EU’s External Policy:
Are the Lilliputians
Impotent or Potent?
The Case of Crisis Management in
the Amsterdam Treaty¹

By

Børge O. Romsloe²

ARENA, University of Oslo

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Abstract

How can we explain that small states are able to influence decisions over the EU’s external policy? The aim of this article is to explain why small states are able to influence decisions in the EU’s foreign and security policy with a detailed analysis of the Swedish-Finnish initiative on including crisis management in the Amsterdam Treaty in 1997. The article investigates the explanatory power of two hypotheses derived respectively from the assumptions of an intergovernmentalist and a deliberative approach. The empirical material show that the inclusion of the Petersberg tasks can neither be assessed by exclusive reference to the cost – benefit calculation of the fixed interests to France, Germany and the UK, nor with reference to intense preferences for Sweden and Finland or possible threats of veto. There is a better fit between the empirical data and the expectations derived from the deliberative perspective. In cases of small state influence in the EU’s external policy, we therefore need to test the possibility of arguing as a mode interaction.
Introduction.

To many, the EU’s external policy is nothing more than what the three big states – the UK, France and Germany - make of it. The internal decision making is more or less considered to be a *domaine réservé* for the large states. Thus, according to several scholars (Ifestos 1987, Pijpers 1991, Wagner 2003, Moravcsik 1998; 1999) an efficient external policy for the EU is only possible when the three large states have common interests. In cases where the big powers have different interests - such as the Iraq crisis – it is not surprising that the EU is divided and inefficient. However, only focusing on the large powers and on whether they are able to agree in international crises, may not be the only ‘story’ of the EU’s external policy. Not only do we risk losing our understanding of the day-to-day policy making and potential incremental change. More importantly, we may not be able to assess what kind of role the small states play in the EU’s external policy. Whereas the small state *per se* is well analysed in international politics in general, and to a certain extent within the EU context, surprisingly few scholars have studied small states in the EU’s external policy.

The work that is already done focuses on the impact of the Common Foreign and Security Policy (CFSP) on the national foreign policies of the member states, where most observe a growing *Europeanisation* of the national foreign policies of small states as a result of participation in the EU structures (Hanf & Soetendorp 1998; Tonra 2001; Smith 2001; Rieker 2004). The possibility for small states to exert influence in the EU’s external policy decision making is, however, confirmed by the in depth interviews which Tonra (1997; 2001) conducted with several policymakers in Denmark, the Netherlands and Ireland. Furthermore, a report from the Danish Ministry of Foreign Affairs (1998) on the CFSP after the Amsterdam Treaty stated that:

> A small member state has good possibilities to influence decision making with the right arguments. The experiences show this. A concrete example is the large influence

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3 I define the EU’s external policy in broad terms, including not only the CFSP in pillar two, but also the external relations of pillar one.

4 See also Sjursen (2004a: 9) for a similar claim.

5 Acknowledging that there has been a debate on specific definitions of small states in International Relations Theory, this article does not, however, discuss what a small state is. On small states and the security dilemma, see for instance Rothstein (1968), Fox (1969), Vital 1971, Keohane (1969), and more recently Bauwens, Clesse and Knudsen (1996) and Hey (2003). For small states in the EU, see among others Antola (2002), Thorhallsson (2000), Olsen & Sverdrup (1998).
Denmark has exerted on the determination of the EU’s international human rights policy’ (my translation).  

Another example of a proactive small state in the CFSP is Belgium, as Coolsaet and Soetendorp (2000:137) note: ‘In Belgium, CFSP is largely seen as a ‘multiplicator’ for Belgian foreign policy possibilities and influence’.

In other words, several policy makers in small states acknowledge the possibilities to have influence over the EU’s external policy, and, what is more, we can also observe concrete initiatives where small states seem to be able to influence decisions. Applying Joenniemi’s hypothesis ‘small state smart state’, David Arter (2000) analyses the Finnish initiative of a Northern Dimension for the EU as a case of small state influence within in the EU. Torreblanca (forthcoming 2005) mentions that the Luxembourg Summit in 1997, deciding how and when to enlarge, to a large degree reflected the view of the two small states Sweden and Denmark, joined by Italy, ‘which were able to bring the other member states to their position not by inducing them by threats or promises, but just by the consistency and reasonability of their arguments’. Moreover, several scholars (Jørgensen 1999; Ojanen, 2000a, 2000b) point to the Swedish-Finnish initiative on crisis management (the Petersberg tasks) that was included in the Amsterdam Treaty in 1997 as an illustration of successful small state influence within the EU. These empirical examples contradict what we would expect taking rationalist approaches as points of departures. How can we explain that small states are able to influence decisions in the EU’s external policies?

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6 In Danish: ”et lille medlemsland har gode muligheder for at påvirke beslutningsprocessen med de riktige argumenter. Det viser erfaringene. Et konkret eksempel er den store inflydelse, Danmark har haft på fastlæggelsen af EUs internationale menneskerettighedspolitik”.

7 In the case of holding the EU presidency Allen (1998:61) claims that big states are better suited to perform this task, however it is acknowledged that small states are able to run the EU presidencies in an efficient and successful manner. For instance the three presidencies of Finland (1999) Sweden (2001) and Denmark (2002) have received acknowledgement for their performances, see (Miles 2003, Stubb 2000, Bengtsson 2002, Tiilikainen 2000).

8 The Petersberg tasks were defined at the Western European Union (WEU) summit in Petersberg, Germany in 1992. The tasks are humanitarian and rescue tasks, peacekeeping tasks, tasks of combat forces, including peacemaking.
In this article I suggest that we need to supplement the rational choice (micro-) based analytical toolkits with the concepts of deliberation and communicative rationality. In other words, I propose to analyse the actors in European security policy-making by at least theoretically assuming that ‘actors are rational when they are able to justify and explain their actions and not only when they seek to maximize their own interests’, which is how Eriksen and Weigård (1997) define communicative rationality.

