

**TOWARDS A CONTINGENCY THEORY OF THE PRESIDENCY**  
**REVISITING NICE**

**Paper prepared for EUSA Conference**

**Nashville**

**March 2003**

Dr Adriaan Schout

Dr Sophie Vanhoonacker

European Institute of Public Administration - EIPA

University Maastricht

Open University, Maastricht

[a.schout@eipa-nl.com](mailto:a.schout@eipa-nl.com)

[s.vanhoonacker@tss.unimaas.nl](mailto:s.vanhoonacker@tss.unimaas.nl)

## Towards a contingency theory of the presidency Revisiting Nice

Adriaan Schout & Sophie Vanhoonacker<sup>1</sup>

Based on contingency theory, this article elaborates a conceptual framework aimed at deepening understanding of the presidency of the Council. The available literature on the presidency assumes that it should mainly serve decision-making. This does not do justice to the different roles and services of the chair. Below we present hypotheses on the demand for, and supply of, presidency roles. To test the relevance, we use the contingency framework to reassess the behaviour of the French Presidency during the IGC negotiations at Nice. The evaluation based on the presented contingency theory offers a structured evaluation of the French Presidency and links behaviour to the specificities of the actual negotiations. Despite the current reform discussions, a more realistic understanding of the presidency and a theory to link its behaviour to demand and supply conditions continues to be relevant as the rotating chair will remain - one way or the other.

**Key words:** EU presidency, presidency reform, presidency evaluation, contingency theory, IGC 2000, Nice.

### 1 Understanding the presidency of the Council of the EU

After more than fifty years of experience with a system of rotating chairmanship, we would expect that the knowledge of the presidency of the Council is well established. Member states have a certain routine in running presidencies and at the end of a term, peers, the press and academics have no problem in producing evaluations. However, when examining these assessments, or when talking to officials involved in presidency preparations, it becomes clear how strong the perceptions are coloured by implicit assumptions. The dominant expectation of the presidency is that of neutral mediator and honest broker. Apparently, its purpose is to ensure that meetings are well prepared and chaired. It is implicitly assumed that the chair should create a pleasant atmosphere, work towards a common denominator and ignore its own interests. Furthermore, the chair is always supposed to behave in more or less the same way irrespective of the circumstances. The absence of a theory on the functions and behaviour of

---

<sup>1</sup> Dr J.A. (Adriaan) Schout is associate professor at the European Institute of Public Administration (NL-Maastricht, [a.schout@eiipa-nl.com](mailto:a.schout@eiipa-nl.com)) and at the Open University (NL-Heerlen). Dr S. (Sophie) Vanhoonacker is senior lecturer at the University of Maastricht (NL-Maastricht, [s.vanhoonacker@iss.unimaas.nl](mailto:s.vanhoonacker@iss.unimaas.nl)).

the chair creates misguided expectations. Moreover, it limits evaluations to descriptions of presidency actions without precise indications of how to interpret the behaviour. Oversimplified and unfair reviews are the result.

In this article we elaborate a framework, based on contingency theory, that makes the roles of the presidency explicit and that links them to the conditions of the environment in which the chair operates. Firstly, it is argued that in addition to the role of organiser and broker, the chair performs other, admittedly controversial, roles, i.e. those of political leader and of representative of national interests. Secondly, it is posited that the appropriateness of presidency styles is contingent on the situation. Thirdly, a set of hypotheses is formulated about the relationship between behaviour and the environmental circumstances. These hypotheses include the internal and external situational variables affecting the behaviour of the chair. External conditions 'demand' specific presidency roles and the internal presidency environment pushes toward a specific 'supply' of roles. Fourthly, the contingency approach offers a tool to assess the performance of the presidency. By allowing a comparison between behaviour and needs it offers a definition of a good presidency, i.e. one that supplies the style that matches the demand in a particular situation ( $D=S$ ).

