The Institutional Foundations of European Union Negotiations

Jonas Tallberg

UCD Dublin European Institute

About the Authors

Jonas Tallberg is Professor at Stockholm University
Contact: http://www.statsvet.su.se/publikationer/tallberg/research_r.htm

About the Dublin European Institute

The Dublin European Institute (DEI) supports scholarly research and debate on the sources, processes and implications of European integration and governance. Based within the School of Politics and International Relations at University College Dublin, the DEI is the oldest and largest university centre for research on European affairs in the Republic of Ireland.

For more information, see: http://www.ucd.ie/dei or contact: Dublin European Institute, UCD School of Politics and International Relations, University College Dublin, Belfield, Dublin 4, IRELAND (email: dei@ucd.ie)

The Institutional Foundations of European Union Negotiations

European Union negotiations take place within the framework of a set of formal and informal institutions. Member states negotiate in the organizational context of the Council and the European Council, take decisions through alternative procedures and decision rules, and sustain a set of norms for the conduct of negotiations. While the effects of these institutions on negotiation behavior and outcomes have received extensive attention, the question of why these particular organizations, procedures, and norms have been established or evolved remains seriously underexplored. This article makes an argument in favor of systematic attention to the design of negotiation institutions in the EU. It suggests that there is much to benefit from drawing explicitly on general theoretical approaches to international institutional design. Reviewing existing empirical work on organizations, procedures, and norms in EU negotiations, the article finds an unexploited potential for theoretical dialogue between rational choice institutionalism, sociological institutionalism, and realism on the sources of EU negotiation institutions.

Key words: European Union, negotiation, bargaining, institutions, organizations, rules, norms.

Introduction

Over the past decade, the dynamics of negotiation in the European Union (EU) has emerged as a prominent sub-field in the study of EU politics. Some scholars have sought to explain the patterns of legislative negotiations between the EU institutions (e.g., Thomson et al. 2006), or the outcomes of treaty-revision negotiations between the member governments of the EU (e.g., Moravcsik 1998). Others have addressed the sources of bargaining power (e.g., Bailer 2004), the modes of negotiation (e.g., Elgström and Jönsson 2000), the patterns of coalition formation (e.g., Naurin and Lindahl 2008), the scope for leadership (e.g., Tallberg 2006), the impact of norms on negotiation behavior (e.g., Lewis 2005), and the EU as an external negotiator (e.g., Meunier 2005). Drawing on general negotiation theory, a range of edited volumes have explored the specifics of negotiations in the EU (Elgström and Smith 2000b; Meerts and Cede 2004; Elgström and Jönsson 2005).

A common and central theme in this literature, in all diversity, is the extent to which the patterns and outcomes of negotiations in the EU are shaped by the institutional context in which bargaining takes place. That "institutions matter" is not a claim in this literature; it is an analytical starting point. Formal organizations, rules and procedures define the arena, the actors and the rules of the game, while informal norms and understandings prescribe and proscribe alternative forms of negotiation behavior. Yet, given this causal importance assigned to institutional context, existing research is remarkably silent on the sources of these formal and informal institutions. Why have these particular organizational frameworks been established, decision-making procedures chosen, and informal norms evolved? In short, what explains the institutional design of negotiation institutions in the EU?

This article speaks in favor of systematic attention to the sources of institutional design in EU negotiations. More specifically, I suggest that there is much to benefit from drawing explicitly on general theoretical approaches to international institutional design for purposes

of explaining the framework governing EU negotiations. In their respective emphasis on functional efficiency, normative legitimacy, and relative power as factors driving institutional choice, rational choice institutionalism, sociological institutionalism, and realism offer three complementary approaches to the design of negotiation institutions. While often perceived as competing in their general theoretical statements, these approaches can be complementary when deployed in a problem-driven, empirically-oriented way (Jupille et al. 2003). Reviewing existing empirical work on organizations, procedures, and norms in EU negotiations, I find that there is an unexploited potential for theoretical dialogue. While scholars have made some attempts to address the origins of EU negotiation institutions, the attention is uneven and these efforts seldom informed by general theoretical approaches. In the article, I suggest that an explicit grounding of empirical research in these multiple theoretical approaches opens up a novel and important research agenda on the institutional foundations of EU negotiations.

For the purposes of this article, I adopt a broad understanding of institutions as the organizations, procedures, and norms governing EU negotiations. Following this understanding, I will address as organizations the Council and the European Council; as procedures the decision rules, the level of parliamentary involvement, and the rotating chairmanship; and as norms the notions of consensus and impartiality in EU negotiations. Institutional design in this article is understood in neutral theoretical terms as the establishment or development of a specific institutional form.

