

See discussions, stats, and author profiles for this publication at:
<https://www.researchgate.net/publication/235925678>

The political science of EU trade policy: a literature review with a research outlook

ARTICLE *in* COMPARATIVE EUROPEAN POLITICS · FEBRUARY 2013

Impact Factor: 0.58 · DOI: 10.1057/cep.2012.35

CITATIONS

2

READS

194

2 AUTHORS:



Arlo Poletti

LUISS Guido Carli, Libera Un...

28 PUBLICATIONS **69** CITATIONS

SEE PROFILE



Dirk De Bièvre

University of Antwerp

31 PUBLICATIONS **284** CITATIONS

SEE PROFILE

Review

The political science of European trade policy: A literature review with a research outlook

Arlo Poletti and Dirk De Bièvre

Department of Political Science, University of Antwerp Stadscampus, S.M.281 Sint-Jacobsstraat
2 2000 Antwerpen, Belgium.

E-mails: arlo.poletti@ua.ac.be; dirk.debievre@ua.ac.be

The European Union's Foreign Economic Policies: A Principal-Agent Perspective

A. Dür and M. Elsig

Routledge, London, 2011

Protection for Exporters: Power and Discrimination in Transatlantic Trade Relations, 1930–2010

A. Dür

Cornell University Press, Ithaca, 2010

Negotiating Trade Liberalization at the WTO: Domestic Politics and Bargaining Dynamics

E. da Conceição-Heldt

Palgrave Macmillan, Basingstoke, 2011

Comparative European Politics advance online publication, 4 February 2013;
doi:10.1057/cep.2012.35

Introduction

Trade policy is among the most prominent policies to be placed under supranational competence from the very beginning of the European Community (EC). Since the adoption of the Treaty of Rome in 1957, the EC possessed an external personality and held the authority to elaborate, negotiate and enforce trade relations with the rest of the world.¹ While there has been considerable controversy as to whether the EU represents a ‘power’ in the fields associated to traditional ‘power politics’ (Gordon, 1998; Ginsberg, 1999), it has long been acknowledged that it has indeed acquired such status in the field of international trade. The EU exercises substantial leverage on international trade politics, because its economy and share of



global imports affect its trading and investment partners, and also because the EU seeks to wield influence by the use of commercial instruments (Meunier and Nicolaïdis, 2006).

Despite its institutional prominence and empirical relevance, EU trade policy attracts comparatively little scholarly attention. In comparison with the huge and detailed literature focusing on US trade policy, the EU trade policy literature remains underdeveloped, both theoretically and empirically (Dür, 2006; Dür and Zimmermann, 2007). Single case studies on the most visible negotiating processes and analyses covering few trade sectors, particularly agriculture, have long dominated the field. Only in the past two decades has the importance of EU trade policy been reflected in a number of theoretically as well as empirically ambitious studies, which we will review in this piece.

Although relatively little time has passed since we can talk of an EU trade policy literature, this body of works has been remarkably quick in connecting to the comparative politics, international relations and international political economy literatures, showing that studying the European Union does not necessarily mean casting oneself away from broader political science debates. All too often studies on the EU adopt a *sui-generis* approach that tends to isolate them from mainstream political science. This is an understandable and arguably even useful tendency. As the EU political system has some institutional features that are unique, it should come as no surprise that much attention is devoted to try and make sense of it. The downside to the tendency of going for peculiar features however is that this has led to descriptive, rather than theory-driven research, and to the development of *ad hoc* accounts, undermining the possibility to draw on and contribute to broader political science debates. Still, the EU trade policy literature, more than other strands of EU research, has more quickly started to acknowledge that concepts and theories used to study politics and policies at the national level can be applied for the analysis of the EU policy processes (Hix, 1999; Richardson, 2001; Yee, 2004). The main aim of this review article is to bear witness of this quick evolution into realizing the potential for a more generalizable political science of EU trade policy.

In a first phase, EU trade policy scholars have moved away from a purely *sui generis* approach, borrowing conceptual and theoretical tools from the wider political science literature. In a subsequent phase, a number of studies have brought to maturity this process by assuming functional equivalence between trade policy-making system in states and the trade policy-making system of the EU, hence considering the EU just as one case among many to test generic political science theories.

Drawing on this state of the art, we also argue that much still needs to be done to fully exploit the research potential inherent in the confrontation of general theoretical concepts and propositions with empirical detail. In our view, a desirable next step will be to ground EU trade policy research more firmly in the



comparative politics approach by creating research designs that systematically assess the effects of differences across trade policy-making political systems. Among the many possible ways to achieve that aim, we submit that two avenues for future research stand out. First, analyses of features and causal mechanisms typical of the EU institutional structure would benefit from explicit controlled comparisons with other political systems. This requires using abstract conceptual tools to make comparisons of different institutional contexts possible. The generic typology of majoritarian versus consensus-oriented political systems could be operationalized and made useful to explain and understand different policy responses to similar challenges. A more explicit and controlled attempt could also be made at using veto player theory to analyze such differences.

Second, we suggest ways to come to grips with the role differences in values, norms and culture play in explaining different patterns of trade policy-making and outcomes across political systems. The advance with regard to the existing literature might consist of focusing on the sources of differences in values, norms and culture, and comparing how and why these ideologies and cultural frames have developed along different paths, rather than treating these characteristics as given.

Although the aim of the review is to be relatively comprehensive (but not exhaustive!) by reviewing both academic articles and books, each of the three books under review exemplify a particular approach to the study of European trade policy. The volume edited by Dür and Elsig is an example of the usefulness of general concepts and theories applied to EU trade policy. The volume analyzes EU trade policy-making with a view to develop new propositions on the dynamics of delegation and control that take place between principals and agents in trade policy-making. The Dür book offers an example of how the analysis of EU trade policy can be instrumental to corroborate theoretical arguments by identifying regularities of behavior and policy outcomes across political systems. Finally, the Conceicao-Heldt book offers a framework for how of the EU trade policy literature could be brought forward by trying to systematically assess the effects of differences across political systems.

