

# The European Commission and the Integration of Europe

*Images of Governance*

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# Contents

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<i>List of figures</i>	<i>page</i> vi
<i>List of tables</i>	vii
<i>Preface</i>	ix
Prologue	1
1 Preference formation in the European Commission	6
2 Men (and women) at Europe's helm	31
3 Images of Europe	67
4 Beyond supranational interest	93
5 Capitalism against capitalism	118
6 Principal or agent	142
7 Accommodating national diversity	168
8 Conclusion	193
Appendix I: Statistics	216
Appendix II: Description of independent variables	224
Appendix III: Survey material	233
<i>References</i>	249
<i>Index</i>	273

## Figures

---

1.1 Top officials and preference formation on EU governance	<i>page</i> 25
4.1 Hypotheses on top officials' preferences for supranationalism	100
5.1 Hypotheses on top officials' preferences for European regulated capitalism	127
6.1 Top officials and types of international governance	148
6.2 Hypotheses on top officials' preferences for administrative management	156
7.1 Hypotheses on top officials' preferences for consociational accommodation	180
8.1 Top officials and the Commission's institutional interest	196
8.2 Top officials and preference formation on EU governance	210

## Tables

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2.1	Officials by DG grouping	<i>page</i> 43
2.2	Officials by nationality grouping	44
2.3	Interest in European politics	52
2.4	Men and women interviewees	53
2.5	Study abroad for top officials	54
2.6	DG experience by seniority	56
2.7	Top officials' prior work experience	57
2.8	Recruitment into the Commission	60
2.9	Party identification and political activity	61
2.10	Time budget of a typical top Commission official	62
2.11	Frequency of contact with actors inside the Commission	63
2.12	Frequency of contact with EU institutional actors and governmental and societal actors	64
2.13	Frequency of contact between societal groups by DG grouping	65
3.1	Indicators for factor analysis	68
3.2	Factor analysis of attitude indicators for Commission officials	73
3.3	Images of Europe – where Commission officials stand	76
3.4	Role definitions of top officials	86
4.1	Top officials on supranationalism	107
4.2	Explaining supranationalism: multivariate OLS regression	109
4.3	Supranationalism by party identification	111
4.4	Four variables that capture variation among nationalities	114
5.1	Top officials on European regulated capitalism	123
5.2	Explaining European regulated capitalism: multivariate OLS regression	134
5.3	European regulated capitalism by party identification	135
5.4	European regulated capitalism by type of capitalism and corporatism	137
6.1	Correlations: dimensions of international governance	148
6.2	Top officials on administrative management	161

6.3	Explaining administrative management: multivariate OLS regression	162
6.4	Delors recruits on administrative management across subgroups	164
7.1	Top officials on nationality in the Commission	179
7.2	Explaining consociational accommodation: multivariate OLS regression	185
7.3	Consociational accommodation for internal recruits and parachutists by cabinet experience	186
8.1	Explanatory power of external and internal models of preference formation	213
8.2	Explanatory power of socialization and utility models of preference formation	214
A.1	Officials by DG in the Commission	216
A.2	Officials by nationality	217
A.3	Personal and professional characteristics of top officials	218
A.4	Dependent variables: descriptive statistics	219
A.5	Dependent variables: correlations	219
A.6	Independent socialization variables: descriptive statistics	220
A.7	Independent socialization variables: correlations	221
A.8	Independent utility maximization variables: descriptive statistics	222
A.9	Independent utility maximization variables: correlations	223

# 1 Preference formation in the European Commission

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Senior civil servants work in two worlds simultaneously: they make and take orders for routine actions in the hierarchical world of public administration, on the basis of formal rules, cost–benefit analysis, and expertise; and they mobilize support for contentious decisions in the non-hierarchical world of politics, through networking and arm-twisting.<sup>1</sup> Combining politics with expertise is indispensable in modern governance. Yet the relationship between these two worlds is delicate and contested, and senior civil servants, who are the interface between them, are directly affected.

Several institutional characteristics of the European Union exacerbate the tension between political agenda-setting and bureaucratic service (Hooghe 1997; Page 1997). In conjunction with the College of Commissioners, the officials of the European Commission have a constitutional obligation to set the legislative agenda because they have exclusive formal competence to draft EU legislation (except in foreign policy and some asylum and immigration issues). This competence sets senior Commission officials apart from their counterparts in national administrations. So they promote the policies of their directorate to private interests, politicians, public, and, last but not least, reluctant Commission colleagues. They direct negotiations between the Commission, on the one hand, and the Council of Ministers' working groups, the European Parliament, and interest groups, on the other. They broker legislative negotiations between the Council of Ministers and the European Parliament. Yet, as career civil servants, they also execute and administer political decisions taken by elected leaders. In that capacity, they provide administrative and managerial leadership to over 4,000 Commission administrators. Second, the mutual responsibilities of national governments and supranational institutions over legislation are contested. The European Union does not have

<sup>1</sup> Several researchers have studied hybrid bureaucratic and political roles for national administrations in advanced industrial societies (Aberbach, Rockman, and Putnam 1981; Campbell and Peters 1988; Christensen 1991; Ingraham 1998; Page 1985; Suleiman 1975; Suleiman and Mendras 1995; Wood and Waterman 1993).

a single political executive. The notion that the European Commission is merely an agent of national governments is complicated – and weakened – by competition among the European Parliament, the European Council, and the various functional Councils of Ministers. Interlocking competencies create significant scope for autonomy for senior Commission officials, though it also exposes them to the criticism that they are “a run-away bureaucracy” (Pollack 1997).

