Abstract.

The Council of the EU is a crucial actor in EU legislative decision-making. However, how its reaches decisions is subject to considerable debate. Constructivists argue that the dominant mode is norm-guided behaviour and deliberation, pointing to the informal ‘culture of consensus’. Scholars working in a rational choice tradition assume that member states strive to move outcomes as close as possible to their ideal positions, either by using their power in bargaining or by arranging beneficial exchanges of votes. Several bargaining and exchange models have been advanced by this literature. Finally, studies report that actors in the Council engage in problem-solving. In this paper, I explore the logics underlying these different conceptualizations of legislative negotiations in the Council of the EU. Furthermore, the paper discusses the interpretation of the existing empirical results and tasks for future research.
1. Introduction

The Council of the European Union is a crucial actor in EU decision-making. As it can be characterized as an international negotiation forum on the one hand and a supranational network on the other it is also a fascinating setting to study decision-making behavior. Drawing upon the general literature on decision-making and negotiation theory (Hopmann 1995; March and Olsen 1989; Scharpf 1997), several studies have addressed the question of how decisions are being made in the Council (Hayes-Renshaw and Wallace 2006: Ch. 11). We can distinguish between bargaining, exchange, problem-solving, norm-guided behaviour, and deliberation. The first two have been grounded in rational choice theory, the latter two in constructivist approaches. Problem-solving can be fitted into both theoretical frameworks.

Rational choice theories assume that political actors are goal-driven (utility-maximizing) and have consistent (transitive) preferences. Actors make choices based on their preferences over outcomes. When outcomes are determined not just by their own behavior they take this strategic interaction into account. In other words, they follow a ‘logic of consequences’. The preferences of actors are typically treated as exogenous and fixed. Constructivist theories posit that the behavior of actors is shaped by their identities and social norms. Thus, they follow a ‘logic of appropriateness’ (March and Olsen 1989) or a ‘logic of arguing’ (Risse 2000). Identities, interests and norms are socially constructed and thus subject to change. Both are institutionalist theories insofar they study how institutions (rules, norms, patterns of expectations) enable and constrain the behavior of actors. If treated as analytical tools or methodological approaches rather than ontologies, they are not necessarily mutually exclusive. Both rational choice and constructivism are ‘thin theories’ which only yield concrete expectations if substantive assumptions are made. If the welfare of others is postulated as part of the utility function, then rational choice will predict altruism. If hedonism is assumed to be the prevalent norm, then constructivism will predict egoistic behavior. Rather then being competing theories, they to some
degree simply have a different focus, not least in terms of their time horizon. Actors might try to reach certain goals within the constraints of social norms and based on preferences which are constituted in a process of identity formation. In ‘thick theories’ of international relations and EU scholarship, rationalist explanations typically assume that the choices of governmental actor are informed by the national interest, whereas constructivist research focuses on ‘other-regarding’ norms (Fearon and Wendt 2002; Jupille, Caporaso, and Checkel 2003).

In the next section I will explore the various models and modes of decision-making. Subsequently, I will discuss how to interpret the results in the existing empirical literature in light of these different models. Section four lays out tasks for future research. Finally, I conclude with some general remarks on the debate between rational choice and constructivist approaches in the study of the European Union.

2. Modes and Models of Decision-Making

Several typologies have been put forward to capture the range of decision-making modes. Most prominently, March and Olsen (1989) distinguished between the (rational choice) ‘logic of consequences’ and the (constructivist) ‘logic of appropriateness’. Thomas Risse (2000) has added the ‘logic of arguing’, pointing out that the ‘logic of appropriateness’ only refers to norm compliance but not to the process of arguing about the applicable norm or its precise prescriptions in a given situation. Thus, the ‘logic of appropriateness’ did not cover the whole spectrum of decision-making modes envisaged by constructivist approaches. Similarly, we can distinguish between bargaining and exchange models within a ‘logic of consequences’. Several bargaining and exchange models have been used to explain decision-making in the European Union (Bueno de Mesquita and Stokman 1994; Thomson et al. 2006). All of these distinctions are primarily concerned with the outcome in distributive terms. However, negotiations also entail an integrative component focused on extending the bargaining
space which can be described as problem-solving (Hopmann 1995). Both rational and norm-guided actors can be hypothesized to engage in problem-solving in some situations. Some authors have combined some of these modes (e.g., ‘deliberative problem-solving’, Joerges and Neyer 1997). They are however analytically distinct and point to different causal mechanisms as the following discussion will make clear. Thus, I will distinguish between bargaining, exchange, problem-solving, norm-guided behaviour, and deliberation (Table 1).