The main lessons we draw from this review is that the move towards generalizability of concepts and explanations for EU trade policy represents a healthy development. While there remains much to gain from research that focuses on some of its specifics, we contend that striving for general findings on EU trade policy-making will contribute further to the accumulation of knowledge about trade policy at large.

Sui Generis Approaches to EU Trade Policy

The beginnings of the political science literature on EU trade policy can be traced back to competences debate of the second half of the 1990s. Until the



adoption of the 1997 Amsterdam Treaty, the original wording of Article 133 (ex-Art. 113 EEC) granting the Community exclusive competences for the EU's common commercial policy remained substantially unchanged. The expansion of the international trade agenda to the so-called new trade issues, formalized with the creation of the WTO in 1995, put political-administrative strain on the Community's legal trade competences. The ensuing political struggle between the Commission and the Member States over who should have ultimate competence over these 'new trade issues' led to a re-definition of EU trade policy-making rules in subsequent treaty revisions.

Reacting to these institutional and political conflicts over trade policy, a number of authors aimed at making sense of a situation in flux for what concerned both the political debate among the relevant institutional stakeholders and the rules and institutions governing EU trade policy-making (Meunier and Nicolaidis, 1999; Woolcock, 2000; Young, 2000; Nicolaidis and Meunier, 2002; Meunier, 2003).

Traditionally the domain of a fairly narrow policy community of national and EU officials and a few economic interests in agriculture and manufacturing, EU trade policy acquired a broader scope as international trade rules created incentives for new constituencies to mobilize, making the trade policy-making environment more complex and politicized (Woolcock, 2005), while increasing contestation opened the policy to more normative challenges (Young, 2007). On the external front, scholars inquired into the nature of the EU trade actorness, trying to identify new conceptual categories for the distinctive and conflicted nature of EU's international trade policy stances (Collinson, 1999; Smith, 2001; Baldwin, 2006; Holmes, 2006; Meunier and Nicolaïdis, 2006; Jacoby and Meunier, 2010), or highlighting the allegedly distinctive values, principles and norms guiding EU behavior in the international trading system (Bretherton and Vogler, 1999; Falke, 2005; Van den Hoven, 2006). On the domestic front, scholars focused on how the EU's distinctive political and institutional features affect patterns of business-government relations and lobbying concerning EU trade policy (Van den Hoven, 2002; Hocking, 2004; Shaffer, 2006; Woll, 2006a). Despite existing differences however, these studies shared the view that EU trade policy is quite a special phenomenon, had limited theoretical ambition and concentrated on developing new conceptual categories to grasp the empirical reality of EU trade policy-making.

Between *Sui Generis* and Generalizability

A gradual move away from a *sui generis* approach to the study of EU trade policy took place when scholars started to approach the subject with more general conceptual and theoretical political science tools. Although the idea of



European exceptionalism continues to permeate these studies, these attempts to apply middle-range theories imported from other fields represent an important movement towards generalizability.

Several of these studies have started from the idea of Putnam's two-level games. Initially, the two-level game metaphor was applied to investigate the effects of international trade obligations on domestic processes of reform (Moyer, 1993; Paarlberg, 1997), while later some authors argued that such a framework is insufficient to grasp the multi-level nature of EU trade policy-making system and should be modified into a three-level game, taking place on the domestic, the EU and the international level (Patterson, 1997; Frenhoff-Larsén, 2007).

A number of studies proposed the principal-agent (P-A) framework as a flexible heuristic tool to make sense of EU trade policy-making. Investigating the role of multiple agents, for instance, has been proposed to grasp the political dynamics taking place within the European Commission (Elgström and Frenhoff-Larsén, 2010). Others have used the principal-agent framework with a *sui generis* purpose, aiming to account for the distinctive dynamics of delegation and control in the EU's trade policy-making system. Kerremans (2004) shows how the specific rules for the delegation of negotiation powers from the Member States to the European Commission create incentives for the latter to anticipate preferences of the former. Elsig (2007) argues that the existing delegation design of EU trade policy-making, that is, the Commission's agenda-setting power, high thresholds for principals' sanctioning and the multi-level system, all allow for substantial agency autonomy. Similarly, other authors investigate the strategic paths available to agents in the EU trade policy-making system to maximize their room for maneuver with respect to multiple principals (Delreux and Kerremans, 2010; Conceição-Heldt, 2011a).

In this vein, a number of institutionalist arguments have also been developed to account for EU trade policy behavior. Hanson (1998), for instance, argues that the liberalization of external trade policy was an unintended consequence of the completion of the internal market as it created a systematic institutional bias toward liberalization over increased protection. Young (2004) suggests that consensual decision-making rules in particular issue areas makes regulatory peaks very resistant to change, which might explain why the EU finds it difficult to comply with WTO dispute settlement rulings.

While this body of literature is characterized by stronger theoretical ambitions, its approach remains essentially *sui generis*, as general theories are adapted to analyze EU specificities, or they are employed to account for specific characteristics of EU trade politics or policies. However, while these studies focus on what makes the EU special, these initial efforts to import general concepts and theories from outside the borders of the European studies camp are key for this literature to further evolve and use the EU as the



empirical yardstick to develop general and testable hypotheses about the political economy of trade policy preference and policy formation at large.