Commission officials are just one example of an expanding group of unelected appointees empowered to take authoritative decisions. Like public regulators, central bankers, intergovernmental negotiators, supreme court judges, and officials in international organizations such as the World Trade Organization, the World Bank, or the International Monetary Fund, Commission officials combine limited democratic accountability with authority that rests on expertise, partisan impartiality, and delegated competence. Unelected political actors walk a fine line between “being political” – which means making value-based choices – and “being an expert” – which is presumed to lift them above partisan choice. They undermine their legitimacy if they confound these roles. But this is sometimes difficult to avoid.<sup>2</sup>

In the complex setting of the European Union, Commission officials often find it impossible to resolve the tension between politics, expertise, and impartiality. As “guardians of the Treaties” endowed with unique powers of legislative initiative and considerable executive powers over an extraordinarily broad range of issues, they are intimately involved in making authoritative, that is, political, decisions (Noel 1973). As a body of unelected officials appointed for their expertise, the authoritative power of the Commission is second to none in contemporary advanced democracies. Yet, to the extent that their decisions are perceived as breaching impartiality, they are open to criticisms of partiality.

<sup>2</sup> A dramatic example is the US Supreme Court’s final ruling in the presidential contest between George W. Bush and Al Gore of December 12, 2000, which split the Court along ideological lines. Leading commentators – left and right – decried the politicization of the Supreme Court. The Justices tread the political terrain with some trepidation. They prefaced their ruling with a reminder to the public of the delicacy of their task: “None are more conscious of the vital limits on judicial authority than are the members of this Court, and none stand more in admiration of the Constitution’s design to leave the selection of the President to the people, through their legislatures, and to the political sphere. When contending parties invoke the process of the courts, however, it becomes our unsought responsibility to resolve the federal and constitutional issues the judicial system has been forced to confront” (*George W. Bush et al. vs. Albert Gore, Jr., et al.*, 531 U.S. 949 (Dec. 12, 2000).) In his dissenting opinion, however, Justice John Paul Stevens bluntly conceded that the courts had failed to walk the fine line: “Although we may never know with complete certainty the identity of the winner of this year’s presidential election, the identity of the loser is perfectly clear. It is the nation’s confidence in the judge as an impartial guardian of the rule of law.”



Senior Commission officials have always been conscious of their vulnerable position at the intersection of politics and expertise. But their position has become more precarious as European integration has deepened. In June 1992, a sliver-thin majority of Danish citizens rejected the Maastricht Treaty, which laid the basis for a currency union by 1999 and devolved more national competencies to the European institutions. This sent a shockwave through the European political class. The initial rejection was reversed in the second Danish referendum in 1993, but the rules of the game had changed. The permissive consensus in favor of deepening European integration was shattered, and replaced by a constraining dissensus. The extent to which national sovereignty should be diluted and market integration should be complemented with European-wide political regulation is now a matter of dispute among governments, political parties, and citizens. The action has shifted from near-exclusive interactions between national governments and technocrats to encompass politics in the usual sense: party programs, electoral competition, parliamentary debates and votes, public opinion polls, and public referenda. Elitist decision-making has come to an end.

The Commission has taken the brunt of the blame for public unease with European integration. It reached its absolute low point in public esteem in Spring 1999, when the College of Commissioners resigned in the face of allegations of nepotism, fraud, and mismanagement of funds (see chapter 6). Subsequent investigations into management practices in the bureaucracy provided the context for a top-down reorganization of Commission services and a reshuffling of top officials. These brisk measures shook the confidence of many Commission officials to the core, and they did little to clarify the Commission's uneasy balancing act between politics, expertise, and impartiality.

Top Commission officials, then, are by no means above or beyond the fray of EU politics. Given the powers and responsibilities they have, they are drawn into debates on the chief issues facing the Euro-polity. And their role as the interface between politics and bureaucracy is directly affected by the transition in European governance from a largely functionalist, technocratic system for interstate collaboration to a European polity where objectives and decision rules are openly contested. Where do these people stand on the issues that shape the organization of authority in the European Union? What are their political preferences on European governance?

### **Questioning top Commission officials**

In the European Union, a political struggle is being waged about first principles of political authority. It revolves around four enduring questions,

which structure this book. How should authority be structured across territorial layers of government? What should be the scope of public authority in the economy? Should the European elite be democratically accountable? What role(s) should organized interests play in governing Europe? Let us examine these in turn.

*What should be the primary locus of authority?*

European integration has been undertaken on pragmatic grounds in pursuit of collective benefits and to minimize transaction costs. Yet, it inevitably raises questions concerning the proper allocation of authority. National sovereignty has been eroded (Caporaso 1996; Hooghe 1996; Marks, Hooghe, and Blank 1996; Peterson 1997a; Risse-Kappen 1996; Sandholtz and Zysman 1989; Sbragia 1993; William Wallace 1996). Is this outcome desirable, or should it be reversed? Should member states and the Council of Ministers be strengthened, or should supranational institutions such as the European Commission and the European Parliament be bolstered? In the language of students of European integration, should the EU be *intergovernmental* or *supranational*? This echoes debates about federalism in societies with center–periphery tensions (Elazar 1987; Sbragia 1992, 1993).

*What should be the scope of authoritative regulation?*

Should the European Union promote *market liberal capitalism*, based on the Anglo-American model, or should it support *regulated capitalism*, rooted in the continental European Rhine model (Hix 1999; Kitschelt, Lange, Marks, and Stephens 1999; Rhodes and van Apeldoorn 1997; Streeck 1996, 1998; Streeck and Schmitter 1991; Wilks 1996)? The conventional left/right cleavage, which emerged out of the industrialization of Europe in the nineteenth and twentieth centuries, reflects contrasting views on the role of the state in the economy (Lipset and Rokkan 1967; Page 1995). This cleavage, the most widely present fissure across European societies, has now spilled over into the European arena.