**Bargaining**

In a bargaining perspective, decision-making is characterized by the interaction of actors who have a common interest in reaching an agreement (creating value) but strive to maximize their individual gains (claiming value). Bargaining is typically modeled as a series of proposals (Osborne 2004: Ch. 16). An actor only accepts an offer if it makes him better off than the best alternative to the agreement (e.g., unilateral action or the status quo). Thus, bargaining under unanimity leads to the lowest-common-denominator. The distributive consequences of agreements are affected by the relative power of the bargaining partners (Odell 2000: Ch. 2; Scharpf 1997: Ch. 6; Warntjen 2010). Actors derive power from situational and institutional factors (Muthoo 1999; Muthoo 2000; Schelling 1960). An actor who is less eager to reach agreement is more powerful because he has to make fewer (or no) concessions. Situational factors determine how eager an actor is to strike a deal. The ability to hold out for a better offer could be due to the relative level of satisfaction with the current situation, attractive alternatives, or a longer time horizon. Institutional factors include voting power and procedural privileges. For example, larger voting power should, ceteris paribus, give more influence to bigger member states when qualified majority voting applies (Bailer 2008; Felsenthal and Machover 1988). Furthermore, the member state holding the Council Presidency arguably benefits from its prerogative of making the first proposal (Tallberg 2003; Tallberg 2006; Warntjen 2008a; Warntjen 2008b). Member states can also employ bargaining tactics to strengthen their position and derive disproportionate benefits from a deal.
For example, member states can misrepresent their preferences, or make threats and promises to gain concessions. Under some circumstances, member states can also limit the available outcomes in their favour by ‘tying their hands’, for example through a mandate from their national parliament (Bailer and Schneider 2006; Martin 2000; Schelling 1960).

Exchange

Exchange can refer to a direct trade of votes on a limited set of issues (specific reciprocity), a mechanism by which control over certain areas is exchanged (institutionalized reciprocity) or an informal rule which allows mutual concessions for mutual benefit in long-standing relationships (diffuse reciprocity).

Bargaining models focus on the preferences of actors and their resources (in terms of bargaining power). Exchange models do not just consider the preferences of actors on particular issues but also the relative importance (salience) of these issues to the actor. Actors share control over the outcome of joint decisions, but they value some issues more than others. The joint control of outcomes is conceptualized by the notion of resources of control over an outcome (Coleman 1990). The resources (or capabilities) of an actor are usually conceptualized by reference to the voting power of a member state (Arregui, Stokman, and Thomson 2004; Thomson et al. 2006; van den Bos 1991). However, in principle other sources of influence on the final outcome could be incorporated as well. An actor may exchange his votes on one issue for someone else’s votes on another issue that is of more importance to him (Sebenius 1983; Stratmann 1997). Through this process of vote trading (or log-rolling) a decision on a number of issues can be reached even if there is not a sufficient majority for each individual solution. At the aggregate level, vote trading results in larger majorities than expected as actors are voting against their preferences on individual issues (Groseclose and Snyder 1996; Tollison and Willett 1979). Rather than thinking about votes for or against a proposal, one can also think about an exchange of influence with regard to the exact location of an outcome. This is the basis of the compromise model.
The compromise model predicts that the outcome on each individual issue will reflect the preferences of the actors weighted by their (voting) power and salience. Thus, actors would refrain from using their power in the case of issues in which they are not interested. And they would, according to the compromise model, grant actors more influence if they attach more importance to a given issue.