I further argue that we should pay equal attention to the flow of influence that can be observed from the small state national level to the EU level in external politics. My reason for this claim is, as mentioned, that there is some empirical evidence suggesting that small states are proactive and de facto play an important role in policy processes in the EU’s external policy. The aim of this article is to explain why small states are able to influence decisions in the EU’s foreign and security policy with a detailed analysis of the Swedish-Finnish initiative on including crisis management in the Amsterdam Treaty in 1997.

The inclusion of the crisis management tasks in the Treaty of Amsterdam: two hypotheses.

The inclusion of the Petersberg-tasks in 1997 is a particularly interesting case since the large states - France, Germany and UK - initially had other preferences. The discussions centred on whether the Western Union (WEU) should merge with the EU, as France and Germany proposed, or whether this defence arrangement should remain outside the EU framework, as the UK preferred (Gourlay and Remacle 1998:88). The Swedish-Finnish initiative, however, focused on the strengthening the CFSP, by suggesting that the EU should have an ability to require action from the WEU on peacekeeping and military

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9 It is problematic to assume that the small states constitute a unified block vis-à-vis the large states in the CFSP. Belgium is for instance considered to be a federalist-minded state that wants the EU to develop military capabilities independent of NATO, whereas the Netherlands and Portugal are “pro-EU”, but still have a strong Atlantic link. In addition, in EU-15 four small states, Ireland, Austria, Finland and Sweden are all non-aligned. In other words, the small states actually differ a lot in their approaches to the CFSP. The same holds true for a possible ‘Nordic’ bloc within the EU, see Olsen & Sverdrup 1998.

crisis management activities, but territorial defence (WEU’s article 5) should remain outside the EU framework (Archer 1997:1). This proposal was ultimately accepted at the Intergovernmental Conference (IGC), and crisis management became a central part of the EU’s foreign policy as it was written into the Treaty of Amsterdam. The Swedish-Finnish governments presented their Memorandum in April 1996 during the Italian presidency, whereas the Dutch held the presidency during the final negotiation of the Amsterdam Treaty in spring 1997.

This case is surprising if one relies on an interest-based approach. First of all one would not expect small states to be able to successfully promote initiatives that differ from the large states’ preferences. Secondly, the IGC’s are depicted as the most important and rather closed arenas for EU decisions where governments bargain intergovernmentally in order to realise their interests (Moravcsik 1993; 1998). If this is so, then the inclusion of the Swedish-Finnish proposal at the 1996 IGC represents a case that contradicts what we would expect to find empirically by drawing on intergovernmentalist assumptions. Relying on this approach, small states are not expected to possess the necessary bargaining power to realise their preferences. How is it then possible to explain that two small, new and non-aligned members were able to influence the policy process in one of the most controversial issues at the IGC, where even the large states had different preferences?

I will investigate the explanatory power of two hypotheses derived respectively from the assumptions of an intergovernmentalist and a deliberative approach. The intergovernmentalist hypothesis that will be explored is that: Sweden and Finland were able to barging strategically and pose credible threats of blocking decisions since both states, as non-aligned, had particularly ‘intense preferences’ in security and defence issues. Sweden and Finland were able to get support for their proposal because they most likely would veto an eventual inclusion of WEU and its article 5; mutual defence guarantee.
On the contrary, the hypothesis of a deliberative approach would suggest that the ability of small states to present convincing arguments will compensate for their limited bargaining resources compared to the great powers within the foreign and security policy field: Sweden and Finland succeeded in promoting the crisis management initiative as it provided arguments and reasons that mobilised all the actors in reaching an agreement on this issue. These hypotheses will be examined in detail.

**Theoretical framework: Bargaining or arguing?**

**An Intergovernmental Approach.**

Intergovernmentalism remains attractive for its ‘parsimony, formal nature and predicative force’, as Eriksen (2003:160) puts it. Intergovernmentalism consists of three essential elements: Firstly the assumption of rational state behaviour, secondly a liberal theory of national preference formation and thirdly an intergovernmentalist analysis of interstate negotiation (Moravcsik 1993: 480). Intergovernmentalism thus conceives of EU politics as positive outcomes of grand intergovernmental bargains between the big states. According to this theory, the outcome of interstate bargaining will more or less inevitably favour the actors with the most resources (military, economic, information etc), because they can give credible threats and rewards in the bargaining situation.

These theoretical elements would suggest that the actors the CFSP are rational in the sense that they seek to maximise self- (national) interests. The actors would be engaged in strategic bargaining. Elster (1992:15) characterises this type of communication as follows:

‘to bargain is to engage in communication for the purpose of forcing or inducing the opponent to accept one’s claim. To achieve this end, bargainers rely on threats and promises. Statements asserted in a process of bargaining are made with a claim to being credible, in the sense that the bargainers must try to make their opponents believe’.

The actors might reach a positive outcome, compromise, where none of the actors get exactly what they want, but an agreement is considered better than no agreement at all.

In foreign policy and security matters, intergovernmental rules and procedures predominate. The key institutions of the CFSP are the Council of Ministers and
increasingly also the European Council. Consequently, the CFSP is often considered to be inefficient, and subject to the lowest common denominator (Jørgensen 1997:169; Moravcsik 1993:501; Zielonka 1998:141). According to several scholars, these institutions reflect the member states’ interests and their powers (Pijpers 1991, Antola 2002:80, Moravcsik 1998; 1999). To sum up, according to this analytical perspective one would not expect small states to have the necessary bargaining power to influence policy processes in the CFSP.