Fully Embarking on Generalization

A number of authors have moved away from a *sui generis*, outcome-centric research design of previous studies, towards a factor-centric research design, in which the EU is used as the empirical yardstick to test general propositions.²

While using a wide array of different theoretical perspectives, these studies draw on three broad strands of political research: international political economy, comparative politics and international relations. Studies drawing on IPE approaches use the EU as an empirical case to test and develop theories that conceive of trade policy orientation of governments as determined by the anticipated distributional implications of expected policies and the patterns of interest groups mobilization these engender. These approaches thus build on the assumption that political actors act as office seekers and have strong incentives to anticipate the reaction of societal groups – especially producer groups – and avoid policies that will weaken their chances for re-election or re-appointment. Dür (2007a, c, 2008a, 2011) analyzes various instances of EU trade negotiations to empirically test the so-called ‘protection for exporters’ argument, that is, the proposition that exporters lobby more in reaction to losses of foreign market shares than in pursuit of opportunities. In an analysis of the EU’s in the Kennedy Round and the Doha Development Agenda, Dür (2008b) finds support for the claim that the EU negotiating positions were largely determined by interest groups’ pressure, showing that in both cases there were striking parallels between the positions defended by economic interests and public actors. Dür and De Bièvre (2007) also find strong evidence in support of collective action theory in their assessment of the influence organizations representing diffuse interests within the EU on the occasion of negotiations concerning Economic Partnership Agreements and Doha negotiations over rules on access to medicines in developing countries. Similarly, Eckhardt (2011) shows how import-dependent firms in the EU mobilize far more against certain losses than for potential gains, weighing decisively on political outcomes, while Heron and Siles-Brügge (2012) find evidence that the trade preferences of multinational firms seeking to secure ‘first-mover’ advantages in highly regulated service markets were key drivers of the recent proliferation of bilateral and regional trade agreements signed by the EU.

A second broad group of studies draws on concepts and theories from comparative politics. Some authors apply the so-called ‘policies determine politics’ argument ([Lowi, 1972](#)) to the analysis of EU trade policy. Ugur (1998), for instance, analyses the evolution of EU’s textile and clothing policy



during the Multifibre arrangement and Uruguay round negotiations to test the proposition that the level of protectionism is determined by the degree of transparency/divisibility of the issue at stake. [Young \(2007\)](#) suggests that the negotiating positions of the EU in the Doha round reflected distinctive patterns of trade politics underlying three types of trade policies, namely traditional, commercial and social trade policies. Similarly, [Poletti \(2012\)](#) develops a theoretical framework to explain EU behavior in Doha negotiations in which variation of trade politics is conceived of as a function of the political salience and certainty of distributive effects of negotiating issues.

Other comparative approaches look at EU trade policy through the lenses of the principal-agent framework. Differently from the P-A studies reviewed in the previous section, however, these analyses have greater theoretical ambition in that they use the EU as an empirical test case to develop new and general propositions within this theoretical approach. [Elsig's \(2010\)](#) analysis of the enlargement's impact on EU trade policy, for instance, sheds light on the question how a sudden increase of both the number of principals and their preference heterogeneity affects the dynamics of delegation and control between principals and agents. The edited volume by [Dür and Elsig](#) perhaps represents the most systematic example of the way in which the analysis of EU trade policy-making can be used to produce advances in the context of the principal-agent theory. In particular, two questions addressed in this volume are key to increase the theoretical reach of the principal-agent framework in the context of the study of trade policy at large: the consequences of a multi-level system of policy-making comprising several hierarchically organized P-A relationships, and the impact of diverging preferences among principals on P-A relationships that are relevant in the formulation of trade policy. The first question is addressed in the contribution by [Poletti \(2011\)](#), where the delegation of strong enforcement powers to the WTO Dispute Settlement Body is shown to have led to an alignment of preferences both among principals and between principals and agents within the EU, creating the conditions for its consistent support of wide-ranging multilateral trade negotiations in the Doha round.³ [Conceição-Heldt \(2011b\)](#) deals with the second problem, showing through a systematic analysis of EU member states and Commission preferences concerning agricultural trade negotiations in the Doha round how divergence of preferences among principals increases the agent's ability to pursue its preferred policies. Also with regard to the incidence of diverging principals' preferences, [De Bièvre and Eckhardt \(2011\)](#) show that P-A relationships can turn out to be remarkably stable, despite rampant political conflict over the agent's mandate. They argue that an attempt by the Commission to reform its antidumping policy so as to become more responsive to demands from importers, retailers and producers having outsourced production, failed, because import-competing producers mobilized more



strongly and exerted influence on both the agent and some of the most important principals in favor of the *status quo*.

Still from a comparative politics perspective, EU trade policy has also been analyzed to show how ideas, values and norms embedded in a given institutional setting can also influence trade politics by fostering argumentative and deliberative behavior (Niemann, 2004; Van Den Hoven, 2004).

Finally, a third group of authors analyses EU trade policy from the angle of traditional IR approaches such as realism and negotiation theory. In their study of EU interregional trade negotiations, Aggarwal and Fogarty (2004) have maintained that these were to an important degree motivated by geo-political and geo-economic considerations such as the need to respond to the emerging power of Asia and to counterbalance US power. Zimmermann (2007) equally draws on realism-based explanations, when he argues that the EU was motivated by geo-economic and mercantilist considerations in its negotiations on China's and Russia's WTO accession, specifically by the interest to maximize EU wealth relative to other powers. Similarly, some authors analyze the EU's engagement with ACP countries in the framework of the European Partnership Agreements as an exercise of power politics (Hurt, 2003; Farrell, 2005). Meunier (2000, 2005) analyzes how different institutional rules to aggregate divergent member state preferences into one common position affect the bargaining capabilities of the EU in international trade negotiations, contributing significantly to negotiation theory by shedding light on the linkage between domestic institutional structures and external effectiveness in international negotiations.

Going Comparative

While the developments described so far have placed the EU trade policy literature at the forefront of ongoing attempts to connect studies on the European Union to conceptual and theoretical advances in mainstream political science research, we contend that further efforts are needed to exploit the full potential of this development. More specifically, a desirable next step is to ground EU trade policy research more firmly in the comparative politics approach by creating research designs that systematically assess the effects of differences across trade policy-making political systems.

