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Issue Characteristics, Issue Linkage, and States' Choice of Bargaining Strategies in the European Union

Abstract: How do the character and distribution of issues (i.e. issue linkage) affect the choice of bargaining strategies in the European Union (EU)? I argue that despite several important steps taken in the current literature, the theoretical and empirical evaluation of the impact of issue characteristics and issue linkage on bargaining strategies in the EU remains an important path for future research. I briefly review this literature and highlight gaps in our current understanding of these effects. I then build on this discussion to develop empirically testable hypotheses for future work in this research program. After deriving these hypotheses, I highlight several difficulties related to conceptualization, measurement, and research design that future research must overcome in order to empirically test these hypotheses in a rigorous and systematic way. I conclude by arguing that overcoming these difficulties, though challenging, is a worthwhile endeavor in the study of EU bargaining.

Key words: bargaining, bargaining strategy, European Union, issue linkage, negotiation

<u>Issue Characteristics, Issue Linkage, and States' Choice of</u> Bargaining Strategies in the European Union

The analysis of the bargaining strategies adopted by the member states in the European Union's (EU) decision-making process has developed considerably over the past several years. In general, the literature has begun to move from a debate over whether member state bargaining is characterized either by hard bargaining (Scharpf 1988; Moravcsik 1998) or by a "Community-method" (Lewis 2000), to a general recognition that EU negotiations actually consist of the "coexistence" of these different types of bargaining approaches (Elgström and Jönsson 2000).

Though some current studies still assume that EU bargaining is characterized by either one or the other (e.g., Schalk, et al. (2007: 234) "assume" that EU negotiations are characterized by "cooperative bargaining"), the literature has started to focus on this *variation* in bargaining strategies, and to analyze the *conditions under which* different types of strategies are likely to be adopted by the EU member states. Factors such as level of politicization (Elgström and Jönsson 2000), the stage of decision-making (Elgström and Jönsson 2000; Niemann 2004), the institutional setting within which negotiations take place (Special Issue 1), and various state characteristics (Special Issue 2) have been cited as key factors that affect the types of bargaining strategies states choose to adopt.

I argue here that, holding these other factors constant, the characteristics of the issues over which the EU member states bargain, and the way those issues are linked together in the negotiation also influence states' choice of bargaining strategy. To make this case, I review the current literature analyzing the impact of issue characteristics and issue linkage on bargaining strategies, and highlight gaps in our understanding of these effects. In doing so, I derive testable hypotheses about the effects of bargaining over high versus low politics issues and zero- versus positive-sum issues, as well as the impact that the salience and differences in relative salience of

the issues over which states bargain have on types of bargaining strategies they choose to adopt. In generating empirical predictions about the effects of these various issue characteristics, I focus in particular on the implications for EU decision-making. (Note that in making these hypotheses, I draw on the "hard" versus "soft" bargaining continuum – where "hard" bargaining captures a more "conflictual" bargaining strategy, and "soft" bargaining captures a more "cooperative" strategy (Special Issue 2).

After presenting these theoretical predictions, I highlight several difficulties related to conceptualization, research design, and measurement that future research must overcome in order to empirically test these hypotheses in a rigorous and systematic way. Future work needs to develop conceptualizations of state bargaining strategies that avoid problems of circularity in arguments about issue characteristics, and to carefully construct research designs to control for potential endogeneity in the empirical testing of them. Most importantly, to even be able to proceed down this empirical path, rules for the empirical measurement of the key theoretical concepts need to be constructed so that these concepts can be measured in a way that is consistent and comparable across different types of negotiations. I conclude this discussion by arguing that, though challenging, these are important steps that need to be taken to tease out the substantive effects of issue characteristics (and other factors) on the bargaining strategies of the EU member states.