The hypotheses are tested using the French presidency during the Intergovernmental Conference of 2000. This is a fitting case study as the French were severely criticised. More precisely, we will look at the situational variables that played a role in the four main issues on the IGC agenda: flexibility; extension of qualified majority voting (QMV); composition of the Commission and re-weighting of votes. Each of these issues made particular claims on the chair and presented the team of Mr Chirac with particular national sensitivities. We will examine for each dossier the extent to which the presidency supplied the required style.

Even though the presidency in its current form is under debate, the rotating chair will remain one way or the other. The perceived problems of the rotating presidency have existed

for a long time (e.g. Report of the Three Wise Men, 1979) and are likely to persist. Obviously, the presidency needs changing but underneath the reform debate lies the broader issue of general dissatisfaction with the rotating chair. Yet, before opting for alternative solutions, such as team presidencies or appointing longer term presidents of the European Council, it is necessary to get a better understanding of the grounds for this dissatisfaction. This requires a conceptual framework that does justice to the functions of the presidency and that takes contingency factors into account. Such a theory is also necessary to evaluate future chairs.

A number of caveats are in place when elaborating and testing a conceptual framework for the presidency. This article presents a single sample case study. As only one presidency is studied, we have to be careful with generalising the findings. Whatever the restrictions of limiting this article to a single case, *n=1* studies do allow the construction of theories (King *et al.* 1984; Yin 1984). Furthermore, the specific setting of an IGC calls for extra caution. Yet, one may differ in opinion as to how much a sensitive IGC negotiation differs from other sensitive negotiations in the EU. Secondly, this research has been based on reports, books, articles, presidency papers and interviews with actors involved.<sup>2</sup> The interviews and the written information reveal strong opinions. The question arises whether such subjective sources provide a true picture or whether they merely reflect the spirit of the moment. By consulting a variety of sources and voices, and driven by the framework, we could move beyond the heated accounts. However, we are conscious of the limitations when furthering insight into such a complex European negotiation.

To develop and test the contingency theory of the presidency, we first outline the main functions fulfilled by the chair (Section 2). Section 3 identifies the factors that influence the demand and supply of presidency styles. The model is tested by applying it to the IGC 2000

---

<sup>2</sup> To respect diplomatic courtesies, the names of the interviewees are not listed. They can however be obtained from the authors.

(Section 4). The conclusions as regards the usefulness of the contingency approach and its relevance for arriving at more structured assessments are presented in Section 5.

## 2 The meaning of the presidency

Discussing the meaning of the presidency is not a trivial matter. The function developed over time and in different directions (Schout 1998). It rose primarily in response to emerging gaps in the institutional design of the EU which demanded from the presidency organisational as well as political responsibilities. Most scholars, refer to the following duties (e.g. Kirchner 1992; Westlake 1995; Wurzel 1996; Hayes-Renshaw and Wallace 1997; Sherrington 2000):

- management of day-to-day business in the Council;
- coordination;
- chairing;
- mediation and brokering;
- spokesperson & external representation;
- contact point;
- taking political initiatives.

This list of tasks can be presented at different levels of detail. To get at the essence of the presidency, we group the various tasks into a limited number of core dimensions. This was also the approach of the Three Wise Men in their report on the reform of the institutions (1979). They referred to the presidency's "dual role of organizational control and political impetus" (Report of the Three Wise Men 1979, p.35).<sup>3</sup> In addition to the organisational and political role, we distinguish also the core tasks of broker and of representing the national position/interest (see table 1). This leads to a more complex set of roles with which the

---

<sup>3</sup>The same distinction can be found by Kirchner (1992); see also Sherrington (2000), p. 3.

presidency has to juggle (Schout 1998).

### *1 Organiser*

The country at the helm is in the first place responsible for efficiency in the Council: planning meetings, arranging rooms, drafting agendas and preparing and circulating documents. The presidency is supported in this task by the General Secretariat of the Council.