Comparative studies of EU trade policy-making have so far mostly concentrated on comparisons between the EU and the United States, identifying regularities of behavior and outcomes, largely overlooking whether and why we observe systematic variation across countries. To be sure, this 'compare to highlight similarities' approach represents a necessary step on the road towards greater generalizability of findings. Stressing similarities, rather



than differences across institutional systems, is key to show that it is both possible and useful to assume functional equivalence between the fundamental dynamics underlying trade policy in the EU and in other political systems. For instance, in an analysis of US negotiations with Japan and the EU, Davis (2004) contends that an institutionalized linkage between agricultural and industrial issues encouraged agricultural liberalization in both cases. De Bièvre and Dür (2005) show how the delegation of trade policy authority to agents in both the EU and United States reduces transaction costs under conditions of heterogeneous constituency demands, while maintaining principals' control over the flow of resources from lobbying.

The book by Dür probably represents the most systematic and comprehensive analysis showing the usefulness of assuming that the politics underlying trade policy preference in the EU is fundamentally equivalent to that in nation states. Dür conducts a comparative analysis of US and EU trade policies over the last century, integrating domestic and international strategies into a single explanation to account for periods of acceleration and slowdown in the pace of trade liberalization in these political systems. Besides offering an outline of the 'protection for exporter' argument, the author combines these insights with an explanation of bargaining outcomes when policies abroad harm a country's exporters. By relying on the concept of export vulnerability as a key factor in explaining the amount of concessions one country is able to extract in the bargaining process, the explanation can account for why exporters in a given country exert pressures on decision-makers to seek increased access to foreign markets, as well as the outcome of trade bargaining. In a recent quantitative analysis of the proliferation of preferential trade agreements among 167 countries, Baccini and Dür (2012) show that the explanatory force of the protection for exporters argument extends beyond the cases of two pivotal international trade players such as the EU and the United States.

From a different theoretical angle, Woll (2008) highlights regularities between the EU and the United States, showing how trade policy-makers can shape producers' preferences when uncertainty and lack of knowledge makes it difficult for this latter group to define what their interests are. Analyzing public-private interactions in the United States, the EU and Brazil, Woll and Artigas (2007) contend that the increasing centrality of regulatory issues in the international trading system is transforming traditional pressure politics types of business-government interactions into less hierarchical exchanges based on expertise, learning and information give-and-take.

Comparative research aimed at identifying and explaining systematic differences between trade policy-making and trade policies in the EU and other political systems, however, is largely absent from this literature. In most of the studies considered so far such a comparative perspective is implicit. Institutional hypotheses about the insulation effect of the delegation of trade authority in EU



(Meunier, 2005), on the EU difficulties to comply with WTO dispute settlement rulings (Young, 2004; Daugbjerg and Swinbank, 2008), and concerning the peculiar patterns of trade policy lobbying (Woll, 2006a) are not tested through comparisons between the EU and other political systems. Similarly, analyses that focus on factors such as norms, values and principles as guiding factors of EU trade policy do not corroborate their arguments by means of systematic comparisons with other political systems. In the next sections, we identify two possible avenues to conduct comparative research aimed at casting light on systematic differences in trade policy-making dynamics across political systems.

Domestic institutions

In our view, a promising way to tease out differences in trade policy processes and policies across political systems would be to focus on the role of domestic institutions and the way these systematically affect how actors' preferences are aggregated in the trade policy-making process. We suggest two sets of institutional hypotheses to carry out such a comparative exercise: the first based on the conceptual distinction between consensus and majoritarian political systems developed by Lijphart (1999), and the second based on veto player theory (Tsebelis, 2002). Each of those allows one to derive hypotheses on collective action and policy outcomes in trade policy.

In the first vein, some analysts have looked into the relationship between electoral institutions and trade policy, suggesting that other things being equal governments elected by majoritarian rules are more protectionist (Rogowski, 1987; Mansfield and Busch, 1995; Kono, 2009; Rickard, 2012) and also tend to violate WTO rules more often (Rickard, 2010) than governments elected by proportional rules. Given the peculiarities of appointment and representation of the EU political system, however, this conceptualization of institutional variation is not yet useful enough for meaningful comparisons involving the EU. A conceptual dimension of variation characterizing a wider variety of institutional differences is the distinction between majoritarian and consensus political systems (Lijphart, 1999), which offers a way to develop general and testable hypotheses to account for differences between the EU and other political systems. The conceptual distinction is based on a number of institutional variables referring to both how much power is shared and dispersed in a political system, through which the EU can be categorized as a relatively pure case of consensus democracy (Lijphart, 1999, p. 7).

This conceptual distinction allows for the derivation of hypotheses on how domestic institutions affect the mobilization and influence of interest groups on trade policy across political systems. Consensus-oriented political systems may create incentives for more broad, peak association interest aggregation, rather



than an exclusive focus on lobbying specialization. Power dispersion among a wide array of actors may create incentives for large lobbying coalitions. As for policy outcomes, the sharing of power among many actors may make trade policy more stable and consistent over time. In line with access points theory (Ehrlich, 2007), one could argue that when a wide array of actors has a say in decision-making, consensus democracies favor protectionist interests.

A second promising route would be to put the concept of veto players to use (Tsebelis, 2002). Since the EU trade policy-making process is characterized by a higher number of veto players than many other national political systems (Dür, 2007b), veto player theory could well be employed to also conduct systematic cross-case comparisons. These can equally lead to hypotheses on political outcomes as well as on collective action dynamics. With regard to outcomes, Mansfield *et al* (2007) have found that political systems with a high number of veto players are less likely to sign preferential trading agreements, particularly when the prospective depth of integration of these arrangements is high. One could also hypothesize that systems with a high number of veto players find it more difficult to comply with adverse WTO dispute settlement rulings that require adaptations of domestic policies. This may be all the more so, ever since the Lisbon Treaty extended co-decision by the European Parliament for the adoption of virtually all EU legislative acts. This is likely to increase compliance problems in WTO dispute settlement (Daugbjerg and Swinbank, 2008), hence increasing observable variation in trade policy outcomes between the EU and other members of the multilateral trade regime.