Issue Characteristics

The theoretical analysis of the impact of different issue characteristics on bargaining strategies is fairly developed in current bargaining research. Through a review of this literature, I identify four main characteristics of issues that affect the bargaining strategies of states: (1) whether the issue area under consideration is one of high or low politics; (2) whether the set of issues being negotiated are zero-sum or positive-sum in nature; (3) the salience of an issue to states' interests; and (4) the relative salience of linked issues. Each of these characteristics, I argue, has particular implications for the study of bargaining among the EU member states.

Before evaluating the effects of these different issue characteristics, it is important to note that the claims here are *theoretical* in nature, and are made *ceteris paribus*. In other words, empirical reality in the EU negotiations may not always fit perfectly with these theoretical predictions because of the impact of other issue characteristics, state characteristics, and the institutional setting. Only controlling for these multiple factors can the true *empirical* effects of these different dynamics be discerned. I discuss this important issue in more depth in the Conclusion.

High versus Low Politics Issues

For several reasons, whether the issue area within which the negotiation takes place is one of high or low politics should impact the bargaining strategies states choose to adopt. First, high politics issues are more likely to be dominated by a concern for "relative" gains. In other words, in high politics issues, states are concerned about gains and losses, not in absolute terms, but *relative* to the other states with whom they are bargaining. Conversely, states are more likely to be concerned for "absolute" gains in low politics issues (Mearsheimer 1994/95; Lipson 1984).

These different ways of interpreting gains and losses should lead states to adopt different types of bargaining strategies. In particular, when states are concerned with relative gains, their main focus is "winning" as much as possible from the other side, and they are thus are expected to adopt hard bargaining strategies; when states are concerned with absolute gains, their main focus is the reaching of a mutually beneficial agreement, and they are thus are expected to adopt bargaining strategies that are softer in nature (Elgström and Jönsson 2000; Hopmann 1995).

Second, negotiations dealing with high politics issues are more likely to be highly politicized. States' domestic audiences are thus more likely to be aware of, and attuned to, these negotiations than they are in negotiations dealing with low politics issues. The more domestic audiences know about a bargaining interaction, the more likely state representatives are to "posture" and present themselves as highly inflexible in the negotiation. This, then, leads to more frequent breakdowns in negotiations (Stasavage 2004). This posturing and inflexibility is consistent with the tactics associated with "hard" bargaining strategies.

Taken together, this reasoning leads to the following hypothesis: holding all else constant, when bargaining over high politics issues, states are more likely to adopt hard bargaining strategies; when bargaining over low politics issues, states are more likely to adopt soft bargaining strategies (Hypothesis 1).

Hypothesis 1 has an important implication for decision-making in the EU, which deals with a range of issues – from foreign policy, environmental policy, defense policy, competition policy, agricultural policy, criminal law, judicial affairs, etc. We would expect to see harder bargaining strategies adopted by states in the policy areas such as foreign and defense policy, which fit the standard definition of high politics, than when they deal with "low" politics issues such as those related to trade and the single market. Thus, holding all else constant, we would

expect that: when bargaining over foreign and defense policy EU member states should be more likely to adopt hard bargaining strategies; when bargaining over other policies, EU member state should be more likely to adopt soft bargaining strategies (Hypothesis 1a).

Zero-Sum versus Positive-Sum Issues

A second issue characteristic that may impact the bargaining strategies states adopt is whether the set of issues under consideration is zero-sum or positive-sum in nature. The zero-sum nature of international bargaining has often been associated with more conflictual types of bargaining strategies (Schelling 1960). In a zero-sum bargaining setting, the parties to a bargain have "strictly opposing interests" (Riaffa 1982: 33), and it is these opposing interests that drives the adoption of conflictual strategies. Alternatively, in non-zero-sum bargaining settings, states' interests are not diametrically opposed, leading to the possibility that less conflictual bargaining strategies will be adopted. Thus, holding all else constant, we would expect that: when bargaining over a set of issues that is zero-sum in nature, states are more likely to adopt hard bargaining strategies (Hypothesis 2).