The administrative tasks may not be intellectually demanding but they should not be bantered. With the involvement of 15 member states, the Commission and the EP, it is important that meetings are well prepared. If well done, the organisational work is hardly noticed but if neglected it can greatly affect the effectiveness of a meeting and lead to a lot of frustrations with the other delegations.

### *2 Brokerage*

The broker role consists in getting the delegations around the table and facilitating problem solving. It concerns sounding out member states, creating a good atmosphere and mutual understanding for each others' problems and fears, identifying mainstreams in the discussions, making issues transparent, unearthing directions for compromises and forging agreements. Essential are the creation of the conditions for finding common positions and the serving of group processes. In order for the chair to have the trust of the other delegations, it is important to have a receptive ear for problems and objections and not to favour particular delegations. Being unbiased does however not necessarily mean that the chair cannot have a position of its own. Fairness is more important than absolute neutrality (see below). The broker role receives a lot of emphasis in the literature and is by many seen as the core function of the chair (Ludlow 1993; Weyland 1993; Galloway 2001).

The mediating role is not exclusive. There is usually multiple brokerage in EU negotiations. The Commission and other delegations may also fulfil this role. Nevertheless, as chair of the meetings at all levels from the working group to the (European) Council, the presidency is particularly well placed to broker.

In terms of transaction costs theory, the purpose of the broker is to lower costs of exchanging information and communication. The need for the broker role is tied to efficiency gains. This also means that a broker is only marginally needed in situations in which everyone knows where the delegations stand and what the available options are and which parties are already able to communicate formally or informally. Merely chairing will then suffice.

### 3 *Leadership (political impetus)*

The presidency is also a political function. It sets the agenda, can give priority to particular questions and can steer debates and final outcomes. Leadership is shown when solutions go beyond the lowest common denominator and short term national interests are recast in terms of 'what is best for Europe' in the long term.<sup>4</sup> Although there is always a degree of subjectivity in 'what is best for Europe', there are nevertheless objective criteria such as legitimacy, effectiveness and efficiency. Moreover, debates about what is best for Europe are not intended to lead to a specific outcome, but aim to move away from preconceived short term interests and to search for common solutions (compare the concept of integrative bargaining in Walton and Dutton, 1969). Leadership is not so much related to the direct transaction costs of a particular meeting (see the broker role) but it is concerned with the long term viability of proposals and solutions. It concerns thinking through the consequences of proposals, finding new solutions and addressing short term value problems in making the solutions feasible. This part of the presidency profile is only needed in situations in which

---

<sup>4</sup> See the case of the integration of the Schengen provisions into the TEU in the IGC discussions leading to the Treaty of Amsterdam (#, forthcoming).

current proposals need rethinking or elaboration, if long term frictions are insufficiently taken into account or if short term values and interests impede a clear view on long term viability.

Leadership requires thorough preparation, familiarisation with various national positions and frictions. It demands understanding future trends and the capacity to convince other delegations to give up short-term stakes for wider EU interests. Not all dossiers lend themselves to such an approach and not all countries have leadership ambitions. Providing direction is demanding in terms of time and resources. Presidencies opting for such an ambitious definition of their term in office have to decide well in advance which dossiers can be moved further and they have to seriously invest in it.

The presidency literature warns against leadership (e.g. Verbeke and Van de Voorde 1994). It is presented as creating resistance, making the presidency part of the problem and reducing the required trust in the chair. Moreover, it is argued that it should not be overrated what can be achieved in six months. A political presidency undoubtedly presents a number of pitfalls but when done properly, it can lead to a more ambitious outcome than when limiting the role of the chair to that of an altruistic server of the group process. At a time when there is a general concern about lack of leadership in the EU (e.g. Grant 2002), the potential of the presidency to make a difference should not be downplayed.