Another possible hypothesis that could be tested through cross-case empirical analysis is that political systems with a high number of veto players have greater propensity to pursue institutional linkages in trade negotiations. Dür (2007b) has argued that linking two or more policy issues in trade negotiations is a condition for a decision-making system with a large number of veto players to avoid internal deadlock, allowing for agreements even if on an individual issue at least one internal actor would use its veto power to block a move away from the *status quo*. This approach could shed light on different approaches across the Atlantic over the inclusion of the so-called trade-and issue in the Doha round of negotiations.

A closely related issue concerns the causal mechanisms linking the number of veto players and trade policy stability. It seems fair to expect systems with a high number of veto players to be less likely to experience fluctuations in their trade policy positions over time. Because a political system with a high number of veto players is characterized by policy stability, one can hypothesize that changes from protectionism to trade openness (and back) are less likely in such systems. Domestic propensity to link multiple issues further raises the threshold for policy change as changing one policy may unpick a wider



compromise based on a package deal resulting from a delicate attempt to strike a balance between the interests of different stakeholders.

Finally, veto player theory could be used to conduct comparisons of interest group mobilization, strategies and influence on outcomes under different institutional conditions. It is an empirically open question whether the presence of a large number of veto players adds to the opportunities of producer interests to mobilize and exert influence more successfully, or rather creates a favorable environment for civil society groups to counterbalance the influence of producer groups.

The Conceicao-Heldt book presents a framework how theoretical insights from these two strands of literature can be combined. Drawing on the conceptual distinction between consensual and majoritarian democracies and on veto player theory, the book offers an analysis of the behavior of four trading actors – the EU, the United States, Brazil and Australia – in the context of agricultural trade negotiations throughout four WTO Ministerial Meetings between 1999 and 2006. While falling short of systematic testing or new theoretical findings, the analysis is structured along expectations that power sharing between the executive and the legislature make cooperation more difficult, that executives are constrained in their bargaining autonomy when they have close ties with specific interest groups, and that the higher the number of institutional and partisan veto players, the fewer the concessions the executive is likely to make at the international level.

Values, culture and norms

A second promising way to develop comparative research on variation between trade policy-making dynamics in the EU and other political systems could be based on the analysis of the values, culture, ideas and norms that guide policy in these different contexts.

Since the 1970s, the literature on EU foreign policy has contended that the EU is a peculiar actor that pursues a value-based stance in the international arena, one in which normative concerns about global justice, development, multilateralism, environmental protection and human rights play a key role (Duchêne, 1973; Lucarelli and Manners, 2006). A few studies have explicitly adopted this perspective for the analysis of EU trade policy (Bretherton and Vogler, 1999; Van den Hoven, 2006). While contending that there is something special in the type of values the EU upholds in the trade arena, values and ideational factors are usually treated as independent variables to explain particular policy outcomes (for an exception, see Kerremans and Orbie, 2009). This is theoretically problematic because it inevitably leads to assume *a priori* that policy-makers have preferences over policies independent of both societal



demands and institutional constraints, raising the question where these preferences come from. Moreover, most of these studies do not subject this contention to an empirical test by comparing the EU with other political systems (for an exception see Falke, 2005). Further research on values and norms in EU trade policy may therefore benefit from turning variation in values and norms guiding trade policy into dependent variables, creating typologies of differences, and comparing how and why particular value-systems, ideologies and normative frames have developed along different paths.

One way to proceed along these lines could be to conduct comparative analyses of public opinion and party political preferences over trade policies. Some analyses have shown that highly salient issues may affect foreign policy choices of decision-makers because of the incentives they face to respond to the wishes of the electorate (Risse-Kappen, 1991; Smith, 2000). With regard to trade policy, Verdier (1994) similarly shows that issues are more likely to be made a priority by parties when these are highly salient to the electorate. Kono (2008) has found that high public support for free trade leads to lower tariffs in democratic states. If public opinion preferences are key, we should find why trade actors' behavior vary along other relevant dimensions, such as propensity to include the so-called trade-and issues in international trade arrangements, different states' preferences over the number, depth and scope preferential trade agreements, and trade actors' behavior in WTO litigation.

Next to individual level preferences in the form of public opinion data, there certainly is potential in systematic analysis of party ideology and its incidence on trade policy. If ideology has a systematic influence on trade policy-making, then the party political composition of the executive and the legislative of different political entities should have a systematic effect on the values they uphold in trade policy. For the EU case, such an analysis could be conducted by considering the party political composition of the executive, that is, the European Commission, and the two legislative bodies in EU trade policy-making, that is, the European Parliament and the Council of Ministers. This would allow linking the trade policy literature to an extensive literature on how the party composition of different EU bodies affects politics and policies (Hix *et al*, 2007; Wonka, 2007; Warntjen *et al*, 2008).

A second possible line of inquiry could focus on the role played by organized groups representing diffuse interest in the trade policy-making process. Hocking (2004) has argued that there has been an evolution of trade consultative processes within the EU from a 'club model' to a 'multi-stakeholder model', as NGOs have become more center-stage in the policy process, while others have suggested that NGOs and social movements were crucial in raising the profile of development in EU trade policy (Young and Peterson, 2006; Young, 2007). The question though is whether diffuse interests play a similar



or a different role in other political systems. To what extent can the degree of influence of these groups account for policy-makers stances?

Third, further research could also concentrate on how differences in firm and trade association lobbying affects trade policy outcomes. In a review of interest group lobbying literature, Woll (2006b) calls for further comparative research on how cultural factors affect lobbying across countries, arguing that lobbying style in the United States is adversarial and confrontational, whereas lobbying in the EU is more consensus-oriented. The peculiar and multi-layered institutional structure of the EU, combined with the need for European peak-associations to aggregate the interests of different national members, may indeed have fostered different socialization processes for organized groups trying to influence trade policy in the EU.