*What should be the principles of authoritative decision-making?*

Should the European Union be *democratic*, like its constituent member states, or should it be *technocratic*, like other international organizations for economic cooperation? Political contention on this question goes back to the mid-1960s, when Jean Monnet's method of piecemeal problem solving was thwarted by French president Charles de Gaulle, partly on

grounds of defending national democracy against supranational technocracy (Dinan 1994; Duchêne 1994; Hooghe and Marks 1999). Until the mid-1980s, decision-making was elite dominated, but it has since been prized open by wide-ranging public debate (Greven and Pauly 2000; Schmitter 1996, 2000; Helen Wallace 1993, 1996).

*How should EU public interest be reconciled with national pressures?*

The European Union is a heterogeneous polity. It knits together some twenty nationalities; it mobilizes competition and cooperation among a diverse array of societal groups; and it creates interaction among social, economic, and territorial institutions from fifteen countries. How should Commission officials conceive of the public interest? Should they consider themselves architects and guardians of a common European interest that transcends national, cultural, social, and territorial particularities? Or should the EU authorities act as agents of particular stakeholders in European policies – public and private interest groups perhaps, and, last but not least, national interests? Should an elite speaking for the general European interest lead Europe, or should its elites be responsive to contending national interests? The debate between these conceptions echoes the tension in national states between demands for pluralistic responsiveness to societal interests and a more *dirigiste* state tradition, in which bureaucracies are viewed as valuable instruments for continuity in a fluctuating political environment (Aberbach, Rockman, and Putnam 1981; Dogan and Pelassy 1984; Mény 1993; Page 1985, 1995; Suleiman 1975, 1984).

These questions are fundamental for all democratic polities, and they frame debate in the European Union. They bear directly on the role of the Commission and its top officials. And in turn, top Commission officials, by virtue of their considerable powers in EU decision-making, are central voices in that debate. Yet we have had no clear idea about the preferences of top officials.

### **Researching preferences**

Preferences pose a serious research challenge to social scientists. They cannot be observed objectively, unless one engages in in-depth structured interviewing. How have social scientists tackled this problem?

One response has been flatly to reject the significance of preferences. In the 1970s and 1980s, research on political preferences was largely abandoned because they rarely seemed to predict behavior (Searing 1991).

As Robert Putnam once put it, “values and beliefs [were] discarded from political analysis as froth on the mouth of madmen or froth on the waves of history” (Putnam 1976: 103). The psychoanalytical school perceived values and beliefs merely as rationalizations for emotional impulses, while Machiavellians or Marxists claimed they simply cloaked self-interest or class interest. However, the perceived gap between behavior and preferences has less to do with perfidious or contradictory behavior on the part of the objects of study – human actors – than with poor conceptualization and weak methodology on the part of social scientists. For example, many studies focus on case-bound or time-specific preferences rather than on *basic* preferences, that is, generalized beliefs and evaluations about social and political life (George 1979). That is why this book does not focus on top officials’ preferences in relation to the Commission’s most recent anti-trust decision or the European Parliament’s vote on the reform of the structural funds. Instead, it seeks to understand their basic preferences on the four questions of European governance listed above.

Some scholars are skeptical about the value of researching preferences because they harbor unrealistic expectations about their causal power. They place the bar too high. Preferences are general guidelines – heuristic aids to action – not a set of algorithms. They are context-sensitive propensities to action. Preferences should therefore be placed in a causal chain that includes situational, institutional, and interactional factors (George 1979; Putnam 1973; Scharpf 1997b; Searing 1994). Basic orientations serve as “bounded rationalities” or “prisms” through which individuals conceive and respond to objective facts. They profoundly influence, but do not determine, action.

This book describes and explains the basic preferences of top Commission officials. My point of departure is that this is an empirical rather than a deductive endeavor. If preferences help to shape action, then it makes little sense to infer them from action.<sup>3</sup> It is better to research preferences as directly as possible. Structured elite interviews enable one to gain information about preferences that is *independent* of how actors behave. I chose to ask top Commission officials – more than 200 of them – a common set of questions designed to capture basic dimensions of EU governance. Of these, 137 obliged.

This is an empirical enterprise, but it raises conceptual issues of general interest to comparative politics. What motivates elite actors to take

<sup>3</sup> Some researchers have been tempted to shortcut the measurement problem by inferring preferences from action. This is the approach implied by the notion of “revealed preferences” in economics. As Fritz Scharpf notes, “whatever may be its status in economic theory, if used as a methodological precept in empirical policy research, it could produce only tautologies instead of explanations” (Scharpf 1997b: 60).

certain positions? How do they form preferences? Most social science explains actions, and, in doing so, explanations often assume preferences to be given – exogenous. But this begs the question why humans have certain preferences in the first place. Understanding the sources of human motivation – the forces that shape human preferences – is the subject of an intense debate that spans diverse theoretical approaches. My aim is to contribute to a theory of preference formation.

### **Interests and values**

EU governance has calculable consequences for the role of the Commission, and for top Commission officials' jobs. Top officials find it difficult to keep silent on the chief issues facing the Euro-polity because they are politicians; their power of initiative involves them intimately in political decisions. Yet, as unelected officials appointed for their expertise, they are presumed to be above the political fray. If they do not handle these tensions well, they may weaken their legitimacy. Commission officials rarely admit it, but their professional lives are at stake in the changing EU polity. It seems sensible for them to take these implications to heart when forming preferences on EU governance. This is what rational choice would predict because it expects rational individuals to act and think in ways that maximize their self-interest.

The idea of the rational, self-interested person has deep roots in Western political thought, and it is a key assumption underlying much social science (Mansbridge 1990). Yet we know that human motivation is complex (Elster 1989, 1994). There are many occasions when individuals' preferences cannot be explained by self-interest – unless one is willing to stretch the concept of “rational self-interest” beyond common usage.<sup>4</sup> Why do some rich people vote for leftist parties that favor income redistribution? What explains the anonymous bravery of thousands who, during World War II, rescued Jews from Nazi persecution in Europe?<sup>5</sup>

<sup>4</sup> On conceptual stretching, see Sartori (1991) and Collier and Mahon (1993).