The article proceeds in the following way. In the next section, I briefly show how rational choice institutionalism, sociological institutionalism, and realism offer three complementary understandings of international institutional design. In the subsequent three sections, I suggest that existing research on negotiation institutions in the EU may benefit from building explicitly on these approaches, and from exploring complementarities between these approaches in accounting for specific organizations, procedures, and norms in EU

negotiations. The article ends by outlining the contours of an agenda for research on the design of EU negotiation institutions, addressing the issues of empirical substance, theory, and methodology.

Explaining International Institutional Design

In recent years, issues of institutional design have become increasingly prominent in the study of international institutions (Simmons and Martin 2002). Simplifying slightly, three predominant approaches can be identified, each privileging a specific set of factors.

Functional Efficiency

The first approach, informed by rational choice institutionalism, emphasizes functional efficiency as the driving concern in the design of international institutions. The analytical bed-rock is the proposition that institutions are created and designed to address shortcomings in the market or the political system as a means of producing collectively desirable outcomes (Williamson 1975; Weingast and Marshall 1988). In the study of international cooperation, this explanation has been deployed to account for the demand for international institutions (Keohane 1984), the delegation of power to international institutions (Hawkins et al. 2006), and the shape of international rules and organizations (Koremenos et al. 2001). Typically, the origin and form of international institutions has been explained with reference to their capacity to help states overcome collective-action dilemmas, related to high transaction costs, information asymmetries, and enforcement problems. Recognizing that not all areas of governance are subject to the same dilemmas, or dilemmas of identical intensity, rational choice institutionalists have introduced the nature of cooperation problems as a factor explaining variation in international institutional design. When applied to the context of EU

negotiation institutions, this approach generates the expectation that member state consideration with functional efficiency will determine the choice and design of organizations, procedures, and norms.

Legitimacy Concerns

The second approach, informed by sociological institutionalism and constructivism, privileges legitimacy concerns as factors shaping institutional design decisions in world politics. This approach directs our attention to processes of ideational influence, norm diffusion and institutional mimicking as the sources of institutional design. Its analytical foundation is the notion that institutions reflect broadly shared ideas and norms of what constitutes appropriate modes of governance (March and Olsen 1989; Powell and DiMaggio 1991). Actors adopt certain procedures and practices, not necessarily because they are the most efficient, but because they constitute collectively legitimated institutional models. The result may be isomorphism – the diffusion and homogenization of institutional models across functional domains. In the "thick" version of this argument, norms and ideas work through processes of socialization and internalization; in the "thin" version, actors adapt strategically to broadly known norms and ideas of legitimate institutional design. In the study of international relations, this explanation has been used to account for the growth in international NGOs (Boli and Thomas (1999), the diffusion of central bank independence as an institutional model (McNamara 2002), and the dysfunctionality of international institutions (Barnett and Finnemore 2004). When applied to the context of EU negotiation institutions, this approach generates the expectation that states will adopt organizations, procedures, and norms that are broadly considered legitimate, by reference to established institutional models.

Relative Power

The third approach, informed by realism, emphasizes the expected distributional implications of international institutions as the most prominent factor in design decisions. This approach conceives of international institutions as reflections of the distribution of state power in world politics (Waltz 1979; Mearsheimer 1994/95). In this view, international institutions are created at the initiative of the most powerful states in the international system, and designed to disproportionately serve their interests. Negotiated norms, rules, and procedures safeguard and advance, rather than challenge and circumscribe, the interests of the dominant states. International institutions are thus epiphenomenal to state interests, and constitute arenas for acting out power relations, rather than independent constraints on state behavior. In the study of international cooperation, this approach has been advanced to explain the distributional terms of global communications regimes (Krasner 1991), the capacity of the founding states of NAFTA and the EMU to dictate the terms of cooperation (Gruber 2000), the influence of the Franco-German tandem in the EU (Pedersen 1998), and the dominance of the U.S. and the EU in international regulatory regimes (Drezner 2007). When applied to the context of EU negotiation institutions, this approach generates the expectation that organizations, procedures, and norms will be structured in favor of the large and structurally advantaged member states.

In the subsequent three sections, I draw on these approaches to international institutional design in structuring the findings from existing empirical research on EU negotiation institutions, and identifying promising areas for future research. A central theme in my argument is the existence of a degree of complementarity between these approaches. On balance, rational choice institutionalism is relatively more apt at explaining the basic demand for negotiation institutions in the EU, realism in accounting for the distributive terms of these institutions, and sociological institutionalism in explaining institutional stability and diffusion.