Finally, future research would benefit from systematic variation across public discourses on trade policy, enabling or constraining policy-making. Siles-Brügge (2011) has illustrated the clarifying force of types of discourses in his analysis of the EU – Korea Free Trade Agreement, showing that the intentional, disingenuous, and hence only strategic invocation of external economic constraints ('globalization!') enabled the European Commission's DG Trade to sell the package deal of market access for European service industries and Korean manufacturers in the face of resistance by the European car manufacturing industry. The difference between the cheap invocation of free trade in US politics and the EU rhetoric on a European social model does not seem to result in any strikingly different trade policy outcomes (but see Kerremans and Martins-Gystelinck, 2009), while analysis of discourse in other trading powers has yet to be started.

Conclusion

In this literature review and research outlook, we have reviewed much of the political science literature on EU trade policy to date. We have organized this discussion along the question whether these studies treat the EU as a special case, or whether they try and develop generic insights where the EU is one of the applications. We have further sketched a set of possible, future avenues for further research along comparative lines. While having strived for relative comprehensiveness, we have deliberately not reviewed any legal or economic literature on EU trade policy, and equally have not expanded on the important choice of empirical scope of future studies. It is quite clear that contemporary trade politics has become increasingly influenced by countries such as India, Brazil and China. This development is certainly affecting WTO multilateral negotiations, WTO litigation, inter-regional trade agreements and bilateral trade negotiations, and will therefore inevitably be part of the empirical scope of application of the



theoretical routes we have reflected upon. These empirical fields of application will certainly deserve to become key topics in future trade policy research. Yet, in this piece we have chosen to concentrate on the theoretical side of the coin, convinced as we are that future research on these new empirical phenomena will be able to contribute to the accumulation of knowledge on the fundamental political dynamics of trade policy only if grounded in solid theory.

About the Authors

Arlo Poletti holds a PhD in Political Science from the University of Bologna and since 2009 is enrolled as a post-doctoral researcher at the Department of Political Science of the University of Antwerp and is a member of the Antwerp Centre for Institutions and Multi-level Politics (ACIM).

Dirk De Bièvre is an Associate Professor of International Politics at the Department of Political Science of the University of Antwerp and a member of the Antwerp Centre for Institutions and Multi-level Politics (ACIM).

Notes

- 1 After the transition period until 1967, all EC tariffs were external, and the only exception to exclusive supranational competence in the field of external trade policy was the procedure under the then Article 115, specifying when industries could petition for national exceptions to EC rules (see [Schuknecht, 1992](#)).
- 2 For the distinction between factor-centric and outcome-centric research, see Gschwend and Schimmelfennig (2007).
- 3 On the effects of multiple chains of delegation on P-A relationships, see also Reichert and Jungblut (2007).

References

- Aggarwal, V. and Fogarty, E. (2004) *EU Trade Strategies: Between Regionalism and Globalism*. Basingstoke: Palgrave Macmillan.
- Baccini, L. and Dür, A. (2012) The new regionalism and policy interdependence. *British Journal of Political Science* 42(1): 57–79.
- Baldwin, M. (2006) EU trade politics: Heaven or hell? *Journal of European Public Policy* 13(6): 926–942.
- Bretherton, C. and Vogler, J. (1999) *The European Union as a Global Actor*. London: Routledge.
- Collinson, S. (1999) 'Issue systems', 'multilevel games' and the analysis of the EU's external commercial and associated policies: A research design. *Journal of European Public Policy* 6(2): 206–224.
- Conceição-Heldt, E. (2011a) Who controls whom? Dynamics of power delegation and agency losses in EU trade politics. *Journal of Common Market Studies* 48(4): 1107–1126.



- Conceição-Heldt, E. (2011b) Variation in EU member states' preferences and the commission's discretion in the Doha round. *Journal of European Public Policy* 18(3): 403–419.
- Daugbjerg, C. and Swinbank, A. (2008) Curbing exceptionalism: The EU response to external challenge. *The World Economy* 31(5): 631–652.
- Davis, C. (2004) International institutions and issue linkage: Building support for agricultural trade liberalization. *American Political Science Review* 98(1): 153–168.
- De Bièvre, D. and Dür, A. (2005) Constituency interests and delegation in European and American trade policy. *Comparative Political Studies* 38(10): 1271–1296.
- De Bièvre, D. and Eckhardt, J. (2011) Interest groups and EU anti-dumping policy. *Journal of European Public Policy* 18(3): 339–360.
- Delreux, T. and Kerremans, B. (2010) How agents weaken their principals' incentives to control. *Journal of European Integration* 17(2): 205–223.
- Duchêne, F. (1973) The European community and the uncertainties of interdependence. In: H. Kohnstamm and W. Hager (eds.) *A Nation Writ Large? Foreign-Policy Problems before the European Community*. London: Macmillan Press, pp.1–21.
- Dür, A. (2006) Assessing the EU's role in international trade negotiations. *European Political Science* 5(4): 362–376.
- Dür, A. (2007a) Foreign discrimination, protection for exporters and US trade liberalization. *International Studies Quarterly* 51(2): 457–480.
- Dür, A. (2007b) Avoiding deadlock in European trade policy: Veto players and issue linkages. In: D. De Bièvre and C. Neuhold (eds.) *Dynamics and Obstacles of European Governance*. Cheltenham, UK: Edward Elgar.
- Dür, A. (2007c) EU trade policy as protection for exporters: The agreements with Mexico and Chile. *Journal of Common Market Studies* 45(4): 833–855.
- Dür, A. (2008a) Bargaining power and trade liberalization: European external trade policies in the 1960s. *European Journal of International Relations* 14(4): 645–669.
- Dür, A. (2008b) Bringing economic interests back into the study of EU trade policy-making. *British Journal of Politics and International Relations* 10(1): 27–45.
- Dür, A. (2010) *Protection for Exporters: Power and Discrimination in Transatlantic Trade Relations, 1930–2010*. Ithaca, NY: Cornell University Press.
- Dür, A. (2011) Fortress Europe or liberal Europe? The single market programme and EU's external policies. *Journal of European Public Policy* 18(5): 619–635.
- Dür, A. and De Bièvre, D. (2007) Inclusion without influence: NGOs in European trade policy. *Journal of Public Policy* 27(1): 79–101.
- Dür, A. and Zimmermann, H. (2007) Introduction: The EU in international trade negotiations. *Journal of Common Market Studies* 45(4): 771–787.
- Eckhardt, J. (2011) Firm lobbying and EU trade policy making: Reflections on the anti-dumping case against Chinese and Vietnamese shoes. *Journal of World Trade* 45(5): 965–991.
- Ehrlich, S. (2007) Access to protection: Domestic institutions and trade policies in democracies. *International Organization* 61(3): 571–605.
- Elgström, O. and Frenhoff-Larsén, M. (2010) Free to trade?: Commission autonomy in the Economic Partnership Agreement negotiations. *Journal of European Public Policy* 17(2): 205–223.
- Elsig, M. (2007) The EU's choice of regulatory venues for trade negotiations: A tale of agency power. *Journal of Common Market Studies* 45(4): 927–948.
- Elsig, M. (2010) European Union trade policy after enlargement: Larger crowds, shifting priorities, and informal decision making. *Journal of European Public Policy* 17(6): 781–798.
- Falke, A. (2005) EU-USA trade relations in the Doha development round: Market access versus a post-modern trade policy agenda. *European Foreign Affairs Review* 10(3): 339–357.
- Farrell, M. (2005) A triumph of realism over idealism? Cooperation between the European Union and Africa. *Journal of European Integration* 27(3): 263–283.