#### 4 *National position and interests*

The fourth dimension is the most controversial. Generally, representation of national interests is regarded to be the task of the national delegate. The chair is expected to ignore national interests even to the point of making heavy national sacrifices in order to have the hands free for serving EU decision making (e.g. Kirchner 1992; Hayes-Renshaw and Wallace 1997).<sup>5</sup> The argument is that showing national preferences reduces the credibility as broker and

<sup>5</sup> See also the Presidency handbook from the Secretariat General of the Council: "The presidency must, by definition, be **neutral and impartial**" in Presidency Handbook 1997, p. 5 (emphasis in the original).



creates distrust. Giving up national positions allegedly sets the right example and raises prestige. Ludlow (1995) emphasizes that the presidency is, first and foremost, an office of the Union and not an instrument to pursue national objectives. The country in office should help to find the solution instead of being part of the problem.

Reality however is quite different. A chair often does not completely dissociate itself from national positions. The country at the helm regularly adds hobbyhorses or removes sensitive topics from the agenda and (ab)uses its position to defend own positions and interests. When an issue is extremely sensitive for a particular country, the domestic pressure not to give in may be extremely high. The presidency is one of the instruments to bring Europe closer to its citizens and to increase the legitimacy of the EU. In certain cases the price for concessions to be paid at home can be too big and politically unacceptable. Making major concessions but having to come back to the negotiating table after the six months because the national parliament would not accept the outcome is not helpful either. Rather than tabooing national interests, one should realise that the responsible politicians cannot ignore the political sensitivities at home.

Evidently, national interests can easily compromise trust and presidencies have to be extremely careful in dealing with them. Yet, taking them into account need not always to be problematic. As will be argued in the next section, it depends on the situation whether there is scope for the chair to also present national views. The art of the presidency does not require neutrality but that those around the table remain are convinced that the chair is fair even when having an own outlook. As Gibson *et al.* (1996) show in their review of neutrality in negotiation theory, own interests may help to achieve better outcomes for all involved, provided fairness is guarded.

**Table 1**      **Presidency roles**

Organiser	Broker	Leadership	National position/interests
<ul style="list-style-type: none"> <li>-Planning of meetings;</li> <li>-Arranging rooms</li> <li>-Drafting agendas;</li> <li>-preparing and circulating documents</li> </ul>	<ul style="list-style-type: none"> <li>-Sounding out member states</li> <li>-Creating a good atmosphere</li> <li>-Creating understanding for each other's problems</li> <li>-Identifying mainstreams</li> <li>-Formulation of compromises</li> <li>-Stimulating flexibility</li> <li>-Serving group processes</li> </ul>	<ul style="list-style-type: none"> <li>-Putting current discussions in long term perspective on EU challenges</li> <li>-Steering the debate in particular directions</li> <li>-Convincing delegations to give up short-term interests</li> </ul>	<ul style="list-style-type: none"> <li>-Short term orientation on national gains and values</li> <li>-Influencing agendas by adding or removing topics.</li> </ul>

The description of these four functions warrants some additional remarks. Any attempt to categorise the functions of the chair will remain artificial. Evidently, the boundaries between organiser, broker, political leader, and representative of national interests are not always sharp. Secondly, with the exception of the organiser role, not all functions are necessary in every dossier but the demand for a particular role depends on the 'needs' from the environment and on the extent to which the chair wants to provide them. The next session will formulate a series of hypotheses on the impact of external and internal contingencies on demand and supply of the roles of broker, leader and representation of national position/interest.

To simplify the empirical study, we will leave the role of organiser aside in the remainder of this text. Inclusion of this role would unnecessarily complicate the data gathering and analysis even though, broadly speaking, it always has to be provided and is not contingent on the situation. Furthermore, it is a role for which the presidency relies to a large extent on the Council Secretariat so that, if the presidency is a weak organiser, this will, at least to some extent, be compensated by the Secretariat.