<sup>5</sup> In her book on altruism, Kristen Renwick Monroe seeks to shed light on what motivates ordinary people to risk their lives for others (Monroe 1996). One of her case studies concerns rescuers of Jews under Nazi occupation. She finds that altruists share a particular “perspective, a feeling of being strongly linked to others through a shared humanity and [this] constitutes such a central core to altruists' identity that it leaves them with no choice in their behavior when others are in great need” (Monroe 1996: 234). They adhere, in other words, to values that predispose them to adopt a universalistic worldview. Conventional rational actors do not hold these values. Monroe shows that altruism is not simply a function of socio-cultural or socio-demographic characteristics, or of an economic incentive structure. Her study contributes to the debate about human motivation in that it demonstrates that self-interest is ill suited to explain some human motivations such as altruism.

More often still, rationality – understood as maximizing self-interest – fails to account for variation in the preferences of individuals with similar interests. Why, for example, do Swedes, Danes, Norwegians, or Finns give five to seven times more of their income to developing countries than do equally wealthy US citizens?<sup>6</sup> And why are farmers across the European Union invariably among the most Euroskeptic, even though they have been by far the greatest beneficiaries of EU largess over the past fifty years (Gabel 1998c)?

There is more than one way to bring order to, or categorize, the rich palette of human motivations. Jon Elster, for example, distinguishes three sources of human motivation: rationality (or self-interest), emotions (or passions), and social norms (Elster 1994: 21). In similar vein, Donald Kinder argues that the primary ingredients of political preferences are material interests, group sympathies and resentments, and principles (Kinder 1998: 800). People have preferences because they see benefit in doing so, because they feel emotionally compelled to, or because they believe it is the proper thing to do. Other researchers propose more complex categorizations (for discussions, see Chong 2000; Sears and Funk 1991). These categorizations can be grasped in terms of two basic contending theories of human motivation, an economic model that emphasizes utility maximization as mechanism for preference formation, and a sociological model that stresses socialization.

#### *Utility maximization versus socialization*

*Utility maximization.* Utility theory maintains that individuals are motivated to maximize their utility and that they adjust their preferences accordingly.

The notion that human behavior is governed primarily by utility maximization is particularly strong in economics, and it has gained ground in political science under the denomination of rational choice or public choice (Downs 1967; Moe 1990, 1997; Niskanen 1971; see also Chong 2000). There is much debate among rational choice scholars about what constitutes maximization and what can be put into the utility function,

<sup>6</sup> Scandinavian countries give on average 0.74 percent of their GNP as official aid to the developing world – ranging from 0.33 percent in Finland to 1.01 percent in Denmark – against 0.11 percent for the United States. These figures for 1997/98 are drawn from data on aid to third world countries published every year by the Organisation for Economic Co-operation and Development (OECD). There is a widespread belief that the United States does badly in governmental aid but makes up for that through generous non-governmental charities. But this perception does not have a basis in reality. The OECD figures for non-governmental aid show that the United States is on a par with Scandinavian countries: 0.03 percent of GNP against an average of 0.025 percent for the Scandinavian countries.

but two principles seem relatively uncontroversial. The first is rationality, that is, individuals make decisions consistent with reasonable calculations of costs and benefits. The capacity to calculate may be limited by the amount of information available and by external constraints, but the key is that individuals act consistently in relation to their calculations. The second is egoism, that is, that outcomes for oneself weigh more heavily than outcomes for others. However, some utility theorists stretch the definition beyond self-interest.

There is no consensus on a third idea, material hedonism, which says that utility maximization depends primarily on the acquisition of material goods (Sears and Funk 1991). This is a restricted notion of what individuals put in their utility function: it includes material interests, especially money, but not non-material interests, such as social prestige or feelings of moral contentment (Chong 2000; Elster 1989; Levi 1997b; Sears and Funk 1991).

When one conceives of human motivation primarily in terms of maximizing utility, then this has clear implications for one's understanding of preference formation. First of all, utility maximization presumes that individuals act consciously and deliberately. They calculate the costs and benefits of alternatives, and any choice they make is intentional. In Jon Elster's words, "rationality is a variety of intentionality" (Elster 1989: 7). Secondly, utility maximization assumes that rational individuals show no loyalty to existing norms, practices, or preferences when these no longer serve their interests. They adapt preferences to external constraints, and they do so because they expect that such an adaptation will have desired consequences, that is, it will make it easier for them to realize their goals. In the most general way, actors want to make the best of a constrained situation. Unlike Don Quixote, they are reasonable in that they do not seek to tilt at windmills. This reflects what John March and Johan Olsen have called "the logic of consequentiality" (March and Olsen 1989: 160). Thirdly, it follows from this that political preferences are not very stable. Individuals may update their preferences quite frequently, depending on the incentive structures they face.

*Socialization.* The core idea of socialization theory is that individuals acquire preferences by internalizing norms, values, and principles embodied by the groups or institutions that are important to their lives. This view emphasizes the centrality of group ties and longstanding personal dispositions, which organize individual preferences and shape behavior (Converse 1964; Johnston 1998; Kinder 1998; Rohrschneider 1994, 1996; Searing 1969, 1986; Searing, Wright, and Rabinowitz 1976; Verba 1965).

The notion that group ties and values – longstanding, deeply anchored dispositions – govern human behavior has a strong foundation in sociology as well as in psychology (Glenn 1980; McGuire 1993). It is the dominant paradigm among students of political attitudes and preferences (Kinder 1998). How these dispositions become anchored as part of an individual's identity and how they shape this person's preferences and behavior towards new objects or issues are matters of debate. Yet scholars in this socialization paradigm concur in seeking explanations in sociological and psychological processes – not in human instinct for rationality.