Organizations

Until very recently, one of the prominent oddities in the intellectual history of EU research was the dearth of work on the two central intergovernmental bargaining organizations (but see Westlake and Galloway 2004; Hayes-Renshaw and Wallace 2006). While identified in standard accounts of the EU as the arenas where the most important decisions are taken, the Council and the European Council remained seriously underexplored. In just the past few years, however, we have witnessed a development "from rags to riches" (Naurin and Wallace 2008). Drawing on theories from international relations and comparative politics, and employing advanced quantitative and qualitative methods, scholars have finally put the Council under the microscope, addressing issues such as negotiation style, coalition formation, and leadership (e.g., Heisenberg 2005; Zimmer et al. 2005; Naurin and Wallace 2008). Similarly, we are just beginning to see systematic research on the European Council, with contributions focusing on issues such as the sources of bargaining power and the degree of party politicization in EU summitry (Tallberg 2008; Tallberg and Johansson 2008).

These advances notwithstanding, there is still little theory-informed research on the creation and design of the Council and the European Council as negotiation organizations. Historical accounts of the establishment of the Council and the European Council, as well as studies detailing their subsequent institutional development, tend to be descriptive in orientation and not to relate to theories of institutional design (e.g., Bulmer and Wessels 1987; Westlake and Galloway 2004). However, with regard to both organizations, we can find empirical results that may be interpreted as evidence of the complementary influence of functional efficiency, normative legitimacy, and relative power in the design of these organizations.

As an intergovernmental negotiation body, the Council per se conforms to the expectations of functional theories of international regimes. By constituting a permanent negotiation forum, the Council reduces the transaction costs of bargaining, distributes information among the parties, contributes to a convergence of expectations, and extends the shadow of the future, thus providing states with a powerful rationale for its establishment and maintenance. The sub-structure of the Council may be understood in functional terms as well. The Committee of Permanent Representatives (Coreper) has evolved over time in response to demands for the efficient managing of negotiations in the Council's multiple formations (Lewis 2000: 264). Similarly, the General Secretariat of the Council, much like international secretariats in general, helps states to solve informational and distributional problems, by providing expertise and unbiased mediation (Beach 2008).

While rational choice institutionalism thus may help to explain the basic demand for the Council as a negotiation structure, sociological institutionalism can shed light on the historical choice in favor of the Council's specific institutional model. There is broad agreement that ideas influenced the choice of the EU's organizational structure in the 1950s, which diverged from that of standard intergovernmental institutions at the time (Moravcsik 1998: 488; Rittberger 2001; Parsons 2003). In the negotiations on the Council, a Benelux proposal for the establishment of such a body initially met with French and German disapproval. Yet both delegations eventually yielded, and the German acceptance of this addition to the Schuman Plan has been attributed to the influence of domestic constitutional norms, in the shape of the concept of the *Bundesstaat*, which allowed a role for the Council (Rittberger 2001: 696).

Turning to the European Council, notions of functional efficiency loom large in explanations on the establishment and development of this body, even if rarely discussed explicitly in these terms. In the standard account, international economic and political pressures in the early 1970s, in combination with stalemate in the Council of Ministers,

translated into a need for political leadership provided through the establishment of the European Council in 1974 (Bulmer and Wessels 1989: 17; Schoutheete 2006). The subsequent development of this body, from an informal forum of collective leadership into a formal body of collective decision-making, may broadly be understood in similar terms. Notably, the decision authority of the European Council has expanded over time, partly in response to deficiencies in the functioning of the Council, and partly as a product of the EU moving into areas of cooperation requiring guidance and endorsement at the highest political level (Hayes-Renshaw and Wallace 2006: ch. 6; Schoutheete 2006: 50).

However, the founding of the European Council also involved aspects of institutional mimicking and power politics that supplement the rational functionalist account. Inspiration from institutional models elsewhere greatly shaped the positions of France and Germany, whose combined clout in the EU can explain the institutionalization of these ideas in the design of the European Council. More specifically, the notion of an informal discussion forum at the highest level was inspired by the "Library Group" of American, British, French, and German finance ministers, which Valéry Giscard d'Estaing and Helmut Schmidt had participated in and come to appreciate before they became president and chancellor, respectively (Westlake and Galloway 2004: 174-175). It has also been argued that the strictly intergovernmental design of the European Council was influenced by the joint skepticism of Giscard d'Estaing and Schmidt toward further supranational integration – a position conformant to the Gaullist conception of Europe (Bulmer and Wessels 1987: 9; Moravcsik 1998: 485). Yet the French and German initiative to establish the European Council is also understandable from a pure power perspective. The creation of this body outside the treaties introduced a political domain in the EU where power could rein unfettered by the mediating influence of the Community institutions. Conversely, dismissal of the Gaullist vision of

Europe and fear of increased Franco-German dominance mobilized the Benelux states against the proposal to establish the European Council.