### 3 Towards a contingency theory of the presidency

It is well established in organisation theory that there is not one best way to structure organisations. Managing affairs differs strongly depending on the conditions of the situation (Lawrence and Lorsch, 1969). In organisation theory, this insight has drawn the attention to the relation between specific types of complexity and dynamism and the way in which organisations are structured and behave. The environment may 'demand' certain types of organisations. The resulting body of contingency theory however does not lead to fixed patterns of structures and behaviour. There are many - overlapping and conflicting - environmental variables which pull organisations in different directions. Moreover, there is also an element of choice. Different people will have different preferences and well chosen actions can change the characteristics from the environment. Hence, structure and behaviour are not only determined by external conditions (demand - D) but also shaped by choices and actions of the organisation (supply - S). Due to these options, contingency theory cannot predict or prescribe organisational behaviour. Nevertheless, it can indicate which patterns will be feasible under specific circumstances.

This section applies contingency theory to the presidency. This approach can contribute to a better comprehension of usefulness of presidency roles in specific situations. The assumption is that depending on the circumstances, different services from the chair will be demanded or fitting. At the same time, the services supplied by the presidency will depend on internal contingencies.

*An effective presidency:  $D=S$*

Contingency theory leads to a particular definition of an effective chair: one that matches demand and supply of presidency services.<sup>6</sup> For example, a presidency will be counterproductive if brokerage is clearly needed but if the chair focuses on national interests. There may also be circumstances in which national positions will not be problematic – e.g. when there are multiple brokers in the system. Even though there is no direct link with the output of Council meetings, we assume that a fitting presidency style will facilitate the finding of agreements. Yet, the presidency is only one of the elements that determine the outcome of discussions and an effective presidency does not guarantee success.

#### *Contingency factors*

A contingency theory requires identification of the factors that influence the demand and supply of presidency styles. In addition, we have to specify whether there are forces in EU decision making that help to ensure that demand and supply are in step with each other. A contingency theory has not yet been developed or tested for the presidency. Therefore, at this stage, we can only present an overview of hypotheses as regards factors that may influence pulls and pushes. More detailed and comparative research will be needed to deepen insight into factors that influence the behaviour of the chair and how they interact.

The external and internal factors that steer the demand and supply of the roles are presented in tables 2 and 3 – but given the complexity of the topic, this list is not exhaustive. External situational variables are amongst others the technical complexity of a topic, whether it is new or already well-explored, the level of transparency (are positions well-known?), the degree of trust in the chair, the presence of other brokers in the system, the decision-making mechanism (QMV or unanimity) etc. Internal variables include the importance of the topic for

---

<sup>6</sup> Evidently, there are other definitions of an effective chair possible. e.g. the one that gets most out of a meeting or one that gets its objectives through (depending on who defines what effectiveness means).

the chair, preferences and commitments of key players, the level of preparations, sensitivities between coalition partners.

Space prevents a detailed discussion on each of the situational variables and their impact on the demand and supply of different roles of brokerage, leadership and representing national positions or interests. Yet two examples illustrate the reasoning behind the tables. Low trust in the chair (external contingency, row 4 in table 2) requires active brokerage. Leadership and national interests on the other hand may be better left aside as the situation is already sensitive. The internal contingency variable of diverging views between coalition partners (row 4 in table 3) makes it difficult for the chair to function as broker and makes leadership unlikely as there will be no agreed direction. Domestic politics may lead to competition for the strongest representation of the national interests.

A couple of further points need to be made with regard to the tables. The contingency factors are easily conflicting. For example a transparent topic with low levels of trust suffers from opposing pulls. It will have to be seen on an issue by issue basis which presidency style is most useful. Contingency theory cannot predict this. Secondly, it is evident that the list of factors is not complete. Further research is needed to refine and to extend the hypotheses. Thirdly, the rows in the table should not be seen in isolation. Simplifying the direction of the variables through a simple '+' or '-' is therefore dangerous. For example, the behaviour of the chair in the context of a complex sensitive topic may have to be different from the case of a simple sensitive issue. Finally, despite the widely shared assumption that the presidency has to be neutral, table 2 shows that there are also cases where the presentation of national positions or interests is not problematic. The presence of multiple brokers in the system is a case in point.