It is, however, possible to imagine that even in the CFSP, which most scholars characterise as a mere intergovernmental arrangement\(^{11}\), the power of the ‘better’ argument is fundamental when the actors reach common policies. If we assume that actors are able to provide rational arguments aimed at reaching common solutions, it would follow logically that materially less powerful actors, such as small states, may influence decision making processes disproportionately to their size.\(^{12}\) The power of the better argument is here understood as an argument that all actors consider legitimate or just, it is thus the mobilising force of the arguments that matter (Sjursen 2002:493).

**A deliberative approach\(^{13}\)**

In Eriksen’s (2003:162) words ‘deliberation designates the process of reaching collective decisions through reason-giving’. The hypothesis of a deliberative approach would thus suggest that the ability of small states to present convincing arguments will compensate for their limited bargaining resources compared to the great powers within the foreign and security policy field. A deliberative approach outlines a more flexible and dynamic conception of preference change and formation. Risse (2000:7) suggests that ‘arguing implies that actors try to challenge the validity claims inherent in any causal and normative statement and to seek a communicative consensus about their understanding of a situation as well as justifications for the principles and norms guiding their action’.

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\(^{11}\) As Risse-Kappen (1996:67) puts it: ‘The CFSP seems to remain a policy area where intergovernmental bargaining dominates the decision-making process’.

\(^{12}\) This point is also made by Risse (2000:19) and Sjursen (2003:46).

\(^{13}\) I apply a deliberative approach as a mode of interaction in action-theoretical terms; it must not be confused with deliberative democracy theory.
Hence, the actors are open to be convinced by the better argument, while power hierarchies recede into the background.

In particular, empirical studies of the EU Committees show that in these institutional arrangements, where the actors from the national and the EU-level get together repeatedly in meetings and preparations, a deliberative mode of interaction seems to be more prevalent than mere, strategic bargaining processes (Joerges & Vos 1999, Joerges & Neyer 1997, Hasselgård 2001, Eriksen and Fossum 2000). Even in IR theory more recent studies argue that we need a conception of actors as being communicatively rational (Lose 2001, Müller 2001; 2004, Risse 2000, Sjursen 2003, Sjursen 2004a, 2004b). It is therefore surprising that the possibility for communicative rationality and deliberation has not yet been explored empirically in studies of the EU’s external policy. This is not least a paradox since, as Sjursen (2003:45) points out, most of the interaction that takes place in the framework of this cooperation takes the form of language, and little interaction takes the form of monetary payments and military action. The information basis for decision making in the CFSP is the COREU network with over 17000 messages per year (ibid). Consequently, I suggest that we need an action-theoretical framework that considers language as action in addition to the intergovernmental approach outlined above.

What is more, empirical studies of the EU’s external policy suggest that the common framework of the CFSP, such as the *acquis communautaire*, has lead to socialisation processes of the national foreign policy elites. Jørgensen (1997) and Glarbo (2001) argue that national foreign policy makers have developed a *co-ordination reflex* in the CFSP, implying that national positions in foreign and security policies are quickly co-ordinated with common stands through the EU framework. Hence, it is not necessarily far fetched to assume that confidence and non-hierarchical relations could be important factors in the interaction between the actors in the CFSP. Consequently, small states could be able to convince others - and influence decisions - through argumentation. As Risse (2000:18-19) suggests, we have probably witnessed a process of arguing when:

‘(...) powerful governments change their minds and subsequently their behaviour, even though their instrumental interests would suggest otherwise, or when materially less powerful actors such as small states or nonstate actors carry the day’.
This is consistent with what Eriksen (2003:190) suggests:

‘if the standpoints have been moved in a conflict situation, if, at least, some of participants have learned something and changed not only their original position but also changed their opinions and preferences, and the parties thereby have reached an agreement, one may assume, prima facia, that this has been a process of arguing.

Thus, in retrospect it seems fruitful to hypothesise that we may have witnessed a process of arguing when the Swedish-Finnish proposal was included in the Amsterdam Treaty, even though the three large states initially had different preferences.

**Operationalisations.**

One could of course claim that since small states have less economic, political and military resources compared to large states, they are obliged to rely on arguing strategies that appeal to the common good. One methodological challenge in order to empirically grasp what is really going on is that we cannot enter the actors’ heads to find out what their ‘real’ intentions are. This is said to be a particular challenge to a deliberative perspective: What counts as the better argument, and how do we know if an actor is convinced by a better argument? Schimmelfennig (2001:63), for instance, labels the possibility for strategic use of norm-based arguments in pursuit of one’s self-interest as rhetorical action, whereas Elster (1991:4) informs us that actors may use communicative behaviour in a strategic manner - that is if actors have other ‘real’ intentions than those referred to in their arguments. In other words, an actor may refer to a set of common values and norms, but self-interests interests may be the real motivation behind it.

However, as Eriksen (2003:173) writes:

‘...(,) deliberative theory is not about the nature of the motives or preferences of – whether they are egoistic or altruistic – but about their legitimacy, i.e. whether they can be defended from an impartial point of view or be deemed to be in the common interests’.

