

**Factors Producing Coalitions in the EU Council Negotiations with Different
Heterogeneity of the Member States' Policy Preferences**

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Introduction

Policy preferences across the EU member states are not homogeneous, on the contrary, enlargement has contributed to even larger distance among them (Blavoukos 2008). Consequently, it has become more difficult to reach negotiation agreement. Member states search for solutions to push their policy positions through. This results in increased tendency to search for allies during the preparatory phase of negotiations and to build coalitions in the Council negotiations in order to maximize the member states' influence.

Issues of influence and power have continuously been in the centre of interest of practitioners and scholars. Larger countries have more bargaining power in the EU Council negotiations, i.e. their bargaining power to great extent stems from their structural power in terms of territory and population. However, numerous studies demonstrate that some small member states are also powerful players in EU negotiations in spite of their small size and voting weight (Selk and Kuipers 2005). This is an "anomaly" that cannot be explained relying on structural power model (Keohane 89:54). Most common explanations of influence in Council negotiations refer primarily to individual voting power (Hosli 1999, 2006, 2009, Winkler 1998), domestic ratification constraints (Hug and König 2002) or individual sources of power as e.g. personal authorities of negotiators (Tallberg 2007:28). This study aims to focus on coalition-building viewing it as a potential source of bargaining power and to answer a question: How does coalition formation influence bargaining power in the Council negotiations? Furthermore, what gives more bargaining advantage – *ad hoc* or institutionalized coalitions?

Scholarly attention has been devoted mainly to how coalition patterns affect voting outcomes (Hosli 1999, 2006, 2009, Mattila 2008, Plechanova 2008), and factors driving coalition formation - interest (Roosendaal 2008, Reynaud 2008), culture (Elgström 2001, Naurin and Lindahl 2007), party ideologies (Tallberg and Johansson 2008, Hagemann and Hoyland 2008). Few have scrutinized states' inter-action *as a process* (see Meerts and Cede 2004) in order to explain the causalities between coalition building and bargaining power. The issue of power pooling through inter-state negotiations at the preparatory phase of the negotiations (that consequently results in coalitions) is almost missing in the explanations of bargaining power.

Drawing on rational choice and normative institutionalism, this study fills the gap in existing research by arguing that state interaction that leads to coalition formation increases the bargaining power of coalition members by (1) pooling voting power, (2) exchanging

information, which improves members' ability to choose the best strategy of negotiations, (3) increase members' expertise, which allows them to offer solutions that also others may find attractive, (4) gives more strength to normative justifications that members may use to push their preferences that may lead to a situation in which other member states are normatively entrapped.

Furthermore, the study addresses a question that has been consistently discussed among two schools of scholars – what gives more bargaining advantage – preference-based aggregations of member states that on an *ad hoc* basis come together to deal with issues at hand (Elgström 2001, Tallberg 2007), or institutionalized coalitions (Naurin 2007) that influence negotiation outcomes due to repeated networking interactions?

Practitioners evidence several institutionalized groupings that are framed on cultural and geographic proximity and continuously interact across different policy fields, even though their policy preferences are not convergent across all issues. Most highly institutionalized are Benelux, Visegrad, Nordic and Franco-German alliances (Tallberg 2007:38). Cooperation in these groupings can cover various policy fields and cooperation foras, EU policy coordination being just one part of the collaboration. Pre-meeting coordination is usually organized through informal consultations among capitals or in Brussels along the decision-making process and breakfast-meetings in the run-ups to ministerial meetings and European Councils. The strength of these institutionalized partnerships is often explained as a result of personal relationships, socializing effects, and inter-personal trust (Naurin and Lindahl 2007, Lewis 2005). The common trait for all groupings is to enhance the influence of the group through “speaking with one voice” (Selk and Kuipers 2005).

Bargaining power: The Dependent variable.