Extending this analysis, some scholars argue that any negotiation in which states bargain over only one issue is a zero-sum bargaining setting. This is because when dealing with a single issue, any two negotiating parties that do not share the exact same interests will have opposing interests on that single issue dimension (Riaffa 1982). Thus, holding all else constant, we would expect that: when bargaining over a single issue, states are more likely to adopt hard bargaining strategies (Hypothesis 2a).

While hypothesis 2a may be important for international negotiations, more generally, and bilateral negotiations, in particular, it may not be as helpful for making predictions about

bargaining in the EU. In any given proposal (or Treaty) over which the EU member states negotiate, there are multiple issues to discuss. Even bargaining over seemingly one-dimensional proposals, such as those setting targets for carbon emissions or battery recycling, involves additional issues such as the required *timeline* for meeting these targets. Given that different states likely have different "trade-off rates" on these various issues, this is not a purely zero-sum bargaining situation (Riaffa 1982). In addition, with more than two negotiating states, coalitions likely exist, and some states' interests will be closer together than others – eliminating the ideal-type, diametric opposition of any two states' interests in any one dimension.

The different effects of the zero- versus positive-sum nature of a negotiation may, however, have important implications related to the impact of issue complexity in EU negotiations. The more complex is a given issue area, the more likely a negotiation in that area will involve multiple dimensions that need to be jointly resolved in order to reach an agreement. Thus, in highly technical and complex issue areas, the less likely it is that a bargain will be purely zero-sum in nature. Thus, holding all else constant, we would expect that: when bargaining over more complex issue areas, states are more likely to adopt soft bargaining strategies (Hypothesis 2b).

In addition to bargaining on a single issue dimension, a second way to capture zero-sum bargaining situations is by looking at the zero-sum nature of the issues themselves. First, issues that are "redistributive" (Elgström and Jönsson 2000) are likely to be more zero-sum in nature. By definition, redistribution involves taking resources from one state and giving them to another. Thus, this fits the definition of a zero-sum bargaining situation – one state's gain is another's loss. Thus, when bargaining over redistributive issues, states are more likely to adopt hard bargaining strategies (Hypothesis 2c). This prediction is consistent with other analyses in the

literature (e.g., Elgström and Jönsson 2000). Second, issues that involve the literal division of a fixed sum are, by definition, zero-sum bargaining settings. This is particularly relevant in negotiations in the area of fisheries policy, which often involves the allocation of fishing quotas among the member states, all of which must sum to some fixed amount. We would therefore expect harder bargaining in this policy area (from states with a large fishing industry). Thus, we would expect that: when bargaining over fisheries policy, states (with an interest in this issue) should be more likely to adopt hard bargaining strategies (Hypothesis 2d).

Overall, this discussion and analysis demonstrates that beyond the simple high-low politics distinction, the zero- or positive-sum nature of a negotiation is likely to impact the bargaining strategies adopted by the EU member states in that negotiation.

Issue Salience

A final characteristic of issues that may impact the bargaining strategies of states is the salience of the issue to a state's interests. Though not specifically analyzing bargaining strategies, scholars have demonstrated that that both the onset and escalation of international conflict are more likely to occur in disputes involving issues that are important to the interests of the states involved (Diehl 1992). Applying this logic to bargaining interactions, we would thus expect that states should adopt more conflictual bargaining strategies on issues that are more important to their interests. This leads to the following empirical prediction: holding all else constant, the more salient an issue is to the interests of a member state, the more likely that state is to adopt hard bargaining strategies (Hypothesis 3).

The implications for EU bargaining that stem from this argument are numerous. First, we would expect that intergovernmental conferences (IGCs) – which deal with issues of institutional

change, the relative power of member states within the EU, and issues of national sovereignty — would be central to the member states' interests. Hard bargaining would therefore be expected in the IGCs. This leads to the following hypothesis: when bargaining in IGCs, EU member states should be more likely to adopt hard bargaining strategies (Hypothesis 3a). Though not yet empirically tested in a systematic way, this prediction is consistent with the descriptions and analyses of the negotiations in these IGCs (Moravcsik 1998; Cameron 2004), and therefore has at least preliminary empirical support. Indeed, David Cameron directly attributes "the widely divergent positions [with regard to changes to the QMV voting system] of Spain and Poland, on one hand, and Germany, France, and other member states, on the other, and the intensity of their divergent preferences," to stalemate and breakdown in the Constitutional IGC (Cameron 2004: 385, emphasis added).