In contrast to specific reciprocity in the form of vote trading or log-rolling, diffuse reciprocity does not entail an exchange that is clearly specified in terms of the actions and actors. Rather than making a concession to one negotiation partner in one area conditional on a specific equivalent concession in another area by the same partner, a concession is made in the expectation that there will be an equivalent action to one’s benefit by one of the negotiation partners sometime in the future (Keohane 1986: 4). Diffuse reciprocity allows more mutually beneficial deals being struck than reliance on specific reciprocity alone because it is not constrained by the number of issues being considered at (more or less) the same time. Thus, it can be in the self-interests of states to engage in diffuse reciprocity although it implies making sacrifices in the short run because it is beneficial to all of them individually in the long run (Keohane 1982: 342-3; Keohane 1986: 21-2). Because of the risk of states making concessions which are not being ‘re-paid’ later due to the lack of hierarchy in world politics, diffuse reciprocity is difficult to achieve. It would only occur ‘within cooperative international regimes with extensive shared interests’ like the European Union (Keohane 1986: 23; see also Achen 2006: 101-3).

Finally, institutionalized reciprocity refers to situations in which a mechanism is in place that ensures that one side has more influence in one area in exchange for having less in another one. For example, this could explain the procedural privileges of legislative committees (Marshall and Weingast 1988). Jonas Tallberg (2003: 16) has made a similar argument with regard to the Council Presidency: member states grant disproportionate influence to the member state holding the Presidency during their term in office as they will benefit from this once they are at the helm (but see Warntjen 2008b: 206).
Norm-guided Behaviour

Through a process of socialization actors internalize norms which are part of their identity and prescribe appropriate behaviour for certain types of situation. Although norms are socially constructed, most actors most of the time encounter them as something externally given. Rather than highlighting choice as the basis of individual action, norm-guided behaviour points to compliance with social expectations that are taken for granted (Berger and Luckmann 1966; Wendt 1999). Socialization in repeated interaction changes how actors perceive of themselves and subsequently they adopt their behavior to their modified identity. Is has often been argued that civil servants in Brussels ‘go native’ as they interact to find solutions acceptable to all (e.g., Joerges and Neyer 1997: 620). Thus, rather than pushing for the national positions actors in the Council would try to reconcile different positions to accommodate a common European interest after they have shifted towards a European identity. On a theoretical level we can distinguish between a socialization which affects the identity and subsequently interests of actors and socialization to compliance with certain norms of behavior. Thus, actors might become socialized to defend the common European interest vis-à-vis ‘narrow’ national interests or to accommodate heterogeneous interests in process of consensus-building. A more nuanced theoretical position than the ‘going native’ hypothesis postulates multiple layers of identities, which might create conflicting demands on an actor’s behavior. National delegates might feel obliged towards both their colleagues at home and at Brussels (Beyers 2005). Separate norms would be relevant for the member state holding the Council Presidency (Niemann and Mak 2008).

Deliberation

Whereas norm-guided behaviour leads actors to follow norms without making a conscious choice, deliberation establishes through discourse what ‘the right thing to do’ would be. Actors engaging in
deliberation share a common set of norms but argue about which norms are applicable or what they prescribe for a given situation (Risse 2000: 7). They try to reach a ‘reasoned consensus’ (Risse 2000: 9) on what should be done. The power of political clout or bargaining advantages is replaced by the power of the better argument in this mode of decision-making. To participate in a ‘constructive discourse’ (Neyer 2003: 693) actors have to be open to persuasion and restrict themselves to only advance arguments which are consistent and not (obviously) self-serving. Thus, speakers not just merely disguise self-interested comments or threats but change their arguments. To be persuasive, arguments cannot be perfectly aligned with one’s (perceived) self-interest (imperfection constraint). Furthermore, once made an actor cannot deviate from an impartial argument (consistency constrain) without losing credibility (Elster 1998: 102-4). Drawing upon work in social psychology, Checkel (2003) argues that persuasion is more likely to occur with a novel member of the group who does not have deeply ingrained beliefs running against a new position. Furthermore, persuasion is more effective if arguments are made in a genuine discursive manner by an authoritative member of the group. Finally, it is more likely in ‘less politicized and more insulated, in-camera settings’ Checkel (2003: 213). There is a disagreement on the latter point as other authors stress the importance of a public setting for deliberative interaction (Elster 1998: 110).