Definitions of power have developed along with the change of approaches from early studies (Goldmann 1979) of power as a capability (e.g.military) to power as a concept of interaction in international relations (Hopmann 1996, Little 2007) and power as a resource in international negotiations and its asymmetrical distribution (Habeeb 1988, Sjöstedt 1993, Balier, 2003, 2004). Power today is increasingly a question of multilateral interaction (Goldmann 1979:9) and in this respect subject of complex interdependences. Ties between nations are getting more complex, their interaction becoming transnational and states have often to act within intergovernmental organizations (Elgström 2000) that often results in

power asymmetries (Moravcsik 2010, Delreux 2009). A typical example of such complexity is the EU decision-making process. Taking these considerations into account this study applies the definition used by Tallberg (2007:10). Bargaining power in the EU negotiations is defined as governments' capacity to secure favorable distributional outcomes, i.e. agreement that as closely as possible reflects the policy preferences of member states.

One of the major difficulties that scholars have faced in studying bargaining power concerns its determinants (Clark 2000, Bailer 2003, Wolfe 2005). Discussion on which determinants should be considered as prevailing has contributed to the development of two distinct schools in bargaining power literature.

Realists argue that power can primarily be derived from the aggregate structural power, thus emphasizing resources, economic strength, population, size and voting weight (Raunio 1998, Hosli 1999, Winkler 1998). Structural variables can explain the positioning of member states (Bailer 2003:3). Besides, structural aggregate power serves as a foundation for negotiation tactics. Differences in aggregate structural power certainly matters. However, aggregate structural power has its limitations in explaining international negotiation outcomes (Clark 2000), because, firstly, it is far from clear how different power determinants are interrelated (Goldmann 1979) and secondly, it says nothing about the interaction of actors (Habeeb 1988:25).

The other group of scholars favor more normative explanations emphasizing the potential of 'soft power' i.e. negotiation skills, best alternative to the negotiated agreement (Dür and Mateo 2008), use of network capital (Naurin 2007), personal authority (Tallberg 2007), strategic handling of information (Bailer 2003, Wolfe 2005). Following this division Bailer (2003, 2004, 2010) distinguishes among two patterns of power resources – 'exogenous' power i.e. determined by economic power, size, votes and other determinants that are difficult to change during the negotiation process and 'endogenous' power that captures behavioral aspects and tools actors have into their disposal for influencing negotiation outcomes. Contrary to the exogenous power sources, the latter can change during the negotiation process and maximize the outcomes preferred by actors apart from structural power. Parties with strategically selected power source alternatives have been shown to achieve larger gains in negotiation outcomes (in Wolf 2005), in other words, "weak states do not always suffer" (Tallberg 2007:17). Behavioral power is more a question of the persuasive competence (Thomas 2009), bargaining skills (Bailer 2003), dealing with information asymmetries (Saam 2009) or aggregating interests into a single voice (Meunier 2000:103).

Power pooling is one of the strategies “of the weak” aimed to mitigate their disadvantage (Keohane 1971). Acting strategically, countries may aggregate power resources and achieve outcomes that “are more favorable than what could have been secured individually” (Tallberg 2007:34). According to the coalition-building theory, power seeking is considered to be the primary reason behind coalition-building (Elgström 2001:120).

Asymmetries in the power distribution

Information asymmetries are among the crucial elements in negotiations in general and in the EU negotiations in particular, because of the complex setting of intergovernmental and supranational environment. Degree of information that negotiator has for disposal about others’ preferences (Bailer 2003:7) or about the positions of domestic ratification constraints (Slapin 2006:55) frames the negotiation tactics and may confer power. Parties which share information in order to understand each others’ preferences and negotiation positions are more likely to find “value-creating trades” (Wolfe 2005:6).

Another asymmetry among the negotiation partners stems from differences in administrative capacity, resources and expertise in framing policy positions. Hopmann (1996:56) argues that “expert advice and extensive government bureaucracy and a large number of research institutes may also enhance countries’ position, especially in negotiations involving highly technical issues where expertise and command of information may provide important advantage”.

In preparatory phase of the negotiations, expert power is achieved by the ability to provide knowledge and solutions based on scientific expertise in a specific policy field on specific dossier (Broman 2009). Countries strategically involving “knowledge brokers” (Broman 2009:95) in framing their policy positions and negotiation positions may share this knowledge rationally through interaction with other like-minded partners, thus yielding benefits in terms of larger bargaining power in return.

Effects of inter-state cooperation on the negotiation outcomes.

