Book Review

Conflict, negotiation and European Union enlargement

Christina J. Schneider


Christina Schneider’s ‘Conflict, Negotiation and European Union Enlargement’ is a major political economy contribution to the study of European Union (EU) enlargements. The book is based on the author’s dissertation written at the University of Konstanz, Germany. The analysis is theoretically sound and methodologically sophisticated and is a must-read for anybody interested in the causes and mechanism of EU enlargements.

Schneider’s puzzle is straightforward. Why does the EU accept new member states under the condition of unanimity despite the existence of distributional conflicts? Why do the states that fear to lose from enlargement finally accept the accession of new member states? The background of this research question is Frank Schimmelfennig’s analysis of the ‘Community trap’ published in 2001 by International Organization. Both Schimmelfennig and Schneider agree that it is important not only just to look at the collective community interest but also to take the positions of individual member states as a starting point for a substantive analysis of enlargement. Schimmelfennig (2001, p. 62) explains the consent of the brakemen member states through rhetorical action, understood as the ‘strategic use of norm based arguments’. This mechanism for Schimmelfennig (2001, p. 76) constitutes the ‘missing link between egoistic preferences and norm-conforming outcome’. In his logic, hesitant member states in a community environment become rhetorically entrapped. Through ‘shaming’ they can be forced to accept the accession of new member states. Because of its reference to soft mechanisms of social influence and the importance of norms and values Schimmelfennig’s reading of enlargement is anchored in constructivist international relations theory.

Schneider in contrast develops a theory of EU enlargements that is completely in line with rationalism. Her actors are utility maximizers; governments only care for domestic reelection. Following club theory, she expects conflicts to emerge in rivalrous policy areas. Her theory then focusses on the processes and outcomes of the accession negotiations and she treats the
terms of enlargement as endogenous. Schneider argues that the conditions of membership are negotiated between those member states that support enlargement, those that are more hesitant and the candidate states. In contrast to Schimmelfennig, Schneider (2009, p. 183) argues that the consent of the brakemen is bought by either the supporters and/or the candidate states: ‘when the accession of a new state causes conflict over the distribution of membership benefits, the danger to successful enlargement can be greatly reduced if states redistribute the enlargement gains either from enlargement supporters within the EU or from the candidates to the relative losers to compensate them for the costs they have to suffer’. The candidates can accept differentiated terms of membership for a transitional period that transfer the costs into the discounted future; supporters of enlargement can compensate the losers by augmenting their share of the budget. Through these mechanisms enlargement becomes Pareto-optimal.

In the empirical chapters of the book, Schneider uses a multi-method approach to analyze the conditions of EU enlargements since the 1970s. In particular she analyzes a set of four hypotheses that relate to questions of how distributional conflicts are solved in EU enlargement talks and the conditions under which temporary discriminatory membership rights are imposed on new member states. In Chapter 5 of the book, Schneider analyzes how the presence of distributional conflicts creates a demand for compensation in the Common Agricultural Policy (CAP), the Common Structural Policies (CSP) and the Free Movement of Workers (FMW). Based on an impressive content analysis of documents from the European Parliament, EU Council meeting summaries, Commission reports, newspaper articles and other primary and secondary sources she identifies whether a member state made compensatory claims relating to the accession of different candidate states per accession round and policy area. Differentiated membership rights for the CAP means that a newcomer is denied full access to agricultural subsidies, for the CSP discrimination means that the newcomer is denied the full amount of structural funds, and for the FMW it means that workers from new member states are not allowed to take employment freely in an old member state. Focusing on the dyad member and candidate state, Schneider’s dichotomous dependent variable is whether a member state demands a compensatory measure or not. Her statistical estimations that are nicely substantiated with predicted probabilities broadly confirm her expectations that expected social and distributional costs lead EU member states to claim compensations. The differences between the three policy areas are satisfactorily explained.

While her first finding is still in line with Schimmelfennig’s reading of Eastern enlargement, Schneider in Chapters 6 and 7 shows that side-payments indeed are core components of EU enlargement rounds. In Chapter 6, the author statistically analyzes the imposition of discriminatory membership
rights in her three policy areas. Again the unit of analysis is the ‘member-applicant policy dyad’. Her main explanatory variable is the degree of conflict measured as the predicted probability that members demand the limitation of membership rights for a candidate in a policy area as based on the analysis in Chapter 5. The analysis underlines that membership rights are indeed phased-in when distributional conflict occurs.