- Frenhoff-Larsén, M. (2007) Trade negotiations between the EU and South Africa: A three level game. *Journal of Common Market Studies* 45(4): 857–881.
- Ginsberg, R.H. (1999) Conceptualizing the European Union as an international actor: Narrowing the theoretical capability-expectation gap. *Journal of Common Market Studies* 37(3): 429–454.
- Gordon, P. (1998) Europe's uncommon foreign policy. *International Security* 22(3): 74–100.
- Gschwend, T. and Schimmelfennig, F. (2007) *Research Design in Political Science. How to Practice What They Preach*. Basingstoke, UK: Palgrave Macmillan.
- Hanson, B. (1998) What happened to fortress Europe? External trade policy liberalization in the European Union. *International Organization* 52(1): 55–85.
- Heron, T. and Siles-Brügge, G. (2012) Competitive liberalization and the 'Global Europe' services and investment agenda: Locating the commercial drivers of the EU–ACP economic partnership agreements. *Journal of Common Market Studies* 50(2): 250–266.
- Hix, S. (1999) *The Political System of the European Union*. New York: Palgrave Macmillan.
- Hix, S., Noury, A. and Roland, G. (2007) *Democratic Politics in the European Parliament*. Cambridge, UK: Cambridge University Press.
- Hocking, B. (2004) Changing the terms of trade policy-making: From the 'club' to the 'multistakeholder' model. *World Trade Review* 3(1): 3–26.
- Holmes, P. (2006) Trade and 'domestic' policies: The European mix. *Journal of European Public Policy* 13(6): 811–827.
- Hurt, S. (2003) Co-operation and coercion? The Cotonou agreement between the European Union and ACP states and the end of the Lomé convention. *Third World Quarterly* 24(1): 161–176.
- Jacoby, W. and Meunier, S. (2010) Europe and the management of globalization. *Journal of European Public Policy* 17(3): 299–317.
- Kerremans, B. (2004) What went wrong in Cancun? A principal-agent view on the EU's rationale towards the Doha development round. *European Foreign Affairs Review* 9(3): 363–393.
- Kerremans, B. and Martins-Gystelinck, M. (2009) Interest aggregation, political parties, labour standards and trade: Differences in the US and EU approaches to the inclusion of labour standards in international trade agreements. *European Foreign Affairs Review* 14(5): 683–701.
- Kerremans, B. and Orbie, J. (2009) The social dimension of European Union trade policies. *European Foreign Affairs Review* 14(5): 629–641.
- Kono, D.Y. (2008) Does public opinion affect trade policy? *Business and Politics* 10(2): 1–19.
- Kono, D.Y. (2009) Market structure, electoral institutions, and trade policy. *International Studies Quarterly* 53(4): 885–906.
- Lijphart, A. (1999) *Patterns of Democracy: Government Forms and Performance in Thirty Six Countries*. New Haven/London: Yale University Press.
- Lowi, T. (1972) Four systems of policy, politics and choice. *Public Administration Review* 33(4): 298–310.
- Lucarelli, S. and Manners, I. (eds.) (2006) *Values and Principles in European Union Foreign Policy*. London and New York: Routledge.
- Mansfield, E.D. and Busch, M.L. (1995) The political economy of nontariff barriers: A cross national analysis. *International Organization* 49(4): 723–749.
- Mansfield, E.D., Milner, H. and Pevehouse, J. (2007) Vetoing cooperation: The impact of veto players of preferential trading arrangements. *British Journal of Political Science* 37(3): 403–432.
- Meunier, S. (2000) What single voice? European institutions and EU-US trade negotiations. *International Organization* 54(1): 103–135.
- Meunier, S. (2003) Trade policy and political legitimacy in the European Union. *Comparative European Politics* 1(1): 67–90.



