

# THE DYNAMICS OF EUROPEAN INTEGRATION

*Derek Beach, New York: Palgrave Macmillan, 2005. Pp. v, 304.*

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So many literatures have been written about the European Union (EU), and much discussion has been provided for, as to the influence of the three primary institutions of the EU, namely, the European Commission (Commission), European Parliament (EP), and Council Secretariat. This book offers an exhaustive study on how EU institutions influence and help shape the decisions of the Union, making it what is it today -a more unified and stronger EU.

Derek Beach's *The Dynamics of European Integration* investigates the roles and impact of the three EU institutions. The book specifically concerns itself as to whether or not EU institutions are able to provide leadership when it comes to Intergovernmental Conference (IGC), which is the forum where EU member States talk about the direction to be taken by the Union. Intergovernmental negotiations in the EU are categorized into two: treaty revision and enlargement negotiations. Treaty revision is sanctioned by Article 48 EU, wherein the government of any Member State or the Commission may submit to the Council proposals for the amendment of the Treaties on which the Union is founded. Meanwhile, enlargement negotiations deal solely on matters relating to the acceptance of new member States in the EU.

The author approaches the study of the influence of EU institutions by dividing the discourse into several parts. The introductory part provides for a background of the study as well as the paradigm adopted for its analysis. To better appreciate the discussion, the book, at the outset, introduces the issue involved in the integration theory: whether intergovernmental negotiations of European integration are dominated by national governments or by EU Institutions. There are two philosophies on this matter: the intergovernmentalism and the supranationalism.

Intergovernmentalists believe that EU institutions do not play much part on the intergovernmental negotiations, especially with the outcomes. They view the governments as the ones in charge of these negotiations. The history of

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the European integration is seen as a series of celebrated grand bargains between the major EU member states. Supranationalists, on the other hand, advocate that EU institutions have played leading role in these negotiations, creating and exploiting demands for further integration within the daily Community policy-making process. While the proponents concede that the EU institutions have a weak formal role in these negotiations, they consider that EU institutions have a strong integrative role in the daily Community policy-making, cultivating and encouraging further demands for integration based upon functional and political spillover process. Functional spillover relates to the demands for further integration created by prior decisions. Political spillover is the shift of actor loyalties and activities as the locus of power shifts from the nation-state to the European level. Best illustration of this event is when the Commission exploited the single-market program, contending that the full gains of the single market could not be achieved without also introducing a common currency.

The author's stance on the issue is more inclined to those of the supranationalists. This is evident from the basic argument of his book – that EU institutions do matter in the history-making intergovernmental bargains of the EU. He makes some reservations, however, by noting that such impact varies according to the circumstances and their strategic choices. Thus, the main question he advances is: when are the EU institutions able to act as leaders in history-making negotiations, enabling them to gain influence over outcomes? This is the thrust of the second part of his discourse, which is also the main point of the book. To argue his position, he has devised a leadership model for when EU institutions matter. Leadership is defined in the book to mean broadly any action by one actor to guide or direct the behavior of other actors towards a certain goal. By successfully providing leadership, the leader is able to influence the final outcome. Leadership can in theory be necessary to overcome two major bargaining impediments that can prevent the parties to a negotiation from achieving common gains. The first impediment, which is usual in complex, multi-party negotiations, is that parties can have difficulties in finding a mutually acceptable, pareto-efficient outcome due to high bargaining cost. Pareto-efficient outcomes refer to outcomes where no party can be made better off without making the other party worse off, meaning that all of the gains on the table are realized. The second impediment relates to coordination problems that can prevent the parties from agreeing upon an efficient agreement, even if there are low bargaining costs. The leadership model shows how these impediments are to be defeated with the participation mainly of the EU institutions.

The leadership model is divided into three analytical categories. The first category relates to the leadership resources that EU institutions can possess

in IGC negotiations. These include material and informational leadership resources and reputation. The facet of material resources that is useful to EU institutions in these negotiations is the ability to link credibly resources that they control in Community policy-making with outcomes in such negotiations.

The second category pertains to the impact of the negotiating context, which determines the scope of possibilities that EU institutions have for translating leadership resources into influence over outcomes through provision of leadership in history-making negotiations. In highly complex situation where strong pressure for agreement is present, the demand for leadership is also high, opening many opportunities for EU institutions to translate their leadership resources into influence over outcomes. These opportunities must be successfully translated into influence, thus the third category comes into picture – the choice of leader strategy. In this study, the author, in analyzing when EU institution matters in intergovernmental negotiation, suggests that the most appropriate leadership strategies involve relatively low-profile tactics aimed at pushing an outcome closer to the institution's own preferred outcome within an existing zones of agreement, or when an EU institution advocates a point that is close to that of a key player in the negotiations. In addition to this, EU institutions adopt two leadership strategies – agenda-shaping and brokerage. Agenda-shaping pertains to a variety of actions aimed at putting new issues on the agenda, removing issues, and manipulating the content of existing issues, while brokerage involves the utilization of informational advantages to help governments find a mutually acceptable outcome. In sum, EU institutions' significant influence depends upon the specific negotiating context and their choice of leadership strategy. This leadership model serves as the theoretical baseline for the third part of the book, consisting of the empirical analyses of the negotiations of the major history-making decisions of European integration from the mid 1980's until 2004.

Towards the end of his book, Beach succeeds in showing that EU institutions are not the motors of integration that supranationalists have contended, nor are they the impotent actors of intergovernmentalist theorizing, because opportunities for EU institutions to provide leadership have varied substantially over time. The member governments' role in intergovernmental negotiations have played an influential part in the past negotiations but the EU is so complex today that only actors that specialize in EU affairs and devote many resources to it, and also those that have long institutional memories, fully understand all of the intricacies of the issues in intergovernmental negotiations.