Procedures

The rules and procedures governing decision-making in the EU have been a constant topic on the political and academic agenda since the late 1980s. Few topics have received as massive attention from students of EU politics as the consecutive intergovernmental conferences (IGCs) over the past two decades (e.g., Laursen 2002; Moravcsik 1998; Beach and Mazzucelli 2007). Notably, scholars have addressed the issue of where state interests come from, tracing the formation of national preferences, and the issue of how to explain outcomes, mapping processes of interstate bargaining. While questions of institutional design have been part and parcel of this literature, it has seldom been its explicit focus. That said, there are a number of contributions that demonstrate the merits of drawing on theories of institutional design for understanding the procedures governing EU negotiations. Below, I address three such procedural aspects of EU negotiations: the decision rules, the degree of parliamentary involvement, and the rotating chairmanship.

Both rational choice institutionalism and sociological institutionalism offer insights into the continuous move away from unanimity and toward qualified majority voting as decision rule in the Council. According to the most prominent rationalist interpretation, this development corresponds to a pooling of sovereignty that is conducted in response to problems of incomplete contracting (Moravcsik 1998). Majority voting, alongside Commission initiative and third-party enforcement, serves as a relational contract among states that precommit them to a common set of principles, norms, and procedures. The specific extent to which governments advocate and move toward majority voting is the product of a cost-benefit analysis, where the efficiency of common decisions is weighed

against the desire of individual countries to reduce political risks by retaining the veto. Empirically, this understanding receives some support in the evidence on the Single European Act, initiating the move toward majority voting, and more extensive support in the negotiations on the Maastricht and Amsterdam treaties, extending this rule (Moravcsik 1998; Moravcsik and Nicolaïdis 1999).

Yet accounts of IGCs suggest that concerns with functional efficiency do not provide the full picture; notions of legitimate institutional models matter as well. More specifically, majority voting as decision rule in the Council is a central component of the federalist vision of the EU. Support for the influence of federalist or nationalist ideology is generated in those instances where governments display homogenous support or opposition to the introduction and extension of majority voting, rather than balance costs and benefits on a case-by-case basis (Moravcsik 1998: 68-71). Examples include general historical patterns, such as the consistent support of the Benelux countries for majority voting, as well as individual cases, such as Margaret Thatcher's across-the-board opposition to majority voting at the 1986-87 IGC.

While negotiations over new EU rules for long was a strictly intergovernmental affair, the European Parliament since the mid-1980s has advanced from a purely consultative role to that of co-decision-maker in most issue areas. Existing research suggests that concerns with normative legitimacy, related to the EU's institutional structure as a whole, may have played a particularly prominent role in this empowerment of the European Parliament (Rittberger 2005). While improving problem-solving capacity, the transfer of power to the European level has challenged traditional channels of representation and accountability, and generated a legitimacy deficit in the EU. According to this account, the member states have sought to address this deficit by gradually expanding the powers of the European Parliament, drawing

inspiration from the institutional model of representative, parliamentary democracy, well established at the national level.

Rationalist principal-agent analysis has generally found it more difficult to explain the conferral of powers on the European Parliament (Moravcsik 1998; Pollack 2003). While there is a close fit between the functions typically delegated to agents and those delegated to the Commission and the Court of Justice, there is only a poor fit in the case of the Parliament. That said, there are accounts that draw on non-functionalist rationalist choice theory in explaining the empowerment of the European Parliament (e.g., Héritier 2007).

The rotating chairmanship of the Council and the European Council – the Presidency – constitutes a third procedural dimension of EU negotiations that merits specific attention. Addressing the institutional development of this office, one rational institutionalist account explains the historical evolution of the Presidency office as a functional response to bargaining problems in the EU, generating demands for agenda management, brokerage, and representation (Tallberg 2006, ch. 3). The search for efficient modes of negotiation and decision-making was the *leitmotif* of this process. Where alternative institutional solutions were available, these were duly considered and often discarded. Where the rotation design of the Presidency gave rise to problems of discontinuity, EU governments sought to address these through the creation and strengthening of mechanisms of continuity. Through its emphasis on rational adaptation, this account contrasts with the common view that the Presidency "has grown in status more by default than by design" (Kirchner 1992: 71).

