

Accepted Manuscript

Title: The Origins of Regional Integration: Untangling the Effect of Trade on Judicial Cooperation

Author: Arthur Dyevre Nicolas Lampach

PII: S0144-8188(18)30082-6
DOI: <https://doi.org/doi:10.1016/j.irl.2018.08.003>
Reference: IRL 5809

To appear in: *International Review of Law and Economics*

Received date: 10-4-2018
Revised date: 28-8-2018
Accepted date: 30-8-2018

Please cite this article as: Arthur Dyevre, Nicolas Lampach, The Origins of Regional Integration: Untangling the Effect of Trade on Judicial Cooperation, <![CDATA[*International Review of Law & Economics*]]> (2018), <https://doi.org/10.1016/j.irl.2018.08.003>

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.



The Origins of Regional Integration: Untangling the Effect of Trade on Judicial Cooperation

Arthur Dyevre* and Nicolas Lampach†

Abstract

Several empirical studies have cast doubt on the causal nexus between economic and legal integration posited by economic Neo-functionalism in the EU context. Critics, we argue, have misinterpreted the original causal hypothesis. Economic Neo-functionalism specified a dynamic rather than time-invariant relationship between EU law use and transnational economic exchange. Yet both proponents and critics of economic Neo-functionalism have failed to adequately address the problem posed by endogeneity. Revisiting the neo-functionalist trade hypothesis, we attempt to untangle cause and effect using Bayesian instrumental variable estimation. Our research shows that intra-EU trade remains a positive and significant predictor of referral dynamics even when controlling for reverse causality and omitted variable bias. The impact of intra-EU trade on Article 267 proceedings has declined substantively over time. But this result is consistent with the neo-functionalist formulation of the trade hypothesis, which characterised intra-EU trade as an initial catalyst rather than as a constant driver of legal integration.

Keywords: Judicial behaviour, European Court of Justice, Legal Integration, Bayesian statistics

JEL Classification: K10, K40, N34, C11, C26

Acknowledgment The authors acknowledge financial support from ERC Starting Grant 638154 (EUTHORITY). We are grateful to Tomas Adamec, Angelina Atanasova, Gilian Bens, Monika Glavina, Frauke Petra Hein, David Ketch and Anna Maria Tonikidou for research assistance.

* *Corresponding author:* KU Leuven Faculty of Law, Centre for Legal Theory and Empirical Jurisprudence, 45 Tiensestraat, Leuven, Belgium; E-mail: arthur.dyevre@law.kuleuven.be; Phone: +32 16325387

†, KU Leuven Faculty of Law, Centre for Legal Theory and Empirical Jurisprudence; E-mail: nicolas.lampach@kuleuven.be; Phone: +3216377608

Download English Version:

<https://daneshyari.com/en/article/11004814>

Download Persian Version:

<https://daneshyari.com/article/11004814>

[Daneshyari.com](https://daneshyari.com)