*Drivers for D = S*

As already emphasised, contingency theory does not lead to iron rules due to the many and often conflicting pulls and pushes. Moreover, the directions in which variables pull is not always unidirectional but depends on the situation. Nevertheless, there are a number of pressures that contribute to the approximation of demand and supply. These are, in the context of the presidency:

a) *rational processes*: presidency teams analyse situations, map scenarios and decide on the optimal behaviours based on worst case and optimal scenarios.

b) *institutional expectations*: there is a tendency in EU negotiations to gravitate D and S both towards the organisational and broker roles. EU decision making involves many trained diplomats who are well versed in running and chairing international meetings.

c) *political EU pressures*: every situation puts specific pressures on the presidency. New topics demand an exploration of the various positions of countries; brokerage or steering the outcome in a particular direction only becomes relevant at later stages. Deadlines on the other hand force goal orientation and provoke political involvement. Upcoming elections in the presidency country will invoke a whole set of different pressures.

d) *personal experience*: chairpersons and their teams benefit from experience in EU negotiations and may be expected to have developed a feeling for how far to go or when to stir up the heat.

**Table 2 External contingency factors: The demand for a presidency style**

	<b>Broker</b>	<b>Leadership</b>	<b>National position/interest</b>
<b>Technical complexity</b>	+ The more technical the issue, the stronger the need for gathering information and mapping opinions.	+ If the chair masters the topic well, a technical issue may give more leeway to the chair to lead the negotiations.	- Defending national interests may further complicate negotiations.
<b>Transparency/old topic</b>	- When positions are well-known, the need for brokerage will be less.	- As positions have been heard over and over, all kinds of long term views will have been considered already.	+ Everyone knows about each other's preferences including those of the presidency.
<b>New topic</b>	+ It will be all the more important to listen and to get parties to understand each other.	+ As some member states might still be determining their position, there might be more scope for steering debates away from short term frictions.	+ Important to create transparency. Yet since this is not the decision making phase, national interests can be included also to serve later negotiations under next presidencies.
<b>Lack of trust in the chair</b>	+ It will be particularly important to try to listen, to create a good atmosphere and to serve as a facilitator in mapping frictions and solutions.	- or + Leadership may complicate matters. Steering the debate in a particular direction, even if it is in Europe's long-term interest, may raise suspicion. If done, it should be very well prepared.	- Representation and defence of national interest further reduces trust.
<b>Multiple brokerage/leadership (Commission, Member States, SGC)</b>	- Lack of brokerage by the chair is compensated by other players in the system.	- Others may put the debate in a long-term/European perspective	+ More scope for representing national interest because others in the system step in for the chair.
<b>Shadow of the past</b>	+ Failure to agree in the past raises the pressure to broker.	+ or - A failure in the past may imply that there is a great need for leadership and move discussions away from short term orientations.	+ or - Everyone knows previous position of chair.
<b>Shadow of the future (e.g. clear deadline for decision making, high expectations)</b>	+ The pressure to come to an agreement leads to a high demand for brokerage	+ or - It will depend on other factors whether or not leadership is needed.	+ or - Not evident that this demands ignoring national interests only on the part of the presidency. All countries will have to compromise. But presidency does not want to be blamed for failing, so feels extra pressure to set the example.
<b>Political sensitivity between or within member states</b>	+ Crucial to put sensitive member states at ease and to build trust in the chair.	+ Leadership might be needed to make countries move away from their short-term national interests or to make long-term solutions less threatening.	- or + Generally, the presidency is expected to set the right example, however, it is debatable whether this will influence other countries. Value of good example may be overrated.
<b>Type of decision making (HIC, unanimity, consensus, QMV)</b>	+ Important in cases of decision-making by unanimity or consensus.	+ or - No impact on the question whether leadership is needed.	+ or - Depends on whether the chair is in an isolated position or whether other delegations have a similar positions.