While scholars inspired by sociological institutionalism have not yet addressed the institutional design of the Presidency, there is an unexploited potential for research tracing the adoption of the rotation model in the 1950s (one of three in international cooperation), and the subsequent diffusion of this model to other European regional organizations, such as EFTA, the WEU, the OSCE, and the Nordic Council of Ministers. Realism, for its part, can help to

shed light on the most recent instance of institutional design in this area: the proposal in the Lisbon Treaty to introduce a semi-permanent president of the European Council. Despite the requirement of unanimity and massive opposition from the EU's small and medium-sized countries – anxious to hold on to the recurring opportunities for influence through the Presidency, and fearing an expansion of the room for power politics in the EU – the large member states were successful in pushing through this reform in their strategic interest.

Norms

A central effect of the growth in constructivist research on the EU since the mid-1990s is the increasing attention accorded to the role of norms in negotiation and decision-making. Few today would dispute the fact that norms of appropriate behavior exist in the EU and constitute an important institutional dimension of its negotiation system. As Ole Elgström and Michael Smith (2000a: 678) summarize in a volume on EU negotiations: "Because of the intensity, complexity and continuity of the negotiation process, and the permanent and evolutionary character of the negotiation system embodied in the EU, it is possible to argue that it also constitutes a complex and sophisticated negotiated order, resting not only on the material foundations of institutions and procedures, but also on a powerful set of normative and quasi-ideological understandings." While the literature to date mainly has been preoccupied with the effects of norms on negotiation behavior, there are a set of contributions that have addressed the sources of norms, demonstrating the merits of drawing on sociological and rational institutionalist approaches. The consensus norm in the Council has received the most extensive attention, with the norm that Presidencies should behave impartially as a second example.

The puzzling pattern from which all research on the consensus norm departs is the fact that member governments, despite provisions for qualified majority voting, overwhelmingly

take decisions by consensus. In 75 to 80 percent of all cases where decisions could have been taken through voting, member states instead resort to consensus decision-making (Hayes-Renshaw et al 2006: 163). Scholars inspired by sociological institutionalism conceive of this pattern as a reflection of processes of socialization and norm internalization among decision-makers: "The EU's 'culture of consensus' is the result of the 40-year history of negotiations among the same partners and the acculturation of new members to those norms. This means that the negotiations are structured in a framework where, because of the iterated nature of the negotiations, trust is very high and reputation matters a great deal" (Heisenberg 2005: 68). The Council, in this view, constitutes a rich social environment that works according to a culture of community, marked by diffuse reciprocity, thick trust, mutual responsiveness, a consensus-reflex, and a culture of compromise (Lewis 2000). Consensus decision-making is the product of a norm of appropriate behavior that prescribes accommodation of the interests of the minority and proscribes pushing for a vote. This norm has gained a taken-for-granted character, in that decision-makers no longer consider alternative courses of action.

While typically wedded to a more strategic conception of negotiations, rational institutionalism may help shed light on the origin of this consensus norm. As emphasized in one account, "member states allow and even encourage deliberation and informal norms of appropriateness because they lead to desirable institutional arrangements and, ultimately, collective policy outcomes that everyone can live with" (Lewis 2008: 179). More specifically, consensus decision-making may be the product of informal vote trading within the existing legislative agenda (log-rolling) or vote swapping over time (diffuse reciprocity) – a practice of "selling" preferences not strongly held for advantages in other issue areas or in future negotiations (Heisenberg 2005: 69). This analysis is further developed in a recent rationalist account of norms in EU negotiations, where deviation from formal rules is interpreted as an informal practice designed to facilitate decision-making (Kleine 2008), echoing conclusions

from previous research on creative informal strategies designed to facilitate cooperation (Héritier 1999).

Another norm often referred to by policy-makers and scholars is the prescription that presidencies should be neutral and impartial. Rather than exploiting the power resources of the chairmanship for national gain, presidencies should act as "honest brokers," facilitating negotiation and agreement in an evenhanded way. While the extent to which this norm actually constrains member governments is a matter of dispute (Elgström 2003; Tallberg 2006), its presence in the Brussels political environment is not. Indeed, it is sufficiently institutionalized to appear as a recommendation in the Council Secretariat's (1997) handbook for incoming presidencies.

However, students of EU negotiations have been slow to explore the origins of this norm, which merit more systematic attention. Sociological institutionalists possess a theoretical toolbox well suited for exploring the spread, consolidation, and potential internalization of this norm in the EU context. The general negotiation literature suggests that the impartiality norm constitutes a behavioral prescription woven into the chairmanship as an institutional model. In this vein, one contribution emphasizes: "The only expectation a presiding officer should always strive to fulfill is that of impartiality and fairness" (Lang 1989:33). Hence, while not necessarily a product of the rotation system and a dense social context, the impartiality norm is quite possibly reinforced by these conditions specific to the EU. Rational choice institutionalism, for its part, is particularly well positioned to explore the role of efficiency concerns in the emergence of this norm. From a functionalist perspective, this norm may be explained by its capacity to facilitate negotiations, for instance, by encouraging governments at the helm to sacrifice national interests that stand in the way of collective agreement.

