single Market and the creation of the Euro. These developments made the Neofunctionalists’ theory of Spill-over gain explanatory power again but still have noticeable weaknesses (Fligstein, Polyakova & Sandholtz, 2012: 107).

The result is that Neofunctionalism cannot prove if Nationalism is a counterforce. When using the Neofunctionalist heuristic analyst model Nationalism, or any retrieval of integration, is not included and continuous Spill-over is expected. Thus, Liberal Intergovernmentalism is the more applicable theory in order to account for Nationalism.

**Alternatives for Europe**

Beside the Neofunctionalist and Liberal Intergovernmentalist theories there are many opinions on the future layout and powers of the EU. Some scholars suggest dramatic changes either towards a more supranational EU or an intergovernmental structure and some even suggest fragmentising. Some do not see any issues of how the EU is shaped and therefore propose that there should not be any changes. Moravcsik and Majone state that the EU is not suffering from a democratic or social shortage. They imply that the EU is more democratic in comparison to other international institutions. Since there is no problem no solution is required. Further, they stress that the current model of the EU should be consolidated for the future (Persson, 2009: 37-40).

Another suggestion made is to keep the EU non-political which Bartolini and Scharpf believe is the most secure alternative in order to prevent conflicts and populist right wing extremist, according to the scholars Bartolini and Scharpf. They state that the politics creates divergence between the member states’ citizens. Another perspective is presented by, Hix, he stresses a far-reaching politicisation of the EU politics that are similar to the notions of Spill-over. Hix proposes further powers to the European Parliament and reforming the European election system. In order to increase the EU’s legitimacy the European intuitions have to respond more efficiently to the citizen’s preferences. One step in the right direction, according to Hix, would be to transform the EUP so the majority influences the direction of the Parliament. This perspective shows that the EU as more supranational institution would be more efficient and involve a collective voice (Persson, 2009: 37-40).

This is something which Forland & Claes (1999: 100) agree upon that the EU would benefit its member states to a greater extent if the EU were more supranational. Since they stress that the nation states’ production is superannuated. The Neofunctionalist’s is advocates for the EU to
become a more supranational institution which shall operate according to the whole of the EU’s interest. On the other hand, Liberal Intergovernmentalism emphasise intergovernmental institutions and advocates actions, which benefits the member states (Gowland, Dunphy & Lythe, 2006: 325).

According to Sachs (2008: 332-333) the EU is the forerunner in regional integration and that there is a need for global governance with similar powers such as the EU’s. It will therefore be the leading institution capable of handling future threats. Sachs states that there is a need for structural changes of the international institutions in order to handle the new threats and possibilities of international cooperation. Nation states are too small to handle the new economic, demographic, environmental challenges that are reshaping the geopolitics.

On the contrary to Sachs’ statements, Trenz & Eder (2004: 6) are not as optimistic about the EU’s structure. They state that the EU is not able to be democratic when culture, language and a collective identity are vital to the citizens and profoundly imbedded in national politics. Furthermore, the shortfall of democracy creates a democratic dilemma, as the on-going nationalisation of politics will create a democratic deficit. Problems can be created when the different member states of the EU do not share the same opinions and attitudes towards democracy. Public opinion survey shows general approval of EU, but at the same time it is combined with the EU’s inadequate democratic performance. Protests against EU institutions and governance are increasing. Something which the European political actors and institutions have started to acknowledge and criticise their own insufficiencies of democracy.

On the other hand Rosamond (2000: 79-80) believe that supranational institutions are not required in order to achieve mutual economic profits in the common market. A system organised by sovereign governments could simply create economic gains on its own. Something which many considered after the financial crisis in 2008 when the EMU’s legitimacy was questioned.

Furthermore, Bongardt & Torres (2013: 77) state that without sharing sovereignty national political systems are incapable of allocating essential coordination and reform challenges. The democratic quality of the EU governance can be questioned after the economic crisis in 2008 (Bongardt & Torres, 2013: 77).

Kupchan (2012: 178) raises questions about some features of the EU that needs be improved. According to Kupchan the EU urgently needs new leaders that are willing to expand political capital to further integration and of foreign policy in particular. Furthermore, these leaders have to be committed to the European project of closer cooperation and integration. When the WWII
generation pass the scene Europe needs a new voice justifying the European project. The EU’s institutions maintain the diplomatic and geopolitical asserts thanks to The Lisbon Treaty. Kupchan states that it is now up to Europe’s leaders’ political volition to bring those institutions to life. The existing populism in Europe has to be handled in order to prevent it to undermine the union. Kupchan suggest that the leaders should emphasise that each nation state would be stronger and part of a broader Europe and also much stronger in the world if it cohered as a more collective actor. Kupchan states: “When it comes to the EU, the whole would be much more than the sum of its parts.” (Kupchan, 2012: 178).

But according to Polyakova & Sandholtz (2013: 12-13, 16) there is in general little interest in pushing the European political integration forward. The middle and upper classes have usually supported the European integration, but after the financial crisis in 2008 the amount of these supporters has decreased. Polyakova and Sandholtz states that the EU managed to cope with the financial crisis quite well but it caused major political losses. What needs to be done is for the decision makers to reach compromises, which can create economic stabilisation while also making the EU’s institutions matter to the Europeans. An optimistic agenda, which will help all of the citizens of Europe, is necessary in order to legitimise the entire structure of the EU (Polyakova & Sandholtz, 2013: 33-34).