My argument is that coordination of policy positions that member states undertake prior to negotiations in the Council can increase the bargaining power at the negotiation outcomes through following mechanisms – (1) power pooling, (2) exchanging information, (3) increase members’ expertise, and (4) normative entrapment of other member states.

Defining coalitions as “coordinated behavior among the actors in order to reach the goals they have agreed upon” (Elgström 2001:113), I claim that there is a difference in bargaining advantage depending on which kind of coalitions member states opt for. Governments may select peers (concept of peer-selection is already used in studies dealing with inter-state coordination and open method of open coordination, see Saam 2009:358) either on *ad hoc* basis, i.e. selecting allies with close policy preferences, or to collaborate with the partners of the traditional institutionalized groupings. I argue that each of these coalitions have different causality mechanisms and different advantages. *Ad hoc* formations of the like-minded allies have the highest potential of power pooling through aggregation of voting weight because inter-state coordination mechanism at *ad hoc* coalitions rests on rational action of member states having similar policy preferences. Within *ad hoc* cooperation member states undergo all necessary steps of power pooling (selecting peers, exchanging information, and pooling power by joint action) that are necessary for maximizing common favorable outcome.

Cooperation within the institutional groupings follows different logics. Inter-action in groupings can increase common bargaining power only when policy preferences happen to be close. Institutionalized groupings are framed on geographic proximity and cultural affinity basis. Their voting weight may not even reach the necessary voting threshold. Moreover, inter-action of member states within groupings not necessarily leads to the joint action, unless the preferences match. However, the strength of institutionalized groupings lies in their ability to create normative justifications that put other member states in the situation of a normative entrapment (Thomas 2009).

I develop this argument in several steps. Firstly, I explain the role of the pre-negotiation phase as a crucial stage of member states’ interactions. Secondly, drawing on rational choice and normative institutionalism, I explain the differences in causality chain depending on what type of coalitions (*ad hoc* or institutionalized) member states opt for. Finally, I derive three hypotheses from this reasoning.

Pre-negotiation stage in cooperation.

International negotiations consist of several stages that are inter-related (Schiff 2008:388). In the pre-negotiation phase participants agree on a negotiation agenda and try to engage in the first contacts in order to exchange information or test the viability of their own policy positions, i.e. if their positions possibly turn out to be too extreme. Some authors point out the

exceptional importance of the pre-negotiation phase for the negotiation outcomes, namely, the “pre-negotiation phase often leads to a common understanding or an agreement framework, within which the detailed and formal agreement will be sought afterwards” (Blavoukos 2008:249). In fact, the pre-negotiation phase can be considered as an integrated part of negotiation process (Teply 1992, Ury 1993, Shell 1999) because each party has to explore the possibilities and to test their positions (Zartman 1982:42). During the formal negotiation stage the actual negotiations take place and the negotiation actors have to reach a common agreement even when their starting policy positions diverge.

This aspect of negotiation theory has direct implications for explaining coalition behavior in the Council. Member states deliberately engage in inter-state coordination long before the formal negotiations start. The earlier this interaction, the higher the probability of reaching a successful negotiation outcome. Sometimes peer-selection starts even before proposal is published by the Commission.

Institutional setup of coalitions

According to a widely-used definition, coalitions are seen as coordinated behavior of actors (Elgström 2001:113). At the same time, they can be considered as networks (Naurin and Lindahl 2007) or institutions (Tallberg 2007). The statement – “institutions matter” (Tallberg 2009) is the point of departure for this study. Outcomes of EU negotiations are shaped by the institutional context in which bargaining takes place (ibid, 4). The institutional setting can contribute to the differences in the outcomes (König 1998) due to variation of how states chose cooperation partners, exchange information, and influence negotiation outcomes. Institutional design i.e. the distinction between formal (institutionalized) and informal (*ad hoc*) institutional setting, opens up the possibility to scrutinize the content of coalitions because each of the patterns follows a different causality chain. When explaining strategies of how states behave in pooling their power, Tallberg (2007:12) introduces two layers of inter-state cooperation: more formal institutionalized country groupings and informal *ad hoc*-based issue coalitions. Issue coalitions are framed among like-minded actors (Elgström 2001). Institutionalized groupings consist mainly of the same actors with repeated interactions and are to great extent driven by cultural factors, geographic affinity and inter-personal trust (Naurin 2008). In terms of negotiation theories, cooperation within institutionalized groupings matches peer-selection principle: “easiest first” (Tallberg, 2007:38). Governments can be guided by a “sense of duty” in consulting ones’ socially constructed fellows (Naurin, 2008:6).