- Meunier, S. (2005) *Trading Voices: The European Union in International Commercial Negotiations*. Princeton, NJ: Princeton University Press.
- Meunier, S. and Nicolaidis, K. (1999) Who speaks for Europe? The delegation of trade authority in the European Union. *Journal of Common Market Studies* 37(3): 477–501.
- Meunier, S. and Nicolaidis, K. (2006) The European Union as a conflicted trade power. *Journal of European Public Policy* 13(6): 906–925.
- Moyer, W.H. (1993) The European community and the GATT Uruguay round: Preserving the common agricultural policy at all costs. In: W.P. Avery (ed.) *World Agriculture and the GATT*. London: Lynne Rienner Publishers.
- Nicolaidis, K. and Meunier, S. (2002) Revisiting trade competence in the European Union: Amsterdam, nice and beyond. In: M. Hosli and A. van Deemen (eds.) *Institutional Challenges in the European Union*. London: Routledge.
- Niemann, A. (2004) Between communicative action and strategic action: The Article 113 Committee and the negotiations of the WTO basic Telecommunications Services Agreement. *Journal of European Public Policy* 11(3): 379–407.
- Paarlberg, R. (1997) Agricultural policy reform and the Uruguay round: Synergistic linkage in a two level game? *International Organization* 51(3): 413–444.
- Patterson, L.A. (1997) Agricultural reform in the European community: A three-level game analysis. *International Organization* 51(1): 135–165.
- Poletti, A. (2012) *The European Union and Multilateral Trade Governance: The Politics of the Doha Round*. London: Routledge.
- Reichert, S. and Jungblut, B. (2007) European Union external trade policy: Multi-level principal agent relationships. *Policy Studies Journal* 35(3): 395–418.
- Richardson, J. (2001) *European Union: Power and Policy-making*. London: Routledge.
- Rickard, S. (2010) Democratic differences: Electoral institutions and compliance with GATT/WTO agreements. *European Journal of International Relations* 16(4): 711–729.
- Rickard, S. (2012) A non-tariff protectionist bias in majoritarian politics: Government subsidies and electoral institutions. *International Studies Quarterly*, (in press).
- Risse-Kappen, T. (1991) Public opinion, domestic structures, and foreign policy in liberal democracies. *World Politics* 43(4): 479–512.
- Rogowski, R. (1987) Trade and the variety of democratic institutions. *International Organization* 41(2): 203–224.
- Schuknecht, L. (1992) *Trade Protection in the European Community*. Chur, Switzerland: Harwood Academic Publishers.
- Shaffer, G. (2006) What's new in EU trade dispute settlement? Judicialization, public-private networks and the WTO legal order. *Journal of European Public Policy* 13(6): 832–850.
- Siles-Brügge, R. (2011) Resisting protectionism after the crisis: Strategic economic discourse and the EU-Korea Free Trade Agreement. *New Political Economy* 16(5): 627–653.
- Smith, M. (2001) The European Union's commercial policy: Between coherence and fragmentation. *Journal of European Public Policy* 8(5): 787–802.
- Smith, M.A. (2000) *American Business and Political Power: Public Opinion, Elections, and Democracy*. Chicago, IL: University of Chicago Press.
- Tsebelis, G. (2002) *Veto Players: How Political Institutions Work*. Princeton: Princeton University Press.
- Ugur, M. (1998) Explaining protectionism and liberalization in the European Union trade policy: The case of textiles and clothing. *Journal of European Public Policy* 5(4): 652–670.
- Van den Hoven, A. (2002) Interest Group Influence on Trade Policy in a Multilevel Polity: Analysing the EU Position at the Doha WTO Ministerial Conference. Florence: European University Institute Working Paper 2002/67.
- Van den Hoven, A. (2004) Assuming leadership in multilateral economic institutions: The EU's development round discourse and strategy. *West European Politics* 27(2): 256–283.



- Van den Hoven, A. (2006) European Union regulatory capitalism and multilateral trade negotiations. In: S. Lucarelli and I. Manners (eds.) *Values and Principles in European Foreign Policy*. London, New York: Routledge.
- Verdier, D. (1994) *Democracy and International Trade*. Princeton, NJ: Princeton University Press.
- Warntjen, A., Hix, S. and Crombez, C. (2008) The party political make-up of EU Institutions. *Journal of European Public Policy* 15(8): 1243–1253.
- Woll, C. (2006a) Trade Policy Lobbying in the European Union: Who Captures Whom? Paris Centre d'Etudes et de Recherches Internationales Working Paper 06/7.
- Woll, C. (2006b) Lobbying in the European Union: From *sui generis* to a comparative perspective. *Journal of European Public Policy* 13(3): 456–469.
- Woll, C. (2008) *Firm Interests: How Governments Shape Business Lobbying on Global Trade*. Ithaca, NY: Cornell University Press.
- Woll, C. and Artigas, A. (2007) When trade liberalization turns into regulatory reform: The impact on business-government relations in international trade politics. *Regulation and Governance* 1(2): 121–138.
- Wonka, A. (2007) Technocratic and independent? The appointment of European commissioners and its policy implications. *Journal of European Public Policy* 14(2): 171–191.
- Woolcock, S. (2000) European Union trade policy: Global pressures and domestic constraints. In: H. Wallace and W. Wallace (eds.) *Policy Making in the European Union*. Oxford, UK: Oxford University Press.
- Woolcock, S. (2005) Trade policy: From Uruguay to Doha and beyond. In: H. Wallace, W. Wallace and M. Pollack (eds.) *Policy-Making in the European Union*. Oxford, UK: Oxford University Press.
- Yee, A.S. (2004) Cross-national concepts in supranational governance: State-society relations and EU policymaking. *Governance: an International Journal of Policy, Administration, and Institutions* 17(4): 87–524.
- Young, A. (2000) The adaptation of European foreign economic policy: From Rome to Seattle. *Journal of Common Market Studies* 38(1): 93–116.
- Young, A. (2004) The incidental fortress: The single market and world trade. *Journal of Common Market Studies* 2(2): 393–414.
- Young, A. (2007) Trade politics ain't what it used to be: The European Union in the Doha round. *Journal of Common Market Studies* 45(4): 789–811.
- Young, A. and Peterson, J. (2006) The EU and the new trade politics. *Journal of European Public Policy* 13(6): 795–814.
- Zimmermann, H. (2007) Realist power Europe? The EU in the negotiations about China's and Russia's WTO accession. *Journal of Common Market Studies* 45(4): 813–832.