Problem-Solving

A problem-solving mode of decision-making refers to a ‘search for better, mutually beneficial solutions to problems that satisfy the needs, identities, and interests of all parties.’ (Hopmann 1995: 542) The focus is not on the distributive consequences of a negotiation, but rather on the creation of value to be distributed (Scharpf 1997: 130-2). Problem-solving can refer to the political problem of finding agreements which are acceptable to all (e.g., Hopmann 1995: 30) or to the technical problem of finding the (in the view of the participants) optimal policy (Scharpf 1997: 130). Problem-solving is assumed to be more likely when interests and/or distributional consequences are uncertain or already settled, actors
are engaged in a long-standing relationship and share an understanding of the problem (Scharpf 1997: 252; Joerges and Neyer 1997: 619) A problem-solving mode can be explained by the self-interest of actors in expanding the gains from coordination/cooperation (Hopmann 1998: 88-91) or by reference to deliberative norms (Joerges and Neyer 1997: 620).

A negotiation can be driven by different modes of decision-making (Hopmann 1998: 93-4). We can conceptualize this as a sequence of negotiation stages, characterized by different decision-making modes. For example, a pre-negotiation stage of problem-solving can be followed by strategic bargaining. After a decision has been reached there might be problem-solving or deliberation when discussing issues of implementation in a post-negotiation stage. Alternatively, different modes might be at work depending on the context (Lewis 2008a). ‘[A]rguing gives expression to the belief of an actor that he or she can advance his or her interest sufficiently well by justifying, explaining and persuading so as to be able to abstain from the use of threats or promises.’ (Neyer 2003: 693) For example, different modes might be at work in different institutional settings. In the context of the Council of the European Union, civil servants meeting in working groups or the group of permanent representatives (COREPER) might engage in problem-solving or deliberation whereas ministers might be bargaining. With regard to the foundation of these different models of decision-making, we might observe their logics working at different levels. If deliberative problem-solving leads to more efficient and effective negotiations (Neyer 2004), then it would be rational to adopt this decision-making mode. Behavior that seems irrational at some level might be quite rational overall (nested games, Tsebelis 1990). Similarly, a rational actor would (at least superficially) adopt a deliberative mode if he would expect an advantage in negotiations from doing so. ‘Members internalize the group-community standards because it is a source of social influence in a process of deliberation – to get what you want you have to play by the rules of the club.’ (Lewis 2008b: 178) The interpretation of behavior as following a ‘logic of
consequences’ or a ‘logic of appropriateness’/‘logic of arguing’ thus would change according to the level of the analysis.

3. Interpreting the evidence

Despite increased transparency, studies of the Council are still impaired by a lack of data. First empirical studies de facto put forward probability probes when arguing that a particular mode was relevant for decision-making in the Council. More recently, the literature has developed towards more systematic studies including alternative hypotheses. In the following, I discuss the evidence put forward in studies of the decision-making mode in the Council and its interpretation (see also Elgström and Jönsson 2000; Hayes-Renshaw and Wallace 2006: Ch. 11; Lewis 2003; Lewis 2008b).

Socialization

Socialization can be identified indirectly by its effect on actors’ behavior or (more) directly through a process of norm internalization. Socialization into a norm of consensus-seeking should lead to a prominence of problem-solving or deliberative decision styles. If actors are being socialized there should be a relationship between the strength of the (compliance to) a norm and the intensity of interaction. Furthermore, actors should adopt norms gradually.

Socialization could be observed as new-comers start adopting their behavior to the group’s norms. For example, Sweden voted very often against proposals in the Council in its first year of membership although explicit ‘no’ votes are rare in the Council. This can be interpreted as a process of learning and internalizing the Council’s ‘culture of consensus’ (Lewis 2008: 176-8). Alternatively, it could potentially be explained by domestic factors. Furthermore, Sweden’s behavior at the beginning of its EU membership is the exception (Mattila and Lane 2001) although a socialization effect should be relevant for all newcomers (cf. Mattila 2008: 28). Indeed, the new member states after the 2004 enlargement did change their behaviour in terms of contesting Council decisions. However, they started
to contest more decisions rather than less as a socialization into a ‘culture of consensus’ would have it (Hagemann and De Clerck-Sachsse 2007: 4).