Accordingly, norm-guided relations, rule-following behavior and ideational concerns become key elements that influence outcomes in the institutionalized settings (Elgström and Jönsson 2000, Lewis 2005). As Dupont (1994) points out: “coalitions may constitute deliberately constructed networks, who may have different interests and policy priorities, yet sharing common objectives.”

Second interaction mode - *ad hoc* coalitions are framed with respect to particular dossiers. Member states can apply different strategies and choose partners according to rational considerations: preferences, voting weight or the partners with whom they have established the best contacts (Saam 2009:357). This also explains why *ad hoc* coalitions do not necessarily include member states from institutionalized groupings. In some cases (when preferences converge) *ad hoc* formations can cut across the institutionalized groupings, but often they stretch beyond the identity-based coalitions and link those member states having closer policy positions on the particular negotiated issue. Due to the low degree of institutionalization *ad hoc* coalitions are perceived as flexible, unstable, and even “floating” in nature (Elgström 2001, Tallberg 2007). Contrary to the routine pre-meeting collaboration of institutionalized groupings, *ad hoc* cooperation can be deliberately initiated at any time and on any level. Governments may apply both mechanisms simultaneously; they can coordinate their positions with neighbours and at the same time select peers with similar positions (Saam 2009:361), they simply “play on two chess-boards” (interview 2.07.10.)

Rational choice and normative institutionalism

My argument is that the effects of inter-state cooperation can be explained by both rational and normative theoretical approaches depending on the extent and degree of institutionalization. When member states opt for *ad hoc* coalitions and select like-minded peers on particular dossiers, their action can be best explained as striving for functional efficiency (Shepsle 2006:23) and power pooling, and thus draws on assumptions of rational choice institutionalism. Rational choice institutionalism, being one of the leading strands of rational choice approaches, has a good potential to explain functioning of the institutions in EU framework (Tallberg 2009). It argues that the behavior of political actors is shaped by rules and procedures within which they maximize their utilities by calculating best courses of action. Actions are chosen not for themselves, but as more or less efficient means to a further end (Elster 1989:22). It focuses primarily on the functional efficiency of institutions.

Institutionalized setting i.e. country groupings based on geographical proximity may be better explained by normative institutionalism because they represent a forum i.e. “a site of negotiation and deliberation in which common norms are salient” (Schimmelfennig and Thomas 2008:6). Defining entrapment as a “process by which Member states find it difficult to escape the dictates of substantive EU norms and thus accept (however reluctantly) norm-consistent policies that diverge from their actual preferences” (Schimmelfennig and Thomas 2008:3) I use this concept for explaining increase of bargaining power in terms of common commitment of the grouping. As entrapment conditions authors (ibid) select: determinacy, relevance, publicity, precedents and forum. In terms of coalition building theory entrapment would be most likely enhanced when the negotiations take place within a forum i.e. institutionalized setting.

Role of preferences in the coalition building.

Why do states engage themselves in inter-state coordination framing coalitions? I suggest that states cooperate and coordinate their positions prior to formal negotiations in order to overcome three problems that are linked to the power asymmetries: (1) distribution of votes, (2) distribution of information, (3) comprehensive expertise on issue.

Interstate cooperation leads to bargaining power increase in following steps:

Peer selection → exchange → joint action → power pooling/normative entrapment → bargaining power

Firstly, we need to clarify – how to treat the preferences in this theoretical model?