Individuals develop preferences for social reasons that cannot be attributed to direct material incentives or coercion. The absence of a strong association between self-interest and preferences is the key difference between a socialization and a utility maximization model. Socialization directs the individual away from the self to the socializing group. The original meaning of the word “to socialize,” after all, is “to render social, to make fit for living in society [or in the particular group]” (Conover 1991: 131).<sup>7</sup> This notion of a non-material, social basis of preferences is crucial for the socialization perspective.

Another widely shared notion is that socialization is a gradual, incremental process. Individuals typically internalize values or preferences through innumerable encounters with particular political norms or practices. Socialization takes time (Verba 1965). The longer one is exposed to particular stimuli, the more one is likely to absorb these influences (Kinder and Sears 1985; Glenn 1980).

To be sure, socialization is not always gradual. It is occasionally brought about by dramatic single episodes. One-time, powerful events – wars, historic elections, or protests – may jolt individuals into changing political

<sup>7</sup> A critical issue in the socialization literature, which bears on my topic indirectly, concerns the micro-processes of socialization. Through what processes are norms and values transmitted? Socialization scholars generally distinguish four processes, which range from the self-conscious to the subconscious. At one end of the continuum stands persuasion, or social learning, whereby individuals are convinced through self-conscious cognition that particular norms and causal understandings are correct and ought to guide their own behavior. Second, social influence refers to the process whereby individuals' desire to maintain or increase social status or prestige induces them to conform to group norms. The group rewards an individual's behavior with back-patting and status markers or punishes it with opprobrium and status devaluation (Checkel 1998; Johnston 1998). Some scholars are reluctant to consider social influence or pressure as a genuine socialization process because it does not necessarily require that individuals actually change their preferences. Social influence is “public conformity without private acceptance” (Johnston 1998). A third process is social mimicking, whereby an individual “inherits” or copies norms and behavior without putting much conscious thought into it (Beck and Jennings 1991; Johnston 1998). Finally, attitude crystallization refers to a largely subconscious process whereby individuals extend deeply held, stable attitudes to new attitude objects through cognitive or affective processes (Converse 1964; Sears and Valentino 1997).



preferences. The open, still unshaped minds of young adults appear to be particularly susceptible to this type of socialization (Sears and Valentino 1997). It is not impossible for adults too to be “shocked” by such events, and to embrace a different value system as a result of it. However, this usually demands an “exacting and unusually powerful social situation” (Kinder and Sears 1985: 724).

There is less agreement on how internalized dispositions guide preference formation on new political objects, that is, the psychological processes underlying political judgment. Some scholars conceive of these processes as primarily cognitive, others as emotive/affective. The former conceive of people as “cognitive misers” who have limited capacity for processing information and who therefore must use cues or prior knowledge to reach judgments on new objects (Conover and Feldman 1984; Taylor 1981). The latter scholars emphasize the emotive/affective aspects of political judgment (Sears 1993; Sears and Funk 1991). Yet common to these explanations is the psychological notion of belief or affect consistency, which maintains that individuals’ quest for consistency in beliefs or affects is a basic human desire (Sears 1993; Sears and Funk 1991).

The leading cognitive model, the on-line model, assumes that people keep summary evaluations (“running tallies”) of important political processes or principles. They use these to spontaneously evaluate new objects and, although they regularly update their tallies, they quickly forget the details that prompted the updating in the first place (Lodge and Steenbergen 1995). So dispositions – running tallies – are not immutably fixed; they are incrementally updated, and yet they provide cognitive guidance to individuals in evaluating new experiences.

David Sears’ symbolic politics theory is the most prominent example on the emotive side (Sears 1993; Sears and Funk 1991). The model holds that people acquire stable affective responses to particular symbols through socialization.<sup>8</sup> These dispositions influence preferences on new political objects in the following way. Each political object is composed of one or more symbols, and these symbols determine which dispositions are invoked. Individuals automatically transfer the internalized affects from these invoked symbols to the new object.<sup>9</sup>

<sup>8</sup> The strongest dispositions, namely party identification, political ideology, and racial prejudice, are called symbolic dispositions, and they may last a lifetime.

<sup>9</sup> Cognitive and affective models also see eye to eye in that they emphasize the prevalence of non-rational over rational processes. David Sears summarizes the contrast with a rational perspective: “The rational choice view depicts a deliberate decision maker objectively evaluating costs and benefits. The cognitive miser approach sees a cerebral being desperately trying to husband his or her limited psychic energy in the midst of a torrent of information. The symbolic processor is reacting in a gut-level, automatic manner to emotionally evocative political and social objects” (Sears 1993: 137).

When one conceives of human motivation primarily in terms of living by predispositions, this has clear consequences for preference formation. First of all, a socialization perspective presumes that individuals react instinctively to cognitive cues or affects. People follow established traditions and conform to social norms in a relatively reflexive fashion. They do not calculate probable costs and benefits (Sears 1993). Second, the centrality of socialization means that individuals show considerable loyalty to internalized norms, practices, or preferences. Individuals hold on to these, even when they cease to serve their interests. What motivates them is, in March and Olsen's terms, "a logic of appropriateness" (March and Olsen 1989). They ask: Who am I? What group am I part of? So what is the proper thing to do? They do not ponder on what is in it for them. That is why the controversy between the two paradigms is often presented as a conflict between values and interests (Chong 2000; Sears and Funk 1991). The implication of this is that basic preferences are perceived to be relatively stable, even rigid. They do not adjust easily to changing circumstances; rather, individuals have a tendency to integrate new political objects or situations into familiar value systems.

Utility maximization and socialization perspectives tap distinct, yet complementary sources of human motivations. Explanations for preference formation that privilege one above the other produce parsimonious models, but the truth is that both interests (utility) and values (socialization) are part and parcel of human life. Why would we, then, want to exclude one or the other?