In other words, an argument is valid as long as everybody can agree upon it, and in an institutionalised setting it is the mobilising force of an argument that is expected to count, and not necessarily whether it represents the self-interests to the actors or not (Sjursen 2002:493). Consequently, we do not have to enter into the actors heads.
Thus to sum up, a deliberative approach outlines a more flexible and dynamic conception of preference change and formation than the intergovernmentalist approach that would expect stable preferences during the interaction. The determinants for the outcomes of the decisions would be the better argument (consensus) in an understanding-oriented process, whereas the intergovernmentalist would expect that the actors’ relative power and resources carry the day (compromise) in an instrumental-oriented process (Eriksen 2003:162). It is also possible to distinguish analytically a bargaining from an arguing process by comparing the outcomes of the process. According to Eriksen and Weigård (1997:229) a *compromise* is the positive outcome of a decision-making process conducted by strategic bargaining. In a process where actors have been able to provide arguments aimed at reaching a common solution the outcome would be *consensus*.

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14 Eriksen and Weigård suggest that we can distinguish between these two outcomes by comparing the reasons the actors give for complying with an agreement. The actors would give different reasons for accepting a compromise; whereas they would give identical reasons for reaching a decision by consensus. A rational consensus where the actors have the same convictions for complying cannot be expected in complex empirical matters, see Eriksen (2003:200). A ‘weaker’ form for consensus is a working agreement, ‘i.e. a conclusion resting on different, but reasonable and acceptable grounds’ Eriksen (2003:202). Unfortunately, I do not have sufficient empirical data to determine whether the inclusion of the Swedish-Finnish proposal was a compromise or a working agreement.
The expectations can be summarised in the following table:

**Table 1: Expectations from bargaining and deliberation.**

<table>
<thead>
<tr>
<th></th>
<th>Liberal intergovernmentalism</th>
<th>Deliberation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Influence of small states</td>
<td>Marginal</td>
<td>(Possibly) Significant</td>
</tr>
<tr>
<td>Process</td>
<td>Goal: maximize interests</td>
<td>Goal: reach a common understanding through arguing</td>
</tr>
<tr>
<td></td>
<td>through strategic bargaining</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cost-benefit calculation</td>
<td></td>
</tr>
<tr>
<td>Determinants for outcome</td>
<td>Degree of power and resources, intensity of preferences</td>
<td>Better argument</td>
</tr>
<tr>
<td>Outcome</td>
<td>Positive: Compromise (different reasons for complying)</td>
<td>Rational consensus (identical reasons for complying)</td>
</tr>
<tr>
<td></td>
<td>Negative: no agreement</td>
<td>Working agreement (reasonable reasons for complying)</td>
</tr>
<tr>
<td>Preference Formation</td>
<td>Stable, self-interests from national level (exogenous)</td>
<td>Dynamic, (endogenous)</td>
</tr>
<tr>
<td>Preference change</td>
<td>Unlikely, but if new strategic information occurs</td>
<td>Probable due to better arguments, learning</td>
</tr>
</tbody>
</table>

In the following, I will investigate the explanatory power of two hypotheses derived respectively from the assumptions of an intergovernmentalist and a deliberative approach. The empirical data is for the most part based on interviews with Finnish policymakers, conducted in Helsinki March/April 2003, as well official documents from the member states and the EU.¹⁵ In total nine policymakers were interviewed in respectively the Ministry of Foreign Affairs, Parliament and Prime Minister’s Office. Three of them took part in the group that was responsible for the framing in the joint Swedish-Finnish proposal in 1996. To reduce problems of validity and reliability these data have been cross checked with other analyses of the negotiations of the Amsterdam Treaty, such as for instance Duff (1997), Tonra (1997 and McDonagh (1998).

¹⁵ The EU’s retrospective database on the 1996 IGC contains most of the official documents from the EU and the member states (available at <http://europa.eu.int/en/agenda/igc-home/index.html>).
Hypothesis I: Influence through strategic bargaining?

As mentioned earlier, according to rationalist assumptions one would not expect small state to have this kind of influence. However, liberal intergovernmentalism would search for explanations by elaborating the possibility of small states having particularly intense preferences in certain issues, or that they might be able to successfully promote issues solely in situations where none of the actors are in a position to obtain their preferred outcome.\textsuperscript{16} Thus, the hypothesis that will be explored is formulated as follows: Sweden and Finland were able to barging strategically and pose credible threats of blocking decisions since both states, as non-aligned, had particularly ‘intense preferences’ in security and defence issues. Sweden and Finland were able to achieve support for their proposal because they most likely would veto an eventual inclusion of WEU and its article 5 mutual defence guarantee.

Hypothesis II: Influence through arguing?

Sweden and Finland succeeded in promoting the crisis management initiative since it provided arguments aimed at creating a definition of common problem solving in foreign, security and defence issues. Sweden and Finland were able to give reasons and arguments for the proposal that mobilised all the actors in reaching consensus on this issue.

Case study of the inclusion of the Petersberg-tasks in the Amsterdam Treaty: influence through what?

In the aftermath of the Yugoslav crisis and the lack of European action, several member states wanted to strengthen the EU’s security and defence dimension at the IGC in 1996-1997. In addition, the foreign and security issues raised in the Maastricht Treaty were not solved and remained quite vague and ambiguous (Keating 1997: 109-110). Thus, one of the most controversial issues at the Amsterdam IGC was related to the development of the CFSP, in particular the future role of the Western European Union (WEU). The original Brussels Treaty establishing the WEU in 1948 composed a clause stating that the

\textsuperscript{16} This is in line with one of the conditions that Risse spells out by drawing on realist bargaining theory. According to Risse (1995:23-24), small states may increase their bargaining power ‘if they hold more intense preferences’.
military alliance could be dissolved after 50 years of existence. Thus, this was a pressing issue at IGC agenda, since the Brussels Treaty in all regards had to be revised in 1998 (Duff 1997:96). Consequently, France and Germany as well as several other member states pleaded for the merging of the WEU into the EU – including its mutual defence article 5 (Gustenau 1999: 3). This proposal was, however, severely criticised by the UK who did not want the EU to develop any defence dimension whatsoever. In this context in April 1996, Sweden and Finland introduced a joint initiative in crisis management. According to this proposal the EU should develop an enhanced competence in humanitarian and rescue operations, peacekeeping and crisis management (the Petersberg tasks). The WEU should not be fully integrated with the EU, but could conduct joint peacekeeping and crisis management operations on the basis of the equal opportunity for all member states to participate. This proposal was accepted and written into the Amsterdam Treaty.