The heterogeneous nature of the EU is something which Hermann (2013: 87) expect with such a large union. The smaller union, the more harmonised. The enlargement of the EU implies increasing differences between the member states. As the EU expands the income, religion and culture will be more diverse. The author recommend that a larger union should be more decentralised in order for the member states to have more extensive powers to decide their own path.

The economic integration in the EU has, on the other hand, had a continuous theme: convergence. For the candidate states the main attraction for membership within the EU has been to catch up with the EU’s living standards. In order to achieve convergence and meet the EU’s average the member states needs to develop in a sustainable manner. The EU’s economic and monetary union, implementing a custom union and completing the internal market, are several examples on how the EU have extended the economic integration. A larger market is offered to the adherent member states, although some institutional convergence is required for a membership and implementation of the acquis communautaire (Bongardt & Torres, 2013: 72).

When the financial crisis occurred in 2008 the EMU’s legitimacy and sustainability was questioned. The debt crisis placed the shortage of convergence at the top of European agenda. Several member
states started to diverge from each other such as, Ireland, Portugal, Greece, Italy and Spain. The sustainability of the EMU was at risk and the member states’ growth was reduced. The domestic policies would be given a greater importance and convergence appeared to be responsive to policies. Although the main attraction for membership in the EU has been to raise living standards, however, the outcome has not been an evenly distributed development. This is a great concern for the European politicians, on both the domestic and European level. Since the financial crisis in 2008 the economic growth has not recovered in the crisis states and many are still suffering from deprivation. Simultaneously, the unemployment has reached record high numbers (Bongardt & Torres, 2013: 74; Hermann, 2013: 92). This causes the outlook for continued or discontinued Nationalism rather pessimistic.

Even though there are many forces pulling the EU towards a more intergovernmental layout the majority of authors promote a supranational future for the EU. Thus, there are many different actors whom have interest in pulling the EU in different directions. Nationalism is the strongest force trying to reduce the EU’s powers. To respond to the Nationalism it would be required that the EU’s politicians engage seriously in the inequality issue and promote further integration. But, the EU requires the member states’ support in order to achieve integration. This cannot be reached until the economy is again stabilised and the trust for the EU increases.

**Analysis and Discussion**

The previous research conducted on this subject, and presented earlier in this essay, has displayed that Nationalism is a phenomenon, which has gained extensive support in the aftermaths of the financial crisis in 2008. In this essay another outcome is found than the one that Hooghe & Marks present, they state that group identity is a stronger precondition than economy for when Nationalism is developed.

The previous research in this essay is focused mainly on radical right wing parties and Euroscepticism. De Vries and Ewdwards research come to the same conclusion as this essay, that economic inequalities are the most influential precondition for Nationalism to grow. Polyakova and Sandhotz do also agree that people who feel that they have not benefited from the EU membership are more likely to favour their national identity. Halikiopoulou et. al., on the other hand, state that the success of radical right-wing parties depends on their ability to adapt to the political landscape and be seen as “normal”. Something which this essay could not confirm. Furthermore, during the essay’s course the authors discovered that it was necessary to find the underlying causes of Nationalism in order to determine if Nationalism will continue to grow and
hinder the future integration of the EU. Despite this the previous research contributed to a deeper understanding of the existing Nationalism in Europe today.

After conducting our research we conclude that economy is the stronger precondition (Hooghe & Marks: 415; Solt, 2011: 852). Although Hooghe & Marks can be right about the group identity to some extent since class, education, and unemployment/profession are identities, which have significant economic backgrounds.

There is a common concern amongst the researches regarding the increasing Nationalism in Europe. Although these parties are mainly seen on the outskirts of the political spectrum they have proven to be able to sway public opinion rapidly. It is also concluded that the EU has still not recovered from the financial crisis in 2008. Therefore, it is not yet possible to predict the full powers of nationalistic parties.

Today, one of the Nationalists’ main objectives is to hinder the EU to become more supranational and withdraw the powers back to the domestic governments. If a Nationalistic party makes progress in its member state it will try to withdraw the powers from Brussels in order to gain sovereignty. If the Nationalism continues to grow in the member states the transformation of the EU towards more intergovernmental features will be rapid.

The wide diversity of Europe is something, which actually could hinder the future integration. Since many of the member states agreed on launching the EU on different basis there are concerns of when these interests no longer converge (Gowland, Dunphy & Lythe, 2006: 348-349). Different national interests could change the shape of the EU or even create an end-point of the integration. If the national interests become too diverse there will be no common interest in the future of the EU. This makes the growing economic inequalities between (and within) the member states a threat to the future EU.

The main differences between the theories are that Liberal Intergovernmentalists state that integration is a choice and the Neofunctionalists state that it is a process. Therefore, these two theories have different premises when explaining the growing Nationalism.