Interviews of Swedish civil servants who participate in Council negotiations point to the presence of both bargaining and problem-solving decision styles in the Council (Elgström and Jönsson 2000: 689). This indicates that there is no strong socialization into a norm of consensus-seeking norm but also refutes a characterization of Council negotiations as pure intergovernmental bargaining. A study of (Belgian) civil servants also points towards national representatives subscribing to views in line with a role as governmental delegates (‘intergovernmental role-playing’) and a European consensus-seeker (‘supranational role-playing’). However, there is no clear association between a stronger supranational orientation and more involvement or a higher level of contacts pointing to process of socialization (Beyer 2005). For COREPER, participants report a strong informal rule of ‘diffuse reciprocity’ (Lewis 2000: 268). This can be interpreted either as an effect of European socialization or as diffuse an expression of a general mechanism of exchange in EU decision-making which is adopted by rational actors.

Consensual decision-making

Decision-making in the Council is characterized by the lack of formal votes and negative votes (Hagemann 2008; Hayes-Renshaw, Wallace, and van Aken 2006; Heisenberg 2005; Mattila 2008; Mattila and Lane 2001). The voting behavior of ministers in the Council cannot always be explained by their preferences on the issue(s) at hand (König and Junge 2008: 93). Case studies and (former) practitioners report that civil servants in the Council try to accommodate the interests of other member states (Bostock 2002; Elgström and Jönsson 2000; Lewis 2005). Consensual decision-making can be explained through a norm prescribing consensual/ deliberative behavior or as a consequence of a rational use of exchange mechanisms. Actors would vote against their (immediate) preferences if they engage in vote trading which would explain the absence of negative votes despite heterogeneous
preferences (Mattila and Lane 2001). Oversized majorities and the search for consensus can also be explained by the repeated interaction of rational actors in a pattern of generalized exchange. ‘For purely instrumental reasons, it makes sense not to simply outvote isolated or minority positions when you could find yourself in the same position next week.’ (Lewis 2003: 108). Thus, consensual decision-making does not pose problems for formal models as Heisenberg (2005: 79) is claiming. Indeed, she is referring to a formal model (vote trading) as a possible casual mechanism herself (Heisenberg 2005: 70). Similarly, the existence of informal rules is not problematic for rational choice models. In fact there are rational choice models explaining the existence of informal norms such as universalism or inclusiveness in legislative bargaining (Weingast 1979). The interpretation of the lack of negative votes also depends on assumptions with regard to the Commission’s proposal and the distribution of preferences in the Council. If the Commission anticipates the positions of member states and adapts its proposal accordingly, then member states would have no reason to vote against the proposal (König and Junge 2008). Similarly, we would expect oversized majorities if the member states have a vested interest in the policy coordination within the EU (Achen 2006).

**Arguing and justification of positions**

Models of deliberation would predict that actors argue over factual claims and the applicability of shared norms and hence would justify their positions. Indeed, this behavior has been reported as characterizing decision-making in the Council (Lewis 2000, 2003; Bostock 2002). A rational actor with a limited time horizon would only lay out his position in order to build a sufficient majority. If engaged in a long-standing relationship however, a rational actor might justify his position to increase his reputation (Kreps 1990) and/or to provide information relevant for future negotiations. Thus, the use of justifications does not necessarily depend on the applicable voting rule (cf. Lewis 2008: 174-6).
4. Tasks for future research

To reach definitive conclusions on the decision-making mode at work in the Council (or its various incarnations) at a certain point in time it will be necessary to spell out in more detail what the predictions of the various models are, include all modes in systematic empirical studies, draw upon several sources of data (triangulation), and increase the number of observable implications of the models by investigating both the process and outcome of decision-making.