Where do we go next?

In this article, I have sought to demonstrate the merits of drawing on general theories of institutional design for purposes of explaining the creation, evolution, and shape of the institutions governing EU negotiations. While students of bargaining and decision-making in the EU routinely assume that institutions matter for outcomes, they have so far done little to systematically explore the sources of these organizations, procedures, and norms. This article is a call for such research. I will conclude by suggesting the contours of an agenda on the institutional foundations of EU negotiations, substantively, theoretically, and methodologically.

Substantively, this article indicates that there are a number of aspects of the institutional environment of EU negotiations that are relatively less well explored than others. Areas of institutional design that have received increasing attention in recent years include the expanding role of the European Parliament, the shift in decision rule from unanimity to qualified majority voting, and the consensus norm in Council decision-making. In each of these areas, scholars have mapped the historical processes behind institutional changes and practices, and advanced explanations of these developments. By contrast, other areas of institutional design remain seriously underexplored. The European Council has since its creation in the 1970s become increasingly institutionalized and empowered, yet this evolution remains to be systematically mapped and explained. The role of Council Secretariat has shifted over time, from an exclusively service-oriented function historically into a distinctly political function in foreign and security policy over the past decade, but this development has not been adequately examined and explained. A third institutional aspect of EU negotiations requiring further exploration is the norm of the neutral Presidency, which is frequently referred to, yet poorly understood.

Theoretically, this article joins a set of contributions that advocate closer attention in EU studies to the scope for theoretical dialogue between different strands of institutional theory (Aspinwall and Schneider 2001; Jupille et al. 2003). As the inventory of empirical research in this article indicates, rational choice institutionalism, sociological institutionalism, and realism not only offer theoretical tools for making sense of the institutions of EU negotiations, but also demonstrate important complementarities. This suggests the appropriateness of a domain-of-application approach to theoretical dialogue, based on the notion that theories are potentially complementary and capable of jointly providing a more comprehensive explanation than each theory individually (Jupille et al. 2003: 21-23). Given that theories share the same epistemological assumptions, they may be complementary either functionally or sequentially, that is, either by explaining different aspects of the same phenomenon (e.g., high and low stake bargaining) or by explaining different phases of the same process (e.g., interest formation and bargaining). This article points to a sequential logic of complementarity in the design of EU negotiation institutions that should be explored further in future research. As suggested by research on the institutional origins of the Council, the European Council, and the Presidency, rational choice institutionalism has comparative advantages in explaining the emergence and establishment of institutions, with reference to functional demands and benefits, whereas sociological institutionalism has comparative advantages in accounting for their subsequent form, stability and diffusion.

Methodologically, process tracing and in-depth case studies are likely to constitute the most effective approach for mapping and explaining the historical origin and evolution of organizations, procedures, and rules in EU negotiations (George and Bennett 2005). Not only is process tracing, with its emphasis on the reconstruction of how initial conditions translate into outcomes through causal mechanisms, specifically designed for the exploration of historical political processes. In addition, this approach is particularly open to the domain-of-

application model of theoretical dialogue, as it allows for the notion that factors to hold varying explanatory power over the course of a political process. This makes process tracing superior for the purposes of this research agenda, when compared to methodological techniques that rest explicitly on competitive testing. Quantitative methods have been effectively used in the study of international institutional design (e.g., Koremenos 2001), and may be combined with the domain-of-application approach as well. However, when deployed for purposes of explaining the design of EU negotiation institutions, this approach risks confronting the problem of a low n, unless the number of cases can be expanded through disaggregation.

References

Aspinwall, M. and Schneider, G. (2001) *The Rules of Integration: Institutionalist Approaches to the Study of Europe*, Manchester: Manchester University Press.

Bailer, S. (2004) 'Bargaining Success in the European Union,' *European Union Politics* 5 (1): 99-123.

Barnett, M. N. and Finnemore, M. (2004) *Rules for the World: International Organizations in Global Politics*, Ithaca: Cornell University Press.

Beach, D. and Mazzucelli, C. (eds.) (2007) *Leadership in the Big Bangs of European Integration*, Basingstoke: Palgrave Macmillan.