It is in this regard we have to ask how it is possible to explain that two small states, as new non-aligned members, and in one of the most controversial issues at the IGC, where even the large states had different preferences, were able to influence the policy process during the IGC.

**Hypothesis I: Influence through strategic bargaining?**

In their article ‘Explaining the Treaty of Amsterdam: Interests, Influence, Institutions’, Moravcsik and Nicolaïdis (1999:64) explain the decision making process and the outcome of the 1996 IGC, including how the Swedish-Finnish initiative in crisis management was accepted. In their analysis they suggest that the crisis management initiative represented an “offensive” element as it would reinforce and strengthen the EU’s foreign and security policy, and a “defensive” element given that it aimed at preventing the EU from developing a mutual defence guarantee:

‘A new development was the entry of the neutral countries, especially the Nordics, whose proposals lay both in a strengthened role for the EU in the peace-keeping realm (the so-called Petersberg tasks) and in prevention of a communitarization of traditional defence functions that undermine their traditional neutrality’.
According to Moravcsik and Nicolaïdis the IGC negotiations were recognised by considerable stability of the actors’ preferences during the IGC. By examining bi-monthly reports for the positions of the three large states, Germany, France and the UK, across 40 issues, they find ‘a remarkable stability’. However, they do not mention on which issues they observe preference change for the large states. They state that ‘In only 5 per cent (six of 120) of the country positions do we observe a reversal’. This empirical observation of preference stability is in contrast to what one would have expected from a deliberative perspective. This analytical approach expects that actors might change their preferences with regard to arguments that are mutually recognised as just by all included actors (Risse 2000). What is interesting to note in the case of including crisis management, is that the Swedish-Finnish proposal initially contrasted the three large powers’ preferences. Thus, as we know the result of the IGC, we have to ask why the big states changed their preferences and eventually accepted the inclusion of the Petersberg tasks.

Moravcsik and Nicolaïdis (1999:71) suggest that Sweden and Finland had strong incentives to oppose a merge between the WEU and the EU, and this explains how they were able to put crisis management on the IGC agenda in the first place:

‘Where governments with particularly intense preferences felt the agenda was too narrow, they simply initiated proposals. (...). Finland and Sweden tabled a compromise proposal on the CFSP’.

However, how can one measure intense versus less intense preferences? It is quite likely that also the large states had intense preferences in an issue as sensitive as what security and defence has traditionally been in European integration. France has for a long time had a strong preference for ‘L’Europe puissance’, that is a Europe with military capabilities, including a mutual defence guarantee. It is equally probable that the UK had strong preferences related to keeping the WEU as an autonomous organisation, thus preventing the EU from developing military crisis management tasks. In other words, the concept of intense preferences seems to lack the necessary analytical clarity, as Moravcsik and Nicolaïdis do not specify further how they measure preferences in this regard. In previous work, however, Moravcsik (1993; 1998) relates preference aggregation to domestic interest groups. In policy areas where domestic pressure groups have strong interests, this will be reflected at the executive level in European bargains. But these assumptions seem
more valid for economic or agricultural issues than foreign and security related policy issues. Even Moravcsik (1993:494) acknowledges that it is difficult to calculate interests in European Foreign Policy:

‘…(.) the quiet development of European Political Co-operation [is] an issue in which the costs and benefits to organized interest groups is near impossible to calculate’.

In other words it is problematic to assume that member states are ‘rational’ in questions related to foreign and security issues in the sense that they merely seek to maximise preferences aggregated from the national level. These assumptions do not fit with experiences of one Finnish member of the diplomat group, who took part in the framing of the initiative in 1996. He claimed that the Finnish public opinion was not particularly interested in crisis management issues: ‘The Petersberg initiative was not known among the [Finnish] people as the Northern Dimension initiative, but the policy making elite and the Parliament were aware of it’.

Thus, the presumed ‘intense’ Finnish preferences with regard to crisis management cannot be explained with reference to domestically organised groups. How, then, can we explain that the initiative was accepted in the final negotiations, despite the fact that the large member states would have preferred otherwise? Moravcsik and Nicolaïdis (1999:75) admit that this outcome in fact was unexpected, but they try to offer a two-fold explanation. Firstly, that Finland and Sweden possessed good negotiation skills, and secondly that they were likely to threaten with veto at proposals including a mutual defence guarantee for the EU:

‘…[Two other] striking aspects of the distributional outcome deserve mention. First the French failed to reach their proclaimed objectives in any of the major areas under negotiations- third pillar issues, unemployment and CFSP’.

‘…(.) some of the newer members- particularly the recent accession countries- did unusually well in the negotiations. Thus, for instance, the Nordic countries obtained their preferred outcome on the CFSP front- demonstrating the virtues of making a proposal at the median, defined by the maximal willingness of the British and the neutrals to compromise. This reflected in part, (we have seen), their credible threat of veto. The inclusion of “Petersberg tasks” was the maximum they would accept, yet one that was acceptable for all by providing for an opt-out on demand- through constructive abstention- and veto’.