- : not relevant or to be avoided

+ : this style will be needed.

As explained in the text, the variables are interdependent so that the influence as presented in the table can be different in specific circumstances.

Table 3 Internal contingency factors: The supply of presidency styles

	Broker	Leadership	National position/interest
Important topic for the chair	+ or - Brokerage will be important to move things forward but it may be hard for the chair to mediate if the topic is important for the home front.	+ Chair may be extra motivated to provide leadership and to argue its position in European terms.	+ The Presidency may be inclined to supply a style that takes into account the national interest.
Preferences and characters of key players at national level	+ or - The provision of brokerage depends on the minister, senior officials in the ministry or the file manager.	+ Leadership will probably be connected to the desire from senior political/administrative figures to be involved.	+ or - Whether national interest will be put forward depends on those in charge at the national level.
Preparations	+ Thorough preparations increase the chances for the supply of brokerage.	+ Preparations are an absolute prerequisite for the supply of leadership.	+ The period before the presidency can be used to explain the national position. This may help to create support and understanding for national sensitivities of the chair.
Sensitivity between the coalition partners in the government	- Internal disagreements will negatively affect the supply of brokerage.	- The supply of effective leadership will be very difficult.	+ National sensitivities between coalition partners are likely to provoke positions addressed mainly to the national audience.

- This style will be difficult or impossible to offer  
 +: This style will be possible or is likely to be offered.

#### 4 The contingency framework and Nice

Three Presidencies were involved in the IGC 2000: Finland (July-December 1999) prepared the agenda; Portugal (January-June 2000) started the negotiations and explored the positions around the table and France (July-December 2000) concluded the IGC. This article is confined to the French presidency. France presents a particularly interesting case because it chaired the end game and, especially, because it was strongly criticised for the way it handled the negotiations. It was presented as arrogant and chaotic. The Swedish Prime Minister Göran Persson criticised the Nice summit for being organised "*à la italienne*" (Le Monde, 12 December 2000).<sup>7</sup> Others like Stubb and Gray, both insiders to the IGC, regretted the lack of

<sup>7</sup> The Swedish Prime Minister must have really lost his temper in Nice because the next presidency in line (Sweden would take over the presidency two weeks later) is usually very careful to maintain friendly relations with its colleagues. With this one sentence he offended both France and Italy. In later press statements Mr Persson was much more positive about the French presidency.



continuity with the Portuguese presidency and the fact that some discussions started all over again (Gray and Stubb 2001). The most serious criticism was however that the chair was biased. President Chirac was charged of an "unashamed championing of his country's own interest" (European Voice, 14-20 December 2000) and not listening sufficiently to the views of others, particularly those of the small member states (Le Monde, 12 December 2000). The French were blamed for antagonising partners and seriously hampering the finding of a compromise. Furthermore the chair was considered to lack ambition and has been presented as bearing responsibility for the poor outcome (Gray and Stubb, 2001).

The question arises to which extent France can be blamed for what went wrong during the IGC. Applying the framework developed above may give a more precise and balanced view of the performance of the chair. To which extent did the French services match the demand for presidency styles in the four main issues on the IGC agenda (flexibility, extension of QMV, size of the Commission, re-weighting of votes)?<sup>8</sup>

#### **a Flexibility**

The possibility for 'enhanced cooperation' among a smaller core of member states with the use of the Union's institutional framework was one of the achievements of the IGC negotiations in Amsterdam. The conditions for such cooperation had however been defined so strictly that flexibility was virtually impossible. One of the objectives of the IGC 2000 was to simplify the mechanisms for enhanced cooperation.