Beach, D. (2008) 'The Facilitator of Efficient Negotiations in the Council: The Impact of the Council Secretariat,' in D. Naurin and H. Wallace (eds.) *Unveiling the Council of the European Union: Games Governments Play in Brussels*, Basingstoke: Palgrave Macmillan.

Boli, J. and Thomas, G. M. (eds.) *Constructing World Culture. International Nongovernmental Organizations since 1875*, Stanford, CA: Stanford University Press.

Bulmer, S. and Wessels, W. (1987) *The European Council: Decision-Making in European Politics*, Houndmills: Macmillan.

Council Secretariat (1997) *Council Guide. 1. Presidency Handbook*, Luxembourg: Office for Official Publications of the European Communities.

Drezner, D. W. (2007) *All Politics Is Global: Explaining International Regulatory Regimes*, Princeton: Princeton University Press.

Elgström, O. (2003) '"The Honest Broker"? The Council Presidency as a Mediator.' In O. Elgström (ed.) *European Union Council Presidencies: A Comparative Perspective*, London: Routledge.

Elgström, O. and Jönsson, C. (2000) 'Negotiation in the European Union: Bargaining or Problem-Solving?,' *Journal of European Public Policy* 7 (5): 684-704.

Elgström, O. and Smith, M. (2000a) 'Introduction: Negotiation and Policy-Making in the European Union – Processes, Systems and Order,' *Journal of European Public Policy* 7 (5): 673-683.

Elgström, O. and Smith, M. (eds.) (2000b) 'Negotiation and Policy-Making in the European Union,' special issue of *Journal of European Public Policy* 7 (5).

Elgström, O. and Jönsson, C. (eds.) (2005) *European Union Negotiations: Processes, Networks, and Institutions*, London: Routledge.

George, A. L. and Bennett, A. (2005) *Case Studies and Theory Development in the Social Sciences*, Cambridge, Mass.: MIT Press.

Gruber, L. (2000) *Ruling the World: Power Politics and the Rise of Supranational Institutions*, Princeton: Princeton University Press.

Hawkins, D. G., Lake, D. A., Nielson, D. L. and Tierney, M. J. (eds.) (2006) *Delegation and Agency in International Organizations*, Cambridge: Cambridge University Press.

Hayes-Renshaw, F. and Wallace, H. (2006) *The Council of Ministers*. 2nd edition, Basingstoke: Palgrave Macmillan.

Hayes-Renshaw, F., van Aken, W. and Wallace, H. (2006) 'When and Why the EU Council of Ministers Votes Explicitly,' *Journal of Common Market Studies* 44 (1): 161-194.

Heisenberg, D. (2005) 'The Institution of "Consensus" in the European Union: Formal versus Informal Decision-Making in the Council,' *European Journal of Political Research* 44: 65-90.

Héritier, A. (1999) *Policy-Making and Diversity in Europe. Escape from Deadlock*, Cambridge: Cambridge University Press.

Héritier, A. (2007) *Explaining Institutional Change in Europe*, Oxford: Oxford University Press.

Jupille, J., Caporaso, J. A. and Checkel, J. T. (2003) 'Integrating Institutions: Rationalism, Constructivism, and the Study of the European Union,' *Comparative Political Studies* 36 (1-2): 7-40.

Keohane, R. O. (1984) *After Hegemony: Cooperation and Discord in the World Political Economy*, Princeton: Princeton University Press.

Kirchner, E. (1992) *Decision-Making in the European Community. The Council Presidency and European Integration*, Manchester: Manchester University Press.

Kleine, M. (2008) 'All Roads Lead away from Rome? A Theory of Institutions in (European) Decision Making,' paper presented at the ECPR Joint Sessions in Rennes, April 11-15, 2008.

Koremenos, B. (2001) Loosening the Ties that Bind: A Learning Model of Agreement Flexibility. *International Organization* 55 (2): 289-325.

Koremenos, B., Lipson, C. and Snidal, D. (2001) 'The Rational Design of International Institutions,' *International Organization* 55 (4): 761-799.

Krasner, S. D. (1991) 'Global Communications and National Power: Life on the Pareto Frontier,' *World Politics* 43 (3): 336-356.

Lang, W. (1989) 'Multilateral Negotiations: The Role of Presiding Officers,' in F. Mautner-Markhof (ed.) *Processes in International Negotiations*, Boulder, Colo.: Westview Press.

Laursen, F. (ed.) (2002) *The Amsterdam Treaty. National Preference Formation, Interstate Bargaining and Outcome*, Odense: Odense University Press.

Lewis, J. (2000) 'The Methods of Community in EU Decision-Making and Administrative Rivalry in the Council's Infrastructure,' *Journal of European Public Policy* 7(2): 261-289.