More interestingly, looking at specific issue areas and the salience of those issue areas to different EU member states, we can derive more specific predictions about the bargaining strategies member states are likely to adopt. I do not go into all of the possible predictions here, but rather, provide some illustrative examples of how this theoretical argument can be used to analyze EU bargaining.

First, given the large amount of EU structural funds received by the poorer EU member states relative to their GDP, we would expect that these states would consider this issue highly salient to their interests. Thus, holding all else constant, states such as Greece, Poland, Estonia, Latvia, Lithuania, Hungary, Poland, Slovakia and Spain, who receive structural funds at levels greater than 0.5% of their GDP would be expected to adopt hard bargaining strategies in negotiations involving the allocation of these funds, and stipulations regarding their use. Similarly, given the large amount of EU funds received by agricultural states from the Common

Agricultural Policy (CAP), we would expect these states to have very intense preferences on this issue. Thus, holding all else constant, states such as Greece, Lithuania, Ireland, Hungary, Latvia, Poland, Spain, Slovakia, Portugal, Estonia, France and Slovenia, who receive CAP funds valued at more than 0.5% of their GDP would be expected to adopt hard bargaining strategies in negotiations involving this issue.² The same logic can be applied to many different types of member states in different issue areas.

While these predictions are neither surprising nor counterintuitive, the connection between issue salience and bargaining strategies highlighted here provides a theoretical underpinning for the behavior we have come to expect from certain EU member states on certain issues – a theory-based explanation that is rooted in the bargaining literature. In addition, this idea of issue salience plays a central role in the less intuitive analysis of issue linkage. I therefore move to this discussion in the following section.

Linking Issues: "Relative" Issue Salience

When multiple issues are "linked" – i.e., considered together in a negotiation – the *relationship* between those issues may also be an important characteristic that impacts states' choice of bargaining strategies. In defining this issue linkage relationship, the following concepts are used. The *relative importance* (relative salience) of issue X refers to how important issue X is versus a linked issue, Y, to the interests of state A. A *difference* in the relative importance of linked issues means that issue X is more important than issue Y to state A while issue Y is more important than issue X to state B.

The standard argument in the issue linkage literature is that if issues that are characterized by *differences in their relative importance* to the negotiating states are linked together in a

bargaining interaction, this increases bargaining "efficiency" and bargaining "success" – i.e., the ability of states to reach a bargaining agreement (Tollison and Willett 1979; Sebenius 1983; McGinnis 1986; Martin 1994; Dür and Mateo 2006). However, implicit in this argument is a key assumption – that given differences in relative issue salience, trade-offs *will* occur across the linked issues. This assumption is even explicitly built into in several different bargaining models (Coleman 1990; Van den Bos 1991; Schalk et al. 2007).

This argument may be helpful if what we are analyzing is bargaining *outcomes*. In other words, we could predict that if issues characterized by differences in their relative salience are "linked" together (i.e., simultaneously discussed for joint settlement (Sebenius 1983: 287)), the efficiency of the bargain should increase, and states should be more likely, holding all else constant, to reach a bargaining agreement.

However, this is problematic for the analysis of bargaining *strategies*, because it assumes states' strategies stem directly from the issue linkage structure. But this assumption has not been evaluated empirically. An important path for future research in this area is therefore to begin to open the black box of the relationship between issue linkage and bargaining outcomes by analyzing the impact of issue linkage on states' bargaining strategies – the strategies that intervene between the issue linkage structure and bargaining outcomes. This leads to the final hypothesis that I propose here: *the greater the difference in the relative salience of linked issues across the bargaining states, the more likely those states are to adopt strategies in which they engage in trade-offs across those issues* (Hypothesis 4). (Note that hypothesis 4 does not make a specific prediction about the categorical nature of the bargaining strategy – it doesn't predict "hard" or "soft" bargaining. This choice will be discussed in the next section, because it points

to particular problems related to conceptualization and the study of issue linkage and bargaining strategies.)