Negotiations are typically conceptualized as a process between actors that enjoy the same formal status, but differ in terms of power capabilities, preferences, information (Tallberg 2008:5). Though preferences themselves can be seen as considerable determinants of bargaining power (Bailer 2003:5) they are not treated in this study as independent variables. Rather they are background factors, on the basis of which member states strategically determine selection of peers. As expressed by Naurin (2008:4): “preferences determine who is cooperating with whom”. If negotiation process can be defined as a rational learning process under uncertainty (Moravcsik and Nikolaïdes 1999:69) and, if states are guided in their choice by preference for a similar negotiation outcomes (Moravcsik 1997:523), then the mechanisms of peer selection will very much rest on proximity of policy positions (Saam 2009:359). Preferences can serve as the conditions under which different institutional settings exert influence on outcomes

(Köning 1998). This brings us to an explanatory model with four alternatives depending on variation in institutional setting and variation in background preferences (see table below).

Independent variable Expl. indicators	Ad hoc COALITIONS		Institutionalized COALITIONS	
	<i>Diverging</i>	<i>Converging</i>	<i>Diverging</i>	<i>Converging</i>
Preferences (background v.)				
Peer selection	Impossible	++	Constant peers	Constant peers
Exchange	x	++	+	++
Joint action	x	++	To be confirmed	++
Pooling votes	x	++	To be confirmed	+
Normative entrapment	x	To be confirmed	To be confirmed	++
BARGAINING POWER	-	+	To be confirmed	+
Theoretical explanations	Rational choice institutionalism		Normative institutionalism	

Table. Predicted effects of the coalitions building process on the bargaining power (+ marks the predicted intensity/importance of the model indicator).

As *ad hoc* coalitions are framed among like-minded actors (Tallberg 2007), option 1 is impossible by definition. Acting rationally, member states will not select peers for coalition building on *ad hoc* basis once they are aware of peers’ diverging preferences. Drawing on rational choice explanations, the causality chain here will be interrupted at the stage of peer selection.

For institutionalized groupings, normative institutionalism, however, provides explanations for inter-state cooperation both with converging (option 3) and diverging (option 4) preferences. Schimmelfennig and Thomas (2008, 2009) have found empirical evidence for inter-state cooperation mechanisms, in field of external affairs even when preferences diverge. They argue that “behavior of member states is shaped significantly by shared perceptions regarding which policy options are consistent or inconsistent with preexisting common norms and commitments.” Those member states whose policy preferences are seen as inconsistent with the EU’s substantive norms or policy commitments are less willing to insist on their preferences and more acquiescent to those with norm-consistent preferences (Thomas 2009:12, Vogler 2008, Young 2008). Following the explanations of the normative institutionalism, through interaction member states may “negotiate differences in their policy preferences” in the given institutional environment (Thomas 2009:11).

Coalitions as sources of bargaining power.

Power has formal as well as informal aspects (Dupont, 1994). Voting weight certainly belongs to the formal explanations. I claim that variation in institutional setup of coalitions can yield different outcomes in terms of bargaining power. Coalition building in the Council is often linked with voting rules, where actors are poised to focus on achieving minimum winning coalition, when qualified majority voting takes place (Elgström 2001, Nedergaard 2009). This applies even if decision making in the Council follows consensus tradition (Hosli 1999). Governments with intensive positions will try to engage like-minded states in power pooling even under unanimity for “reputation repercussion” reasons (Tallberg 2007:21). One should expect that governments will choose countries according to the potential to pool power, i.e. voting weight, or those perceived to be powerful.

H1. Governments coordinate their positions in ad hoc coalitions of like-minded peers in order to increase their bargaining power through pooling the voting power.

The logics behind this argument is rational acting of member states through selecting like-minded peers and aggregating voting power either to reach qualified majority, or to block the decision. In the light of negotiation theories the strategic choice of peer selection follows the line: “more influential first” (Tallberg, 2007:34). Rational choice institutionalism provides explanations for this action as the member states strive to use coalitions as effective institutions for maximizing their interest. Interaction, proceeds through information exchange that takes place either in capital-capital contacts or through informal contacts in Brussels prior to Working group and COREPER meetings. The process follows causality chain:

Peer selection → exchange of information/expertise → joint action → power pooling → increased bargaining power

According to the decision-making procedures, and taking into account the tendency to reach agreement possibly at COREPER level (Lewis 2005), member states will strive to launch *ad hoc* interaction at the earliest possible stage in the decision making, i.e. Working party level. Even though member states’ inter-action may start as early as formation of the Commission proposal, it is at diagnostic and framing phase of negotiations (Meerts et al 2004) when actors learn about each others’ positions and take strategic decision of peer-selection. The real “power games” will be left for the COREPER (Lewis 2005, Naurin 2008). This argument

speaks in favor of informal setting of *ad hoc* coalitions as power pooling mechanisms, because, contrary to the institutionalized formats (which come together shortly before Council and European Council meetings) *ad hoc* formations can be flexibly adjusted to preferred time and expertise level.