However, this explanation is also problematic. In particular the statement that the initiative was included because of a credible threat of veto does not seem to hold up to
empirical investigation. This does not correspond to the perception central Finnish policy makers had of the IGC in 1996. They deny that Finland ever considered blocking other proposals in order to push their initiative. According to one diplomat:

‘There was not a situation in the IGC discussions where Finland even had needed to threaten to use a veto, because the French/German proposal was an ongoing discussion and just a proposal among others, so Finland was not placed against the wall. Of course, everybody knew that the military non-aligned countries were not likely to accept, or at least not want that kind of clause included’.

For Finland’s part it was of utter importance to be among the core in European integration, and Finnish policy makers knew that a possible veto would have harmed Finland’s reputation in the EU. Consequently, the Finnish tried to focus on the ‘constructive’ elements of their initiative: an enhanced cooperation in crisis management, not least was it important for the non-aligned Finland to stress that this included military crisis management (Ojanen 2000a:7). Another policy maker explained why Finland never threatened to veto this way:

‘Finland did not use the threat of veto, actually we avoided the link between talking about the defence and our initiative. Finland always said that this is a good idea as such, and then, common defence is something different. Finland wanted to treat these issues separately even if we knew in the back of our minds that there is a continuum where we start with nothing, and at the other end there is common defence, and then somewhere in between we have crisis management. (.). Finland always made it very clear that this included military capacity, so it was clearly something new for the EU; and this started the development of military capabilities for the Union, the ESDP’.

Thus, contrary to Moravcsik and Nicolaïdis’ explanation, the use of veto, in particular for small states, implies future political costs. Finland and Sweden did not want to obstruct a further development of the CFSP, because several actors had already questioned the will of new non-aligned member states to fully participate in the development of the CFSP and ESDP. It was very important for Finland and Sweden to act responsibly and constructively during their first IGC as EU-members. Another Finnish diplomat emphasised that it was the NATO members who were the most likely to block the proposal of including a mutual defence guarantee for the EU, and not Finland and Sweden:

‘…[t]he idea of turning the Union into a defence alliance never had a chance of becoming adopted. This was not because of the opposition of the militarily non-aligned members. It was, first of all, because the NATO members could not agree on it. It would
not be backed by a real military capability; it would create confusion and duplication and at worst cause decoupling with the NATO system’.

However, several of the Finnish policy makers seem to explain the British preference change - from scepticism to acceptance of crisis management for the EU - with reference to the change of governments in 1997. The conservative John Major’s Government was not likely to accept crisis management for the EU, whereas the new labour Government, led by Tony Blair, could accept crisis management as part of the EU treaty. It is of course possible that the Blair Government was more likely to accept the inclusion of crisis management tasks. However, a report on Labour’s position on the issues for the IGC from 1995 stated that ‘Efforts to develop a common defence policy should concentrate on strengthening the WEU as the European pillar of NATO’, and that Labour ‘Does not support the incorporation of the WEU into the European Union, but the IGC should examine ways of improving the links’. The emphasis on keeping the WEU as an autonomous organisation – a European pillar of NATO – was consistent with the position of the Major Government. So, the change of governments in the UK cannot offer a sufficient explanation of why Britain changed its preferences.

To sum up: The hypothesis derived from the intergovernmentalist approach which emphasised intense preferences and a possible threat of veto, does not hold when it is investigated empirically. As noted, the three large states changed their preferences in the case of crisis management, and since liberal intergovernmentalism expects preferences to be rather stable, I suggest that this should be investigated empirically with the concepts of deliberation and communicative rationality that expects that preferences are dynamic and may change due to better arguments. The goal of a communicative process is to reach a common understanding through providing reasonable arguments.

In the following section I will test the explanatory power of the deliberative hypotheses:

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Sweden and Finland succeeded in promoting the crisis management initiative since it provided arguments aimed at creating a definition of common problem solving in foreign, security and defence issues.

Sweden and Finland were able to give reasons and arguments for the proposal that mobilised all the actors in reaching common understanding on this issue.

**Influence through arguing?**

In order to analyse the hypotheses I will illustrate empirically that several pre-conditions for argumentative rationality can be identified in the decision making process, thus making it more likely that a deliberative mode of interaction might be what carried the day for the Swedish-Finnish initiative. Inspired by Habermas, Risse (2000:14) claims that an important pre-condition for arguing in world politics is the existence of a so-called common lifeworld. How can we translate, or operationalise, this rather abstract, theoretical condition into empirical terms? Risse (2000:15) and Müller suggest that the exchange of memories of World War II in the European context, might constitute a ‘common lifeworld’ in the sense that establishes a certain trustworthiness of the negotiating partners.

Taking this one step further, I suggest that the European experience with the Yugoslav crisis might have constituted a ‘common lifeworld’, or preferably a *common normative understanding*, that made the actors enter into a deliberative circle for the negotiations at the 1996 and 1997 IGC’s. The point made in this regard is that challenges caused by the Yugoslavian conflict raised fundamental ethical – political questions for the EU community. Thus the questions related to how the EU should act in crisis management, also reflected deeper identity questions about what kind of community the EU should be. Discussions related to ethical – political questions are hard to solve by pure bargaining (Eriksen 2003:195). As Hill (1993) has identified, the capabilities – expectations gap for the EU as an international actor was illustrated by the famous plea for EU responsibility at the outbreak of the Yugoslavian civil war made by Jacques Poos: ‘this is the hour of Europe, and not the hour of the Americans’. However, the Europeans did not possess the
necessary military capabilities to handle the dissolution of Yugoslavia (Hill 1998: 31). This culminated perhaps when the Europeans and international society were unable to prevent the massacres of Srebrenica in 1995, and this led to considerable disillusionment internally in the EU as well among external actors. This indeed reinforced the impression of a capabilities-expectations gap. The lack of European crisis management capabilities in the Yugoslavia crisis thus constituted a common point of reference at the IGC: ‘Never again another Srebrenica massacre’.