While not counter-intuitive, this hypothesis is an important one to consider, in general, and for the study of the EU, in particular. First, it is necessary to evaluate this relationship between issue linkage and bargaining strategies in order to have confidence in the assumption underpinning the theories connecting issue linkage to bargaining outcomes, and to move toward empirically testing these arguments.

More importantly for the study of EU decision-making, given that the European Commission has the sole right of legislative proposal in many issue areas, and *de facto* drafts most legislative proposals in other issues areas, this issue linkage argument may have important implications for the power of the Commission in the EU decision-making process. *If* certain types of linked issues *do* impact the bargaining strategies of the member states (as predicted by hypothesis 4), and thus the outcomes of that process (as predicted by the issue linkage literature), the particular issues the Commission chooses to link together in its proposals – i.e., the actual *content* of Commission proposals – may have an important impact on the bargaining interaction among the EU member states. After evaluating this hypothesis, future research may therefore look to the implications of these issue linkage arguments for our understanding of the role of the Commission in EU decision-making.

Moving Toward an Empirical Analysis: Challenges for Future Reserach

Bargaining theory therefore predicts that the types of issues over which they bargain and the way those issues are linked together will exert important effects on the bargaining strategies the EU member states adopt. The challenge for future research in this field is to begin to empirically evaluate these hypotheses in a systematic and rigorous way. However, given the current state of research in this field, I argue that future work must overcome several important challenges to be able to do so. I discuss these challenges in the remainder of the paper.

[Special Issue 2] discusses various methodological approaches for gathering empirical evidence related to these types of hypotheses and the study of state bargaining strategies, and the potential benefits and difficulties associated with each. I therefore do not repeat this discussion, recognizing that the empirical testing of hypotheses 1 through 4 that I forward here face these same methodological costs and benefits. Instead, I devote the discussion here to addressing issues related to conceptualization, measurement, and research design, as these issues are particularly relevant for the analysis of issue characteristics and issue linkage effects.

Conceptualization of Bargaining Strategies

There are numerous conceptual typologies for categorizing the types of bargaining strategies states can adopt – from the integrative versus distributive bargaining distinction first proposed by Walton and McKersie (1965) to the current hard versus soft bargaining typology used by [Special Issue 2], with many other proposed categorizations in-between. The difficulty with these conceptualizations is that they include tactics of *linking* issues within the set of tactics that define the various bargaining strategies. For explicit connections of these "linkage tactics," to bargaining strategies, see the discussions by James Sebenius (1992) and Dean Pruitt (1981). Even if it is not explicit in the definition of these categories, strategies such as "making a proposal for compromise" (Special Issue 2) can include proposing an agreement that links a new issue to the negotiation. Furthermore, in these current classifications, issue linkage as a tactic can fall into both the cooperative category (i.e., linking an issue to offer a concession on that

issue (Pruitt 1981)) *and* the conflictual category (i.e., issues can be linked by holding some issues "hostage" to gain bargaining leverage on others (Sebenius 1992: 335)).

Therefore, despite the benefits of these current typologies, research that seeks to empirically evaluate *issue linkage* and its effects on bargaining strategies – either by altering the difference in preference intensities or by altering the zero- or positive-sum nature of the game – needs to provide a conceptualization of bargaining strategies that specifically precludes the inclusion of issue linkage as a possible tactic. This is necessary to prevent building circularity into the theoretical argument.