#### *A model of interests and values*

For many years, the attempt to combine utility maximization and socialization appeared to be as fruitless as combining water and fire. Their ontological and epistemological foundations seemed just too different. Yet, recent work by Dennis Chong has carved out a path for a genuinely integrated approach to preference formation (Chong 1996, 2000).

Chong, one of a handful of political scientists with active research in both traditions, identifies some key weaknesses of each approach. Chong's main critique of the socialization model is that it does not provide a convincing account of value or norm formation, that is, how group norms originate and why they differ, why people conform to group norms, why groups put so much effort into imposing their norms on others, and when values or norms change (see Chong 2000: 36–7; 1996: 2082). Socialization theory emphasizes the generality and stability of attitudes, and underemphasizes conflict over ways of life. "A static model built on

relatively fixed dispositions encounters difficulty explaining changes in norms and values” (Chong 2000: 45). Chong makes a case for treating norms and values strategically, and he identifies ways in which interests and rational decision-making support values and norms. His main argument is that current dispositions are often based on past strategic calculations. Or, to put it differently, the reasons for internalizing norms in the first place often have to do with rational interest.

In fairness to the socialization perspective, considerable work has been done to specify the conditions under which internalized dispositions may change (e.g. Glenn 1980; Searing, Wright, and Rabinowitz 1976; Sears and Valentino 1997). Research specifying the micro-foundations of the socialization model, such as the on-line model and the symbolic politics model, brings to light the psychological processes by which change in dispositions occurs. However, these explanations rarely reserve a space for interest. Chong’s argument, in contrast, is that rational calculation enters into and shapes socialization.

Chong criticizes the rationality assumption in the utility model because it does not specify how norms, practices, and values – internalized through socialization – facilitate rational decision-making. The idea of bounded rationality, popularized by Herbert Simon, creates an opening to bring values into rational decision-making. Bounded or procedural rationality is relevant for “a person who is limited in computational capacity, and who searches very selectively through large realms of possibilities in order to discover what alternatives of action are available. . . The search is incomplete, often inadequate, based on uncertain information and partial ignorance, and usually terminated with the discovery of satisfactory, not optimal, courses of action” (Simon 1985: 295). Human processing of information under these imperfect conditions has been a major topic in cognitive psychology (Kinder 1998 presents an overview). Chong, like cognitive psychologists, starts from the assumption that individuals are fallible humans with myopia or plainly limited brains. In this context, norms, practices, values, and group ties become indispensable. They provide powerful cues to help people figure out their utility and choose among alternatives.

It is true that many rational choice analyses now routinely examine limitations to available information and constraints on information processing. Yet norms, values, and dispositions appear in these models as disturbing factors that derail rational calculation, or they are relegated to a residual category (for discussions see Kato 1996; Nørgaard 1996; Weingast 1995; Yee 1997). Chong presents an argument in which norms and values become an integral part of rational calculation.

Chong goes on to develop a general model of preference formation “that combines a social psychological model in which identities and

values are socialized through socialization with an economic model in which belief and value formation are motivated by external or instrumental benefits” (2000: 7). Preference formation depends on two factors: (a) the costs and benefits (material and social incentives) of present alternatives, and (b) dispositions, which have themselves been formed by past investments in values, group identities, and knowledge. So short-term and long-term factors combine to explain a political preference on a particular object.

This model of preference formation constitutes a breakthrough. It identifies dependencies among apparently incompatible paradigms. The model also has a simple structure. Preference is the function of two independent variables: strength and direction of dispositions for each alternative, and cost/benefit calculations for each alternative. The key task, then, is to estimate parameters for each variable. Furthermore, the model offers a plausible interpretation of complex human motivation. The sociological perspective conceives of individuals as social beings – *homines sociologici* – who live their lives to a large extent in the shadow of effective social norms and values. Utility maximization suggests that individuals are self-interested beings – *homines economici* – who consciously calculate the costs and benefits of their actions and preferences. In Chong’s model, the question is no longer whether individuals live in utilitarian cocoons or sociological cages (Searing 1991). Rather, the task is to understand the interplay between socialization and utility maximization and to specify the conditions under which the balance between the two varies. When, for example, do career concerns weigh more heavily than ideology for top Commission officials on basic issues of EU governance? Are officials more likely to be mindful of their career when they choose between a supranational or intergovernmental Union than when the choice is between a neoliberal or regulated European economy? Does it depend on where they work in the Commission, their nationality, and their length of service in the Commission? What makes values trump interests, or vice versa? These concrete questions raise conceptual and methodological issues, which now need to be addressed.

### *An empirical approach*

How can one develop a scientific, that is to say falsifiable, theory of preference formation?

*Workable concepts.* A testable, falsifiable model requires definitions that unambiguously separate key concepts from each other. This necessitates some hard choices and, though these choices are inherently

debatable, they should also be transparent. A model that examines the relative impact of utility and socialization should avoid slippery concepts.

The trickiest issue concerns the boundaries of *utility*. What could a rational individual reasonably seek to maximize? At the heart of utility theory *stricto sensu* is a definition of rationality that emphasizes the maximization of economic self-interest, often expressed as money (Kato 1996; Yee 1997). In rational choice jargon, this is the thick version of rationality. It transfers the notion of rationality used in the neoclassical economic model to the analysis of politics. Rational interest is defined in terms of (a) the material wellbeing and (b) individuals' own personal life (or that of their immediate family). Both definitional conditions are contested.

Margaret Levi represents the opposite pole of the debate when she recommends using a thin variant of rationality in which individuals act consistently in relation to their preferences. In this view, any kind of object or value could be maximized, including economic self-interest, economic group interest, non-economic interests, power, security, status and respect, ideas or norms, an interest in pleasure, or an interest in developing a coherent understanding of society. There is no reason, then, to stick to the assumption that individuals are self-interested; they could seek to maximize the utility of their family, their community, their party, or their country. The only methodological requirement is that researchers should define the value *ex ante* (Levi 1997b).