Thus, there seemed to be an already established common understanding that Europe needed to strengthen its capabilities for dealing with military and civilian crisis in its neighbourhood. Initially, the disagreement at the IGC was rather related to which institutions should do what, and not that Europe had to develop capabilities for dealing with crisis. The initiative from Sweden and Finland referred to this ‘normative standard’ with its particular emphasis on the memoirs of the Yugoslavia conflict. As the Finnish and Swedish ministers of foreign affairs wrote in a joint article just after the initiative was launched in April 1996:

‘Developments in ex-Yugoslavia have taught us significant lessons that are valid far beyond the scope of this particular conflict. Yugoslavia is an example of a new pattern of conflict, where a major war is not the primary threat. Instead, a new threat, springing from domestic conditions, has emerged. Social, economic and cultural insecurity are a breeding-ground for ethnic and religious conflicts, organized crime and undemocratic behaviour’.

‘In our view, the new situation demands a new approach to security. Increasingly, the need is to prevent conflicts from breaking out and to create the conditions for sustainable peace and security by democratic, political and economic means. But it will also be necessary, where conflicts break out and acute crises arise nevertheless, to send in peacekeeping forces’ (Halonen & Wallen 1996:1).

Thus, the initiative was legitimised with these ethical-moral arguments aimed at creating a ‘sustainable peace’, or a human security doctrine, not only for the EU, but for the whole of Europe. The point here is obviously not that the inclusion of crisis management tasks for the EU is the ‘best’ solution to deal with situations like the Yugoslavian crisis. Indeed, the British proposal about relating security exclusively to the WEU or NATO could equally be a valid possibility. The crucial point is that in such ethical-political discourses agreements may have different relative validity, as Eriksen (2003:196) puts forward. In
other words, there were obviously different solutions with regard to developing crisis management tasks for the EU, however, as already shown, all the parties seem to have accepted the underlying normative framework for why it was important to develop these capabilities. Thus, the ethical-political nature of what was at stake make it more probable that the agreement was reached with regard to what Eriksen depicts ‘mutual respect and considerate regard’. This implies that ‘the parties make concessions and opt for a solution that is, after all, sensible and reasonable for both parties’ (ibid.).

Yet, one could object that the explanatory power of the deliberative hypothesis does not hold by claiming that Finland and Sweden used arguments in a strategic manner by ‘camouflaging’ their own self-interests into the common EU interests. In other words, Finland and Sweden’s ‘real’ motive – or self-interest - behind the initiative was to prevent a possible inclusion of a mutual defence guarantee for the EU, while they appealed to the common good when framing it. As Risse (2000:8) notes, actors engaging in rhetoric behaviour are not prepared themselves to change preferences with regard to the power of the better argument. Thus, the empirical ‘test’ if this objection is valid would be if Sweden and Finland did not change their preferences. The empirical data collected through the interviews with Finnish policymakers, reveal however that (at least) Finland changed its preferences during the negotiation process. The initial proposal did not include any reference to peacemaking, because of Finland’s restrictive domestic legislation in this area. However, peacemaking was included in the original Petersberg tasks as defined by the WEU in 1992. As peacemaking was launched as central to the inclusion of the Petersberg tasks during the IGC, Finland accepted this and changed its domestic legislation. According to one diplomat, this was unproblematic for Finland. In other words Finland changed its own preferences from the original position, and did not engage in mere rhetorical action.  

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19 It is of course hard to detect the mechanism behind this preference change; was Finland convinced by a better argument, was it social learning or was it just a rational preference adjustment to the second preferred option? What is clear, however, is that preference change took place for the large states, as well for the one of the actors who proposed the initiative. A static view of preference change is thus not the case in this issue, as Moravcsik and Nicolaïdis seem to have observed in the overall IGC.
A reference to common experiences cannot alone explain the inclusion of the Swedish-Finnish initiative, since the other proposals composed the same references, but the point here is that these moral standards establishes trust among the actors, thus making it more probable for engaging in so-called trust seeking process. It was equally very important for the Finnish policy makers to make references to the *acquis politique* and the common treaty bases of the Union, as one diplomat noted: ‘it was good that we used old texts from the WEU, because its usually good practise in the EU to somehow use old texts, they are a bit more difficult to shoot down than totally new texts’.

One Finnish diplomat explained the ‘success’ of the initiative by referring to three elements; first of all that Sweden and Finland timed a well prepared proposal already in 1996, secondly that the initiative composed of offensive elements related to the strengthening of the EU as security actor, and thirdly it seemed to somewhat increase the legitimacy that two new, non-aligned members proposed the development of military crisis management:

‘The Swedish/Finnish initiative had a strong opposition from the UK regarding the development of a defence dimension for the Union, so there was a division. The reason for the success of the proposal, was that we started early, it was well-prepared, we developed a very good paper with clear argumentation, and concrete pro-active proposals, so it was not just launching something that we would have had had difficulties in defining or formulating’.

‘The fact that it came from Finland and Sweden was very much welcomed, because when we joined the Union there were some doubts about the two military non-aligned countries. The EU feared that Finland and Sweden would be reluctant and an obstacle in developing this dimension of the Union, so we made a contribution that was realistic and ambitious at the same time. It was just a right answer that could meet all expectations at that time. It was clearly a step forward in developing this aspect of the Union’.