Taking into account the fact that member states simultaneously may exert both informal and formal channels of networking (Elgström 2001, Naurin and Lindahl 2007) I further develop hypothesis drawing on the normative institutionalism theory.

General logic behind the entrapment hypothesis is that “membership matters” (Thomas 2009:7). Institutional groupings can be seen as persistent *forums* of norm-guided and rule-driven networks, whose members being selected on the geographic proximity and cultural affinity basis carry out repeated interaction. According to normative institutionalism interpretations, states are committed to ensure the Union’s political viability acting in accordance with normative and policy commitments, regardless if their preferences are close or divergent. (ibid:8). In fact, member states have established a number of substantive (i.e., ends-oriented) and procedural (i.e., means-oriented) norms, that cover different fields of common interest, e.g. free trade, democratic norms, foreign policy issues, and recently also environmental policy norms. Issues as climate change have emerged as subject to entrapment explanations (Vogler 2008). In contrast to rules and procedures that are driving forces behind member states’ choices to pool voting power (H1), normative institutionalism emphasizes the behavioral impact of standards of appropriateness established by the community’s normative and policy commitments (ibid:10). Countries within grouping can gain power through “better argument” (Risse 2000), repeated interaction (Lewis 2003, Nan 2008) and normative constraints. Actors within forum (institution) can develop common knowledge concerning situation that leads to agreement and joint commitment. It gives more strength to normative justifications that members may use to push their preferences that may lead to a situation in which other member states are normatively entrapped.

H2. Inter-action within institutionalized groupings enhances bargaining power through the normative justifications that may create entrapment of other member states.

Entrapment hypothesis can explain the power of institutional groupings even when voting power explanations fail. As demonstrated by Selck and Kuipers (2005:158), Nordic states are

perceived to be influential even though they cannot together reach voting thresholds for blocking minority. In light of “better argument” (Risse 2000) actors’ preferences are no longer fixed but subject of change (Schimmelfennig and Thomas 2008). Power of arguing can be exerted as powerful tool against other countries. Accordingly, one may expect normative entrapment account for another explanation why Nordic group acts as an influential “voice” in the Council negotiations. The same explanations may be applied for Benelux groupings’ influence in the EU. In other words, the more institutionalized coalition, the more probability of the normative entrapment potential.

*Peer selection → exchange of information/expertise → normative entrapment of other actors
→ increased bargaining power*

Information increases leverage (Shell 2006:105). Asymmetries in power (a typical feature for negotiations at the Council) that stem from asymmetries in information distribution (Powell 1999, Wolfe 2005) can lead to different negotiation outcomes for negotiation parties, creating winners and losers (Clark 2000). Thus, states are highly motivated to exchange information on others’ preferences and acquire more technical expertise on the issue at hand in order to solve the problems in power asymmetries. I argue that coalitions as interstate coordination mechanisms that take place prior to formal negotiations have a potential to increase the member states’ bargaining power through exchange of information and expertise.

H3. The more intensive exchange of information and expertise the higher potential of the coalition to yield bargaining power for its members.

As Naurin (2008) points out, “it is much about of being insider or outsider”. Using coalition as an exchange network can be particularly important for smaller countries with fewer resources in terms of technical expertise and administration. Moreover, “better argument” has a gravity power (Risse 2000) – those having better expertise and argumentation for their positions will “attract” coalition partners and assume the role of leading countries within coalitions.

Alternative explanations of inter-state cooperation draw on social constructivist explanations. According to this view, interaction and position coordination results in preference convergence due to normative persuasion and repeated socialization (Lewis 2000). If these explanations are true, one would expect member states to change their policy positions after

coordination as a result of learning. Bargaining power would increase due to “logic of appropriateness” rather than due to “logic of consequences” (Checkel, 2001).