This was addressed in the hypotheses presented here by defining strategies in terms of "engaging in trade-offs across issues" (see hypothesis 4). Future research can build on and refine this conceptualization, connecting it more explicitly to the cooperative-conflictual continuum of bargaining strategies that underpins current categorizations. Doing so may help to better connect issue linkage arguments to the study of state bargaining strategies.

Research Design

The separation of the issue linkage structure from the bargaining strategies of states goes beyond the need for a more careful theoretical conceptualizations of bargaining strategies; it also has important implications for the empirical testing of these arguments. Rather than treating issue linkage as an exogenous feature of the bargain which then impacts state strategies, as is (often implicitly) assumed in the issue linkage literature, many discussions in the IR literature (e.g., Axelrod and Keohane 1986: 240), and most empirical analyses in this field (e.g., Carrubba 1997; Cameron 1997) show that states can, and do, often use issue linkage as a bargaining tactic. This is particularly characteristic of discussions of issue linkage in terms of "side payments."

Given that the linking of different types of issues can alter the zero- or positive-sum nature of the bargain (Riaffa 1982), the empirical analysis of both hypotheses 2 and 4 face potentially serious problems of endogeneity when state bargaining strategies can alter the issue linkage structure. This has important implications for the study of EU negotiations.

In negotiations in the IGCs, member states' bargaining interactions play an important role in choosing which issues to include or not include in the draft Treaty proposals. For example, in the Treaty of Amsterdam, treaty drafts covering 228 different issues were discussed throughout the course of the bargaining process. Within these negotiations, those issues that were too contentious were removed, and 69 were left in the final draft on which agreement was reached (Slapin 2006). This provides important evidence that a change in the issue linkage structure (through issue subtraction, in this case), resulted directly from the bargaining interaction among the member states.

The assumption of exogeneity may fit more closely with bargaining over every-day legislation in the EU. This is because almost all proposals (which serve to lay out the particular set of issues over which the member states will bargain) come from the European Commission, and thus the Commission's interests (Pollack 2003, 2006) and internal politics (Peters 1992; Hooghe 2001) largely determine the structure and issues included in legislative proposals. However, even in these negotiations, the endogeneity problem can still arise. The member states can, and in some cases, do, exert significant influence over draft proposals by lobbying the Commission. In addition, the Commission may anticipate the constellation of interests among the member states when drafting its proposals. Thus, the member states' interests may indirectly influence the issues laid out in legislative proposals. Studies of both IGCs and everyday

bargaining in the EU should therefore be aware of this potential endogeneity problem, and work to address it through careful research design and various methodological techniques.

Empirical Measurement

As this research program moves toward the empirical testing of hypotheses about the impact of issue characteristics and issue linkage on state bargaining strategies, a final challenge that future work faces is that of empirical measurement. This challenge relates both to the dependent, as well as the independent variables.

The empirical measurement of state bargaining strategies is difficult because the definition of different types of bargaining strategies often incorporate several different types of bargaining tactics in a given bargaining strategy category. For example, soft bargaining is defined to include "signaling flexibility, making a conciliatory statement or praising the other side, seeking partners for compromise, and making a proposal for compromise" (Special Issue 2). Given that these categories define ideal-type ends of a continuum, works that seek to empirically measure these concepts will have to construct rules to both empirically identify and weight these different factors in an index. In other words, future work will have to answer the following types of questions. With regard to the empirical observation of these tactics, "What observable actions signal flexibility?" And with regard to coding and weighting these different tactics, "If one state signals flexibility but does not make conciliatory statements and another state does the opposite, which state has adopted the softer bargaining strategy?" While these questions may seem trivial, they are extremely important in order to be able to map states' strategies on the "hard-soft" bargaining continuum, and to meaningfully compare strategies across different states and different bargaining settings.

Future research seeking to empirically measure issue linkage and issue characteristics will face a similar challenge. This challenge is particularly relevant in the measurement of issue salience. For empirical work in this field to advance, rules for the empirical observation and measurement of the salience of an issue to a state need to be constructed. In particular, these rules need to be specified such that issue salience can be meaningfully compared across different states and across different issues. Until such measurement rules are constructed, hypotheses 3 and 4 cannot be tested in any meaningful and systematic way.