Studies identifying the decision-making mode in the Council face several obstacles. A decision-making mode cannot be observed directly. Studies utilizing interviews of participants have to be aware that statements might be misleading artifacts of the interview situation and have to be carefully interpreted in light of the context to avoid drawing wrong conclusions (Berry 2002). Similarly, documents detailing strategic cost-benefit-calculations could suggest rational or rationalizing behavior. The absence of such documents would not prove the absence of rational behaviour (cf. Lewis 2008: 169). Using several sources of data (‘triangulation’) can partially remedy this situation. The various models of decision-making have to be further substantiated (‘thickened’) to derive testable hypothesis. For example, to study habitual norm compliance requires hypothesizing a specific norm. Norms can relate to identity and interest of the negotiation partners (e.g., national delegate), the conduct of negotiations (e.g., inclusiveness and equality), the goal of negotiations (e.g., sustainable policy) or properties of the negotiation outcomes (e.g., fairness). Several norms might be relevant potentially moving behaviour and outcomes in different directions. Finally, different modes might predict the same or very similar results (observational equivalence). The same evidence could be used in support of different models (Lewis 2008b: 168; Moravcsik 2001). For example, figure 1 depicts a situation in which member states have different views on a topic which can be represented in a unidimensional policy space (e.g., in terms of more-less regulation or more-less Europe). For simplicity’s sake, assume that there are seven member states with equal voting power that decide by simple majority and disregard the location of the
status quo. There are three groups of member states: a majority (2, 3, 4, and 5) has a relatively
moderate position, two member states have more extremist views (6, 7), and one member state
occupies an isolated position. However, member state 1 has a much stronger interest in the topic than
all the other member states. In this example, the compromise model would predict that the outcome lies
between the moderate group and member state 1. But this could also be interpreted as the outcome due
to the ‘culture of consensus’. Rather than outvoting member state 1, the other member states take its
position into account. However, the same could be said for an outcome where the moderate majority
accommodates the interests of the more extremist member states to the right (e.g., an outcome between
member states 5 and 6). Similarly, an outcome at the ideal point of member state 2 is already more
accommodating to the views of member state 1 than an outcome in the middle of the moderate group.
To test whether decision outcomes in the Council are due to compliance with a norm or in line with
rationalist exchange models we need to specify which norm is relevant and what it would predict.
Furthermore, a test might be inconclusive due to observational equivalence. To overcome the latter
issue we could increase the number of observable implications (cf. King, Keohane, and Verba 1994:
Ch. 6) by studying both the decision outcome and the process leading to it.
4. Conclusion

The general literature on decision-making and negotiation theory has put forward several models suggesting different modes of decision-making. Several studies have scrutinized decision-making at various levels in the Council (working groups, COREPER, ministerial meetings) using interviews, case studies and statistical data of roll-call votes. The debate can be grounded in the theoretical frameworks of rational choice and constructivism. We can distinguish between bargaining, exchange, problem-solving, norm-guided behavior and deliberation. Case studies and interview data suggest that deliberative discourse and a problem-solving mode are strongly present at the meetings of civil servants, but also point to the occurrence of hard bargaining. The lack of formal and negative votes has been interpreted as compliance to a norm of consensus but it could also be a consequence of a widespread practice of exchange (diffuse reciprocity). Thus, the empirical literature is so far inconclusive. Indeed, several modes of decision-making can be in effect at various stages or in different settings of the decision-making procedure. In terms of the general debate between rational choice and constructivism, studies of EU decision-making might remain inconclusive because the interpretation depends on the perspective and level of the analysis. When an actor’s strategic behavior (e.g., pressing for his own position) is greeted with outrage and subsequent isolation, the analyst can point to the working of a norm (e.g., consensual decision-making) in a constructivist vein or the enforcement of informal rules through sanctions and the calculated risk of norm violation in a rational choice vein. Furthermore, behaviour that seems irrational (i.e., not based on specific cost-benefit calculations) at one level might be rational at another (e.g., taking a longer time horizon). To advance the study of decision-making modes in the Council we will need to be more specific with regard to the differences between the various modes by increasing the number of observable implications (e.g., studying both outcome and process) and developing more specific predictions (e.g., what does ‘consensus’ imply for decision outcomes?). Furthermore, on a theoretical level we need to develop theories on how the different modes might interact in various settings. Empirically, we need to move from plausibility
probes to comprehensive tests of competing hypotheses and utilize a wider range of sources to cross-validate findings.
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Figure 1: Observational equivalence – exchange or norm compliance?

![Diagram showing salience and compliance levels]

1. Salience
2. CM
3. 2
4. 3
5. 4
6. 5
7. 6
8. 7

Salience
50
10
5
15
5
5
10

1, 2 / position or influence scales, Y = perceived compliance model assuming equal power.
References