AH. Member states inter-action in coalitions increases the bargaining power through the convergence of their policy positions due to normative persuasion and learning.

Alternative hypothesis would support the line of thinking that the strength of persistent and institutionalized coalitions rests on their social interactions, social trust and common historic legacy (Naurin 2008:7)

Research methodology

In order to examine these hypotheses I carry out a qualitative research. Study draws on 37 semi-structured interviews and 3 case studies. It focuses in particular on the Nordic region which is perceived as an influential grouping in the Council negotiations (Selk and Kuipers 2005), and Nordic/Baltic grouping (NB6) i.e. extension of the Nordic group after the enlargement. Evidence from Benelux and Visegrad groupings is used for cross-reference reasons.

Independent variable – coalitions – has variation across the degree of institutionalization. Defining the initial positions as policy positions (Arregui 2008) and the applied positions as negotiation positions, possible shifts (distances) between the policy positions and final negotiation positions are observed with the help of qualitative interviews. The effects of pre-meeting coordination and coalition building on the bargaining power are explained by following indicators – peer selection, exchange of information and expertise, joint action (if any) and normative entrapment.

Study is organized in two steps. During the first step I look for evidence of formal and informal coalition building patterns across different policy fields. The first step draws on secondary data, survey and semi-structured interviews with high level officials. The main questions addressed in these interviews are - selection of peers, experience of state interaction, strategies and considerations behind inter-actions, and goals of the particular activities. In order to ensure the coverage of both *ad hoc* and institutionalized coalitions, the study focuses on interviewing representatives of countries that can witness cooperation in these two channels of cooperation. For this reason, the main target group of interviewees are representatives of the Nordic and NB6 (Nordic/Baltic grouping), however 6 interviews are

conducted also with Benelux and Visegrad representatives for generalization of results. Interviews were carried out during November 2009 and July 2010. Majority of respondents represent EU coordination units at capitals. However, there are also some interviews with high level diplomats at the Permanent Representations in Brussels that allows to cross-check responses. Evidence obtained during the interviews provides broad picture of member states choices of coordination alternatives both at *ad hoc* and institutionalized coalitions. However, there have been also some difficulties in obtaining data that are related to the restrictively of interviewees in sharing information about their negotiation positions.

Second step of research is conducted on the basis of 3 case studies selected on the principles of Mills method of differences. I use process tracing for three negotiation cases – intra-EU climate negotiations, Council negotiations on the Baltic Sea strategy and the Stockholm Programme on migration. In order to avoid omitted variables, (1) all cases are selected from the same time period (under the same primary law provisions, i.e. before Treaty of Lisbon has entered into force), (2) initiatives follow similar way of adoption - all have passed the European Council under similar voting rule provisions, (3) all three initiatives are of high political salience within their policy field. There is a variation of the independent variable (coalitions) regarding the degree of institutionalization (i.e. *ad hoc*/informal and institutionalized/formal) set up. Preferences are treated as constant background variables.

Case selection:

Degree of Institutionalization	Preferences	Case study selection
1. <i>Ad hoc</i> (issue coalitions)	Diverging	Impossible by definition
2. <i>Ad hoc</i> (issue coalitions)	Converging	Climate change negotiations on burden sharing and LULUCF
3. Institutionalized (groupings)	Diverging	Stockholm Programme on migration
4. Institutionalized (groupings)	Converging	Baltic Sea strategy

Baltic Sea strategy case satisfied the conditions for normative institutionalism hypothesis: institutionalized regional contact group of eight countries have intensively discussed the Commission proposal several months before the formal negotiations at Friends of Presidency group. Stockholm Programme was selected as a case where original preferences among Nordic and NB6 group were distant. Case demonstrated the coordination attempts among the

institutionalized grouping of NB6, however without clear power pooling evidences. Finally, the case of climate change negotiations were selected in order to demonstrate the effects of the *ad hoc* coalitions and power pooling results. The group of 9 member states lead by Poland and Hungary framed a coalition of like-minded countries on issue of burden sharing and voluntary funding of 'fast-track' commitments.

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