After applying Nationalism on the Neofunctionalist model we realised that the theory does not explain any setbacks of integration. The theory did not predict Nationalism as a counterforce, the focus is only on Spill-over. We expected that both theories would be able to explain the growing Nationalism. Both Neofunctionalism and Liberal Intergovernmentalism are seen as classical theories in the European integration debate. Therefore, it was unexpected to find that such a distinguished theory as Neofunctionalism to not explain any setbacks of integration.
The Liberal Intergovernmentalist’s model provides a more advanced and elaborated explanation. This is due to its ability to explain why integration sometimes comes to a halt, withdraws or abruptly continues further. Due to this, Neofunctionalism has in the recent decades received critique and Liberal Intergovernmentalism is the more favourable theory when examining European Integration.

Neofunctionalism was developed after the WWII and the theory did not foresee Nationalism to again gain extensive support. Neofunctionalism was created in post war era and start of the integration process in the Europe. At that specific time cooperation was the only solution many could imagine after the WWII since the nation state had not been able to provide security for its people. Therefore, it can be explained why Haas developed a theory which was adapted to its time. On the other hand, Liberal Intergovernmentalism was created decades later and could be more critical of integration. Thereby, both theories were created and adapted to explain integration to suit the public views of their time.

If the theories’ predictions about the future would be correct the EU’s future will be one of the following. According to Neofunctionalism, the Nationalism will soon wither away. The EU would promote, and become, a more supranational and closely integrated union. If the Liberal Intergovernmentalist’s prediction will occur the nation states will have the foremost voice in the EU. Nationalism will have continued support and the EU will only have the power to supervise the negotiations between its member states and not prevent further growth of Nationalism. Unfortunately, the Nationalism is likely to continue to grow if the economic inequalities do not decrease. Therefore, the Liberal Intergovernmentalist theory is more realistic. As long as the European politicians do not handle the economic inequalities Nationalism will have the power to disrupt the integration in the EU.

**Future research**

For further research it would be recommended to use additional quantitative methods such as statistics in order to draw more precise conclusions regarding the future growth of Nationalism. This could be used in symbiosis with policy analysis.

It would also be recommended to use another theory than Neofunctionalism since it has proven to not account for Nationalism or other set-backs of integration. We would recommend using the Multi-Level Governance instead of Neofunctionalism. In this theory political action takes place at (and between) several levels of governance. Thus, it accounts for the complexity of action carried out by private and public actors on the regional, national and international level. It is described as a two-level game. Contrary to the Liberal Intergovernmentalists’ version of the two-level game
theory, the nation state is not the sole influence on the EU’s politics. Multi-Level Governance can also explain setbacks of integration, which is the Neofunctionalism’s greatest weakness. Multi-Level Governance states that the actors do not trust one another and therefore need an authorised agent to supervise the agreements and member states are wary of delegating powers to a higher authority. However, most importantly, it states that integration is a choice. Consequently, member states and other actors can withdraw their powers and resources from the EU when they wish to (Diez & Wiener, 2004: 49-50; Rosamond, 2000: 110-111, 201).

Although Liberal Intergovernmentalism has proven to be the more applicable theory for explaining Nationalism, scholars interested in using another theory could use the Policy Network Analysis. This theory advocates closed and stable communities of actors that effectively control policy-making. Policy Network Analysis is often used to describe collections of different actors that are composed together in economic, social and political life. These networks have the capacity to engage collective actions although the structure can be flexible. Policy network implies a group of actors which has an interest, or stake in a given policy sector and the ability to help decide policy success or failure (Diez & Wiener, 2004: 117).

The European integration debate has developed and changed since its beginnings in the 1950’s, it has been described in different phases. The first phase included classical integration theories of Liberal Intergovernmentalism and Neofunctionalism. In the second phase, theories are concerned with how the EU operates and what organisation the EU actually is. Something which the Multi-Level Governance and Policy Network Analysis attends to do. We are currently in the third phase which includes the revision of the classical theories and suggestions of the future path of the EU. (Diez & Wiener, 2004: 9) Therefore, these additional theories are chosen in order to follow the development of the European integration debate.
Conclusion
In this essay the theories Neofunctionalism and Liberal Intergovernmentalism have been tested on their ability to explain Nationalism and its future growth. In order to do this the underlying causes of what creates Nationalism was investigated. The outcome is that the development of Nationalism is closely correlated to economic inequalities. Consequently, if the economic inequalities continue to grow Nationalism will have continued support in Europe. After predicting the future support for Nationalism it was possible to see how the theories accounted for Nationalism and its effects on the EU’s integration. This was found challenging regarding the Neofunctionalism since it does not account for any setbacks of integration. Liberal Intergovernmentalism, on the other hand, was found more useful and can more elaborately explain different outcomes of the integration process. Liberal Intergovernmentalism can also describe when nation states wish to retrieve their powers from the EU. Furthermore, different scholars’ viewpoints on how the EU should act in the future to handle the situation were examined. To conclude, Nationalism will be able to disrupt the EU’s further integration if the economic inequalities do not decrease. The EU’s politicians have to make an effort to reduce the economic inequality in order to maintain Europe united.
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