If one were to adopt a thick notion of utility, one would focus on whether Commission officials could draw personal financial benefit from a particular attitude. Were one to adopt a thin notion of rationality, the utility function of Commission officials could encompass personal power, the power of the Commission, the status of their nationality, or maximizing the European Public Good.<sup>10</sup>

A thin version of utility maximization can easily produce tautology: whatever people do becomes a revealed preference.<sup>11</sup> A thin notion is also at odds with the common sense understanding of rational interest. Moreover, by refusing to exclude the most unambiguous non-self-interested goods, it opens the door for nonsensical arguments in which heroic acts are explained in terms of altruism, or philanthropy is presumed to be motivated by the desire to maximize the pleasure of being good. This confounds values and interests.

<sup>10</sup> For example, the two founders of public choice, Gordon Tullock (1965) and Anthony Downs (1967), interpreted self-interest broadly to include suprapersonal values of various sorts, for example regarding good policy or the public interest (Moe 1997: 457 fn.1). As I argue below, this amounts to rather creative conceptual stretching of the neoclassical definition of self-interest.

<sup>11</sup> This is why Levi advises researchers to specify the utility function *ex ante* (Levi 1997b:24).

It seems therefore sensible to limit utility maximization to material interests. Many rational choice analysts restrict utility to an individual's own material interest. However, I propose to broaden this to include material group interest. It seems reasonable to extend the motivation of utility maximization to individuals acting on behalf of their groups when these individuals share in expected group benefits.

Where does this leave us? Following Levi's suggestion, I define *ex ante* what is included in the utility function of top officials. The single most important thing that should jolt a top official into strategic preference formation is a concern for his (or her) professional career. Top officials work in an environment where competition for attention from principals, agenda setting, resources, prestige, influence, and promotion is harsh. To be ignored or bypassed by their principals once or twice may publicly taint an ambitious official; to be demoted to a peripheral service is equivalent to semi-permanent exile; to be sidetracked to an advisory position off the normal hierarchical line usually means premature career death. Top Commission officials cannot easily be fired, and they earn very handsome salaries. Yet, barring these, there is considerable scope for the College of Commissioners to affect top officials' professional careers and so one may expect rational officials to take this into account when forming their preferences.

My definition of utility maximization focuses on material interests beyond the neoclassical concern with individual wealth maximization. I expect rational Commission officials to be motivated primarily by individual career concerns. Yet I think it also likely that they may maximize group benefits. For example, it seems sensible to categorize a top official whose preferences reflect opportunities to maximize economic payoffs for his country as motivated by utility maximization. After all, he can reasonably expect that he (and his family) will share in the benefit.<sup>12</sup> I do not wish to rule out a link between material group interest and material individual interest.

Defining utility maximization broadly has a strategic advantage for hypothesis testing. It gives utility factors the greatest possible chance to be picked up in a contest with socialization variables. This is important because socialization theory has long been the dominant paradigm in the study of political attitudes and preferences (Chong 2000; Kinder 1998). Utility maximization is a newcomer.

<sup>12</sup> The reader may be surprised that I mostly use masculine pronouns when referring to Commission officials. To use "she or he" would create a false impression of gender balance in an institution where only 6.5 percent of top Commission officials are female. Instead, I employ feminine pronouns only occasionally to reflect the extreme gender imbalance in the top layers of the Commission bureaucracy.

Operationalizing *socialization* is more straightforward. Socialization theory suggests that a top official's preferences on EU governance reflect internalized norms, values, and principles embodied by the groups or institutions that have been important in his life.

Most theorists conceptualize socialization as a gradual process that takes considerable time. They also expect experiences in childhood or young adulthood to be more formative than experiences later in life, for example at mid-career. Yet it is possible that "exacting and unusually powerful" (Kinder and Sears 1985: 724) one-time events may jolt top officials into internalizing particular preferences, although these occurrences should be rare. For example, one might expect the resignation of the Commission in 1999 to constitute such an event. However, socialization requires, most of the time, sustained exposure to consistently transmitted norms and values. Socialization variables should therefore be sensitive to time.

Utility maximization presumes that top officials are guided by tangible, immediate career benefits, whereas socialization implies that top officials' preferences reflect intangible, longstanding dispositions that were internalized through participation in groups or institutions over time. This way, the two basic logics are unambiguously distinct.

*Testable hypotheses.* It is one thing to be able to recognize alternative human motivations when one encounters them. The next step is to hypothesize circumstances in which one may expect socialization or utility maximization to shape top officials' preferences on basic issues of EU governance.

My guiding hypothesis is that top officials' preferences are rooted in experience. However, not every experience shapes their calculations or dispositions to EU governance. What is needed is an approach that enables one to distinguish relevant from irrelevant experiences. Of the many opportunity structures encountered by top officials, which induce them to adjust their preferences to further their career? And which internalized values are likely to shape their preferences on EU governance?

A focus on institutional rules allows one to think systematically about the contexts in which utility or socialization take place.<sup>13</sup> The concept of institution or institutional rules is simpler, yet more general, than

<sup>13</sup> This ties in with the resurgent study of institutions in rational choice and the literature on socialization and learning. Rational choice institutionalism and historical or sociological institutionalism conceive of individuals as rule bound (for overviews, see Aspinwall and Schneider 2000; Hall and Taylor 1996; Ostrom 1986, 1991; Thelen 1999). That is, in explaining preferences and behavior, they give analytical priority to the particular institutional rules that constrain individuals at a given time.

opportunity structures, incentive structures, reference groups, socialization agents or schools, churches, and family – often employed by utility maximization or socialization perspectives to describe particular contexts.