Furthermore, not only must rules for the identification and comparison of issue salience be constructed, but these measurement rules need to be able to meaningfully talk about *differences* in *relative* issue salience across a given set of issues. In the two-issue, two-state ideal-type case on which the current issue linkage literature relies, this can be easily identified – differences in relative issue salience means state 1 places high importance on issue X (but not issue Y) and state 2 places high importance on issue Y (but not issue X).

However, future work that seeks to build on issue linkage arguments and use this concept in empirical analyses need to be able to measure and compare the difference in the relative salience of issues across a set of issues in bargaining settings with *more than two* issues and *more than two* bargaining states. This is particularly important for the study of bargaining in the EU where twenty-seven member states bargain over large numbers of directives, each of which include and address many different, smaller issues. For example, how do we compare differences in the relative salience to the EU member states of the issues in the Financial Perspective (which included issues as varied as agricultural funding, structural funds, rebates, research funding, and institutional issues related to the role of the European Parliament, etc.) to differences in the relative salience to the EU member states of the issues included in a directive

dealing with carbon emissions (which can include issues such as levels at which to cap emissions, regulations to place on industry, how to prevent overburdening small businesses with these regulations, how to trade emission caps, etc.). Until rules that address this important measurement issue are constructed, hypothesis 4 must remain empirically untested, and its ability to add to our understanding of EU bargaining is quite limited.

Conclusion

As described above, the empirical evaluation of how different issue characteristics affect the bargaining strategies EU member states adopt when negotiating over those issues faces several challenges. Though demanding, I argue that overcoming these difficulties is central to furthering our understanding of EU bargaining. This is because only by analyzing and controlling for the effects of *all* these different issue characteristics (as well as for various institutional features of the negotiation and state characteristics) *together*, can the true effect of each of these factors on EU bargaining be discerned.

The need for these more complex analyses can be highlighted by comparing the empirical reality of some EU negotiations to the *ceteris paribus* theoretical predictions laid out above. For example, in contrast to the predictions of hypothesis 1, states may be observed adopting relatively soft bargaining strategies in some CFSP negotiations, while adopting inflexible and hard bargaining strategies in negotiations over what might be traditionally thought of as "low politics" issues, such as negotiations over fishing quotas or the negotiations on the Services Directive.

In other words, while the standard argument in IR theory predicts that whether the issue area under consideration is one of high or low politics is likely to impact the type of bargaining

strategies adopted by the EU member states, there are several other features of the issues under consideration (as well as features of the negotiation context) that may mitigate these effects. Not only do fishery policy negotiations involve low politics issues, they are also zero-sum in nature; though involving low politics trade issues, the Services Directive was highly salient to the interests of vocal and active domestic groups such as trade unions. In addition, the institutional setting of the EU might mitigate the security and relative gains concerns often argued to characterize high politics issues. These different factors each affect states' bargaining behavior, and their individual effects may sometimes pull in different directions.

What this means is that overcoming the measurement and research design issues highlighted above is central for our ability to empirically assess the impact of issue characteristics in EU negotiations. More importantly, doing so can allow us to understand how these different issue characteristics *interact* – both with each other as well as with institutional and state characteristics – to affect state bargaining behavior. It can also help us to understand the conditions under which these different issues characteristics exert a greater or lesser impact on the EU member states' strategic bargaining behavior. Taking these steps will then allow us to tease out the different substantive effects and relative importance of these various factors in EU bargaining, and furthering our understanding of this important and complex process.

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Notes

- ¹ This does not mean that other states those on the payment side would not consider this issue salient to their interests as well. This is simply an illustrative example of one way that this issue salience could be used to explain state bargaining behavior in EU negotiations.
- ² These arguments are based on 2006 data on EU appropriations to the member states in the various issue areas. This data was collected from the European Court of Auditors.

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