Lewis, J. (2005) 'The Janus Face of Brussels: Socialization and Everyday Decision Making in the European Union,' *International Organization* 59 (4): 937-971.

Lewis, J. (2008) 'Strategic Bargaining, Norms and Deliberation,' D. Naurin and H. Wallace (eds.) *Unveiling the Council of the European Union: Games Governments Play in Brussels*, Basingstoke: Palgrave Macmillan.

March, J. G. and Olsen, J. P. (1989) *Rediscovering Institutions: The Organizational Basis of Politics*, New York, NY: Free Press.

McNamara, K. R. (2002) 'Rational Fictions: Central Bank Independence and the Social Logic of Delegation,' *West European Politics* 25 (1): 47-76.

Mearsheimer, J. J. (1994/95) 'The False Promise of International Institutions,' *International Security* 19 (3): 5-49.

Meerts, P. and Cede, F. (eds.) (2004) *Negotiating European Union*, Basingstoke: Palgrave Macmillan.

Meunier, S. (2005) *Trading Voices. The European Union in International Commercial Negotiations*, Princeton, N.J.: Princeton University Press.

Moravcsik, A. (1998) *The Choice for Europe: Social Purpose and State Power from Messina to Maastricht*, Ithaca, N.Y.: Cornell University Press.

Moravcsik, A. and Nicolaïdis, K. (1999) 'Explaining the Amsterdam Treaty: Interests, Influence, Institutions,' *Journal of Common Market Studies* 37 (1): 59-85.

Naurin, D. and Lindahl, R. (2008) 'East-North-South: Coalition-Building in the Council before and after Enlargement,' in D. Naurin and H. Wallace (eds.) *Unveiling the Council of the European Union: Games Governments Play in Brussels*, Basingstoke: Palgrave Macmillan.

Naurin, D. and Wallace, H. (eds.) (2008) *Unveiling the Council of the European Union: Games Governments Play in Brussels*, Basingstoke: Palgrave Macmillan.

Parsons, C. (2003) *A Certain Idea of Europe*, Ithaca, NY: Cornell University Press.

Pedersen, T. (1998) *Germany, France and the Integration of Europe*, London: Continuum.

Pollack, M. (2003) *The Engines of Integration: Delegation, Agency, and Agenda Setting in the EU*, Oxford: Oxford University Press.

Powell, W. W. and DiMaggio, P. J. (eds.) *The New Institutionalism in Organizational Analysis*, Chicago, Ill.: University of Chicago Press.

Rittberger, B. (2001) 'Which Institutions for Post-War Europe? Explaining the Institutional Design of Europe's First Community,' *Journal of European Public Policy* 8 (5): 673-708.

Rittberger, B. (2005) *Building Europe's Parliament: Democratic Representation Beyond the Nation-State*, Oxford: Oxford University Press.

Schoutheete, P. de (2006) 'The European Council,' in J. Peterson, and M. Shackleton (eds.) *The Institutions of the European Union* (Oxford: Oxford University Press).

Simmons, B. A. and Martin, L. L. (2002) 'International Organizations and Institutions,' in W. Carlsnaes, T. Risse and B. A. Simmons (eds.) *Handbook of International Relations*, London: Sage.

Tallberg, J. (2006), *Leadership and Negotiation in the European Union*, Cambridge: Cambridge University Press.

Tallberg, J. (2008) 'Bargaining Power in the European Council,' *Journal of Common Market Studies* 46 (3): 685-708.

Tallberg, J. and Johansson, K. M. (2008) 'Party Politics in the European Council,' *Journal of European Public Policy* 15 (8): 1222-1242.

Thomson, R., Stokman, F. N., Achen, C. H. and König, T. (eds.) (2006) *The European Union Decides*, Cambridge: Cambridge University Press.

Waltz, K. N. (1979) *Theory of International Politics*, Reading, MA: Addison-Wesley.

Weingast, B. R. and Marshall, W. J. (1988) 'The Industrial Organization of Congress; or, Why Legislatures, Like Firms, Are Not Organized as Markets,' *Journal of Political Economy* 96 (1): 132-163.

Westlake, M. and Galloway, D. (2004) *The Council of the European Union*. 3rd edition, London: John Harper Publishing.

Williamson, O. E. (1975) *Markets and Hierarchies: Analysis and Antitrust Implications*, New York, NY: Free Press.

Zimmer, C., Schneider, G. and Dobbins, M. (2005) 'The Contested Council: Conflict Dimensions of an Intergovernmental EU Institution,' *Political Studies* 53: 403-422.