What are the relevant institutional contexts for top Commission officials? It seems reasonable to expect top Commission officials to be influenced by multiple institutional contexts simultaneously. Why is that so?

In a simple world, a single institution would mold top officials' preferences. If the Commission were a strongly bounded institution with perfect control over top officials' working life, it would be Commission interests and values that shape its employees' preferences. The question would then be *how* top officials acquire Commission preferences. Is it because the Commission is an effective socialization agent (a process of value transfer), or because it controls top officials' careers (a process of strategic calculation and adjustment)?

Yet the Commission lacks the insulation to mold its employees' preferences uniformly. Top Commission officials have diverse cultural and educational backgrounds and very different professional experiences. So they start as a diverse bunch; and the Commission's way of working permits them to remain heterogeneous. The Commission is a compartmentalized bureaucracy, where many directorates-general resemble self-governing statelets. This makes it possible for top officials – the bosses of these statelets – to mold the norms and habits of their own small world to their own image, and thus to persevere in being different. Socialization scholars tell us that such institutional conditions are not conducive to creating a homogeneous, single-purposive service. This contrasts sharply with many national administrations in Europe.

Second, the Commission's grip on the professional lives of its top employees is subject to national governmental and, in a number of cases, partisan control. National governments or political parties can and do influence Commission officials' careers indirectly. They monitor closely whether the Commission abides by the agreed national quota for senior positions. They often draw up a shortlist of candidates for high-level positions that are reserved for candidates from outside the Commission (*parachutage*), and they may have de facto "right of first refusal" for such positions. Finally, they usually enjoy ties with the personal cabinets of the commissioner of their nationality or party allegiance, and these cabinets are the brokers in Commission personnel policy. These flaws in Commission control over its own employees do not induce rational top officials to adjust their preferences to the Commission's, as a cursory analysis of their utility function would suggest.

Third, the wider political context influences top Commission officials deeply. As noted above, Commission officials are players in a multi-level



political system in which authority is shared vertically across territorial levels and horizontally between several EU and national institutions. In many (now most) policy areas, no institution – not the Commission or the Council or the European Parliament, not national governments – can take authoritative decisions unilaterally (Hooghe and Marks 2001, appendix 1; Pollack 1995, 2000; Schmitter 1996). Top officials need to be attuned to national governments, political parties, and the public, as well as to the European institutions – and not only, or even primarily, to the Commission. The European system of multi-level governance plugs top Commission officials into multiple institutional contexts.<sup>14</sup>

These observations shatter the notion of the Commission as a unitary institution capable of controlling the preferences of its employees. What comes into view is a multi-layered institutional context, where institutions smaller than the Commission, such as the cabinet or the directorate-general (DG), loom larger, and institutions outside the Commission, such as political parties, national administrations, or national political systems, come closer. Top Commission officials' preferences on European governance are likely to be shaped by experiences inside and outside the Commission.

We now have the building blocks for a testable model of preference formation in the Commission. By combining type of institutional context with logic of influence, it is possible to pin down a limited number of plausible influences on top Commission officials' preferences. These are presented in figure 1.1.

### **Preference formation in the Commission**

Figure 1.1 summarizes how the life and career paths of top officials may shape their preferences on EU governance. The cells in figure 1.1 apply socialization and utility maximization to institutional contexts inside the Commission and institutional contexts outside the Commission. I have two general expectations:

<sup>14</sup> There is a growing literature on how a system in which authority is diffused across territorial levels – a multi-level polity – influences the preferences and behavior of public opinion (Anderson and Gabel 2000), political parties (Bomberg 1998; Hix 1999; Marks and Wilson 1998, 2000), trade unions (Ebbinghaus 1999; Ebbinghaus and Visser 1997; Turner 1996), social movements (Imig and Tarrow 1997, 2001; Marks and McAdam 1995; Tarrow 1995, 1999), firms and business representation (Coen 1997; Greenwood 1997), national and regional governments (Hooghe 1996; Marks 1996a,b; Marks et al. 1996), structures of interest intermediation (Falkner 1996, 1999), and policy networks (Kohler-Koch and Eising 1999). It seems reasonable to assume that top Commission officials' desires and deeds too should be affected by their involvement in various institutional settings of this multi-level system.

<i>Logic of influence (causal mechanism)</i>	<i>Source of influence (type of institutional context)</i>	
	<b>Type I Inside the Commission</b>	<b>Type II Outside the Commission</b>
<b>Socialization</b>	<i>Length of service in Commission</i> <i>Length of service in DG/policy area</i> <i>Cabinet experience</i>	<i>Experience in national administration</i>  <i>Experience in political system</i>  <i>Political party identification</i>
<b>Hybrid category</b>	<i>Delors factor ↓</i>	<i>Parachutage ↓</i>
<b>Utility maximization</b>	 <i>Years to retirement</i>  <i>Position in DG/policy area</i>	 <i>National economic interest</i>  <i>Character of national network</i>  <i>Size of national quota</i>

Figure 1.1 Top officials and preference formation on EU governance.

1. Basic preferences on EU governance are likely to reflect a mix of socialization and utility factors. Most people are, most of the time, both rational and moral.
2. These preferences are likely to be shaped by experiences *outside* as well as *inside* the Commission. The Commission and its components (DG and cabinet) constitute merely one part of a multi-faceted institutional environment, which also includes national political parties, national administrations, national networks for socializing in Brussels, or national political systems. Let us examine these.

*Commission – socialization vs. utility maximization*

We have unmasked the Commission as a weak institution, but it would be rash to dismiss it altogether as a potential influence on top officials’ preferences. A typical top official clocks workdays of close to ten hours, five or six days a week, and that should give plenty of time for socialization or utility calculation.

The prevailing assumption in much work on European integration is that the Commission is pro-integrationist. This assumption characterizes the first major theory of European integration, neofunctionalism.