In addition, it was important for the policy makers to develop clear and understandable terms and conceptions in the proposal. This may seem as a trivial point but there is considerable uncertainty connected to how terms like ‘crisis management’ and ‘peacekeeping’ are supposed to be defined. Peacekeeping has different meanings in different international organisations, and as Pagani (1998: 741) shows, ‘peacekeeping’ is for instance not mentioned in the UN-charter, and neither NATO nor the WEU have incorporated ‘peacekeeping’ in the formal treaties. Thus, Finland and Sweden tried to overcome uncertainty about the concepts used in the initiative by referring to old texts.
from the EU and the WEU, as well presenting an explanatory paper later in the negotiating process. Hence, the framing of the initiative seems to fit a deliberative mode of interaction aimed at reaching a common understanding of the need to include the Petersberg-tasks in the Treaty, rather than a strategic bargaining interaction aimed at maximising self-interests.

So, to sum up the argument so far: The Swedish and Finnish initiative was established with reference to common norms and values, thus developing the necessary common knowledge and trust among the actors so that the power of the better argument might have carried the day. However, one could object from a bargaining approach that it would be naïve to assume that power hierarchies and material resources were absent during the talks at the IGC. In particular in issues such as security and defence such assumptions would lead to grossly misleading analyses of what was ‘really’ going on. In other words, is it possible to analyse the inclusion of the Swedish- Finnish initiative without paying attention to the ‘big power dimension’, as well as other sources of possible hierarchies such as new versus old member states? Given that the hierarchal relationships are an important explanatory factor, we would expect that for instance France and Germany, as big powers, old members and accepted ‘leaders’ of integration, would be able to push through their proposal of a gradual merge between the WEU and EU. However, the fact they did not succeed might also indicate that the power of the better arguments counted, and not material power resources alone.

In other words neither the Franco-German argument about merging the WEU and EU, nor the British status quo position could be accepted by all included actors, whereas the Finnish-Swedish argument reached support from all included parties since it strengthened the EU’s development in defence. The arguments in the proposal had a mobilising force since it could be accepted regardless of the member states’ different approaches to security and defence alliances and collective security. This seems to correspond with one Finnish diplomat’s experiences from decision making processes in the EU:

‘…[i]t is not necessarily more important for smaller states to have more well-founded proposals than the bigger states. It is very important for all actors to have an assessment of what is the interest of the Union as such, and not only to push ideas where you have
your national interest, or that the initiatives are only in the interest of a small group of states. There is not a difference between the small and the big states in the sense that it would be easier for a big state to get consensus or support only because they are bigger, its the arguments that matters’.

This is not to suggest that material resources do not count in the development of the CFSP, it is quite obvious that Germany, France and the UK and their military and economic resources are decisive for developing a credible and efficient CFSP. The point here is rather that they are also bound by a common institutional framework, where the validity of arguments linked to power and self-interests are challenged. From a deliberative perspective the possibility of blocking decisions could in fact enhance the likelihood for the actors engaging in discourses aimed at mutual understanding. As Eriksen (2000:57) points out:

‘..(.) when parties can block outcomes actors have an incentive to convince all, not only the majority. In order to achieve consensus they have, in principle, to use arguments convincing to all of the participants’.

Thus, several institutional aspects of the CFSP, such as the principle of ‘one state, one vote’, make it likely that even the big states have to use arguments to convince all of the participants. Hence, in this case even if their interests suggested otherwise, they changed preferences and accepted the inclusion of crisis management. So, the decision making process we have witnessed regarding this issue, where two small states (who also were open to change preferences) convinced the big states other included parties to change their minds, seem to be closer to a deliberative mode of action than a strategic bargaining mode of action. Moreover, the Petersberg tasks were included in the Amsterdam Treaty, and the legal status of including crisis management in the Treaty is unique according to Pagani (1998: 741):

‘Notably, these provisions constitute the first codification of the notion of peace-keeping and peace-related operations in the constituent treaty of an international organization. No other treaty of such legal and political importance makes reference to this type of activity. There is no mention of peace-keeping in the United Nations Charter; NATO and the WEU involvement in such tasks has been ensured without formal revision of their constituent instruments; and the CSCE/OSCE documents on peace-keeping do not hold the legal status of a treaty’.

I find it problematic to argue that the inclusion of the Petersberg tasks only represented a compromise where none of the large states got exactly what they wanted. Taking into account the presumable strength of the UK’s bargaining power, it seems to be a quite
long step to start out by preferring that the EU should not be involved in defence and military issues, and subsequently accept the inclusion of military crisis management, including peacemaking for the EU. As Keating (1997: 113) notes, it was a decisive step for the EU to include military crisis management in the Treaty foundations. This decision cannot be said to represent the lowest common denominator.

Conclusion.

To conclude, there is a better fit between the deliberative hypothesis and the empirical data. This is not to suggest that the deliberative hypothesis explains all aspects of the inclusion of the proposal from Sweden and Finland, but it illustrates that deliberation as an explanatory category needs to be brought in as a supplement to rationalist assumptions. At least in cases of small state influence in the EU’s external policy, we need to test the possibility of arguing as a mode interaction. Relying purely on the assumptions of liberal intergovernmentalism, we would not expect to find small state influence in the EU, not least over the external policy of the Union. As it has been showed empirically, the inclusion of the Petersberg tasks can neither be assessed by exclusive reference to the cost–benefit calculation of the fixed interests to France, Germany and the UK, nor with reference to intense preferences for Sweden and Finland or possible threats of veto. The findings in this article are in line with a growing body of literature that criticises both the predictive and explanatory power of liberal intergovernmentalism when testing its assumptions on the empirical record of the EU.20 In fact, the EU lacks the traditional means of coercion and power as in national states. Rather, the EU is based on voluntarily cooperation, and this means that we should explore the possibilities for small states to influence decisions with the action-theoretical concepts of deliberation.

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References.