Chapter 7 complements the statistical analyses with a comparative case study. In order to get a better understanding of the relationship between discriminatory membership rights and intra-union redistribution the author compares the accession of Spain and Portugal with Eastern enlargement. Despite potential distributive conflicts in the case of the second Southern enlargement, neither Portugal nor Spain was discriminated against in the distribution of structural funds. This is in contrast with Eastern enlargement. Schneider explains that distributive questions in the Southern enlargement were solved through an increase of the EU’s budget. The former recipients of structural funds therefore did not expect losses due to enlargement. In contrast, Agenda 2000 had set strict budgetary limits that constrained the total sum that could be distributed among the member states.

Schneider’s lucid analysis broadly underlines that enlargement can indeed be explained in rationalist terms. By focusing on the inputs and outputs of enlargement negotiations, she shows how compensatory measures may help to satisfy enlargement losers in materialist terms. The research design is smart and the analysis is broadly persuasive. It is praiseworthy that the author includes all enlargement rounds – with the exceptions of the Maltese, the Bulgarian and Romanian enlargement and the Swiss and Norwegian accession negotiations. This allows drawing a more encompassing picture of enlargement dynamics.

However, the book also raises some questions. First, the reader learns little about the absolute values of the compensatory measures. Are the losers fully compensated for their losses or is it more of a symbolic outcome to please domestic audiences? Is the solution of temporary discriminatory membership truly Pareto-optimal in the sense that no actor is worse off? If not, reputation costs could then still be taken into account to more fully understand the calculation of individual member states. Second, it is stated on page 160 that discrimination in terms of the CSP ‘happened only to countries in the Eastern enlargement round’. Is the effect of the previous models in Chapter 6 thus mostly driven by Eastern enlargement, as this constitutes by far the largest amount of member-applicant policy dyads? More information on who demanded discrimination from whom at which round would facilitate a qualitative interpretation of the findings. Third, there are some unclear aspects regarding the case studies on the second Mediterranean enlargement and the Agenda 2000. Stuttgart 1983, Fontainebleau 1984 and Dublin 1984 are European Council meetings and not ‘Council of ministers summit[s]’ (p. 163).
Another more important question relates to the issue of timing. It is sometimes unclear whether the analysis focuses on the Integrated Mediterranean programs or on the increase of the structural funds in the first Delors package. Since this multiannual financial framework was only passed after a long period of negotiations in Brussels in February 1988 it cannot satisfactorily explain the enlargement negotiations that ended in June 1985 (Portugal and Spain acceded to the European Community in January 1986). Schneider’s figure 7.2 also highlights that the great increase of structural funds happens only in 1989 thus after the entering into force of the Delors package. At the same time Schneider is right that Brussels European Council in March 1985 decided ‘to launch the Integrated Mediterranean Programmes in favor of the southern regions of the present Community within the framework of the proposals made by the Commission’ (European Council conclusions, 29–30 March 1985, p. 11). This is in line with her argument that potential losers such as Greece were compensated by the enlargement supporters. Later Spain and Portugal then supported an increase of structural funds in the multiannual financial framework package. It is, however, not clear, why net contributors like Germany and Denmark are ‘satisfied’ with larger national budget contributions as argued on page 165. It also remains unclear, how from the theory’s perspective the United Kingdom’s rebate is linked to the issue of enlargement given that the United Kingdom is generally considered a driver of enlargement (p. 66). Some additional qualitative evidence would certainly facilitate the understanding of these claims.

As to the second case study of the Agenda 2000, Schneider suggests that this multiannual financial framework is exogenous to enlargement. For example, she calls it a ‘binding constraint[s]’ (p. 166). However, this program is clearly linked to enlargement as already the title of the Commission’s 1997 publication suggests: ‘Agenda 2000: For a stronger and wider Union’ (COM97 (2000)). The Agenda 2000 is thus already part of the intra-EU negotiations on enlargement. But this does not render Schneider’s reading incorrect that while a growth of the budget was possible in the 1980s, this was not the solution before Eastern enlargement.

Fourth, in order to better understand the mechanisms of when compensations and discriminatory measures are demanded, it would be interesting to know more about the partisan affiliation of governments. Following Schneider’s argument that governments are vote-maximizers one could image that a left government should stronger care about the FMW, while a right government might have a stronger interest in pleasing the agricultural lobbies. This would constitute a domestic continuation of the argument.

Minor details are that Schneider throughout the entire book calls the ERDF the ‘European Reconstruction and Development Fund’ instead of European Regional Development Fund. Further, the United Kingdom joined the
European Community in 1973, not in 1992 as claimed on page 67 and Buchanon’s seminal 1965 article was published in the journal ‘Economica’ and not ‘Economics’.

The literature on the causes of EU enlargements has enormously matured since the first theorizing of this topic began in the late 1990s. Schneider’s book certainly takes the analysis of EU enlargements yet another step forward. It is a very persuasive analysis that combines sound theorizing with rigorous methodological testing. It therefore strongly merits to be put on the reading list of all serious EU enlargement courses.

Reference


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