4 EU Trade Politics

Introduction

In multilateral trade negotiations, the EU is represented by the Commission and ‘speaks with one voice’ (Meunier and Nicolaïdis, 1999). This is a unique situation worldwide, and it is almost revolutionary to have a situation where nation states have voluntarily transferred sovereignty to the European level in a key area of external affairs (Meunier and Nicolaïdis, 1999).

There is now a vast literature on EU trade politics and on the way that authority has been delegated to the Commission. This literature can be divided into five prominent strands of explanation. First, most studies apply the two-level game approach of Robert Putnam (1988) to EU trade politics (Clark, Duchesne, and Meunier, 2000; Collison, 1999; Meunier, 2000; Woolcock, 2005; Young, 2002). Within this strand of explanation, some scholars depict EU trade politics as a three-level game between the international and the national levels (Larsén, 2007; Paarlberg, 1997; Patterson, 1997). The second prominent strand applies the principal–agent approach to explain how authority has been delegated from member states to the Commission (Conceição-Heldt 2010, 2011; Damro, 2007; Delreux, 2008; Elsig, 2007; Kerremans, 2004b, c; Meunier and Nicolaïdis, 1999). Third, some studies compare the delegation of authority in the EU and in the United States (De Bièvre and Dür, 2005; Nicolaïdis, 2000) as well as the bargaining power of these two major actors in the Uruguay round negotiations (Clark, Duchesne, and Meunier, 2000). Fourth, there are scholars who describe EU trade policy since its inception by embedding it in the institutional framework (Baldwin, 2006; Elsig, 2002; Hayes, 1993; Johnson, 1998; Leal-Arcas, 2003; Nicolaïdis and Meunier, 2002; Smith, 2001; Woolcock, 2005; Woolcock and Hodges, 1998; Young, 1998, 2000). Finally, other scholars focus on the EU as an actor in multilateral trade negotiations (Fouilleux, 2004; Meunier, 2005; Meunier and Nicolaïdis, 2006; Paeman and Bensch, 1995; Schöppenthau, 1999; Young, 2007).
There are considerable differences between scholars regarding the question of why member states decided to delegate trade authority to the EU level and on how to assess the relationship between the Council and the Commission. Concerning the first point of discord, there are two main diverging views. On the one hand, proponents of the ‘collusive delegation hypothesis’ contend that national governments delegated trade authority to the EU level with the aim of minimizing the influence of societal interests and thus to insulate themselves from protectionist pressures at the domestic level (Meunier, 2005; Nicolaïdis and Meunier, 2002; Woolcock, 2005). However, there has been little empirical research examining this view and the scarce empirical evidence that is available is ambiguous (Dür, 2006). Even though a few authors (Hocking and McGuire, 2002; Young, 2002) found evidence that member states and the Commission act relatively independently from interest group pressures, a large majority of authors (De Bièvre and Dür, 2005; Dür, 2006, 2008; Hoven, 2002; Milner, 1988) suggest that economic interest groups do actively influence trade policy. This wide range of studies, however, tells us little about the influence of interest groups at the domestic level. If Meunier (2005) is right that member states have decided to transfer policy-making to the EU level to design trade policies independently from protectionist pressures of interest groups, the French protectionist position on agricultural issues remains puzzling.

By the same token, proponents of the principal–agent approach to EU trade policy disagree on whether the relationship between the Commission and the Council can be assessed in terms of cooperation or conflict, and whether the delegation of power enables the agent (the Commission) to act autonomously in relation to the principals (the member states). Kerremans (2004b), the most vocal proponent of the cooperative view, considers that in multilateral trade negotiations it is not in the Commission’s interest to act autonomously in relation to member states. On the contrary, he maintains the view that the Commission will use the EU and the WTO system to involve the member states sufficiently in the negotiation process at the international level, otherwise there is a risk that at the ratification stage member states will defect. The role of the Commission is more like a balancing act, in which the Commission has to find an equilibrium between its dependency on member states at the EU level, especially during the ratification process, and its autonomy during negotiations at the international level.

By contrast, some other authors (Woolcock and Hodges, 1998; Young, 2006) consider the relationship between the Commission and the Council as conflict-ridden. They assert that the reluctance of member states to cede broader competences to the EU, and thus to widen the scope of trade power delegation to the Commission during the 1997 Amsterdam Intergovernmental Conference, can be explained by the distrust of the member states towards the Commission’s ability to represent their interests in international negotiations. For example, Woolcock and Hodges (1998)