#### *Demand*

The biggest challenge in the flexibility dossier was to get the issue on the agenda of the IGC. Already in Helsinki (December 1999), the Benelux countries and Italy had been actively

---

<sup>8</sup> For details on each of these topics we refer to D. Galloway (2001), Gray and Stubb (2001) and Ludlow (2001).

lobbying and in Feira (June 2000), the Portuguese presidency placed it officially on the agenda (Galloway 2001, p.130-132). In terms of situational variables, flexibility was an old dossier as it had already been discussed before the French presidency. There was a high degree of transparency as the positions of the member states were well known. By the time the French took over, a majority supported a relaxation of the flexibility clauses. However, it continued to be a sensitive issue for Denmark, Spain and the United Kingdom who feared that relaxation of the flexibility conditions would reduce their influence and control (Galloway 2001, p.134). Belgium, Germany and Italy put the flexibility question high on their agenda and actively engaged in bringing the negotiations to a successful end (multiple brokerage).

A majority of member states thought along the same line so that coming to an agreement was not such a challenge. The main task consisted in convincing the opposing minority that a relaxation of the conditions would not lead to their isolation. Therefore, a broker was needed to develop a compromise that would meet at least some of their concerns. The situation also allowed for a national position by the presidency as long as it was taking into account the sensitivities of the opposition.

#### *Supply*

France was a proponent of flexible cooperation in an enlarged EU but thought primarily in terms of a pioneer group led by the Franco-German axis (Chirac, 2000; Peel, 2000). The relaxation of the flexibility clauses was not a first priority for Paris but after initial reservations during the Helsinki Summit it joined the increasingly large group of countries accepting to put flexibility on the agenda. Both parties of the cohabitation were for relaxation of the conditions.

The dominant French style in the flexibility dossier was that of broker. It prepared the meetings well by presenting various notes and structuring the debate around five questions.

The French Permanent Representative, Pierre Vimont who led the negotiations, devoted considerable time to the issue during the first eight meetings of the Preparatory Group (Gray and Stubb 2001, p.11). The most important contribution of France to the brokering of a compromise was undoubtedly its devise to 'ringfence', i.e. to exclude important areas such as the internal market and economic and social cohesion from flexibility. This proposal met the concerns of those fearing that enhanced cooperation would exclude them from core policies of integration and allowed all delegations to accept that they would no longer have the possibility to veto enhanced cooperation in the first and third pillar (Galloway 2001, p.134). A political agreement on flexibility was already reached at the European Summit of Biarritz (Gray and Stubb 2001, p.12).

#### *D=S?*

The flexibility dossier asked for brokerage and this is what the French presidency supplied. France listened to the various views around the table and developed a compromise proposal meeting the concerns of those who were reluctant to relax the conditions for enhanced cooperation. Also peers evaluated the French performance positively (Gray and Stubb 2001, p.11; Peel, 2000). The fact that France had a clear national position was not a problem because it took into account the sensitivities of the opposing member states and because there was multiple brokerage in the system.

#### **b Extension of Qualified Majority Voting (QMV)**

The issue of extension of qualified majority voting had already been on the agenda of various IGCs going back to the Single European Act. Although most member states agreed that it was necessary to increasing QMV in an enlarged Union, there was no consensus on the articles to

which it should apply. Of the long list under consideration, there were only 2 articles all member states agreed on. The proposal of the Commission to make QMV the general rule and to limit the negotiations to an agreement on the exceptions was considered by most as a non-starter and as a result the negotiations focused on which provisions could move from unanimity to QMV (Galloway 2001, p. 99-100).

#### *Demand*

The dossier of QMV had already been well prepared under the Portuguese presidency and by the time France took over, the positions of the various delegations were already well-known (transparent). Having grouped the different provisions in categories such as 'provisions associated with the internal market', 'institutionally anomalous decisions' etc, it had already come up with a list of approximately 50 articles for which there was a strong case for QMV (Galloway 2001, 100). At the same time it had also become clear that certain dossiers were sensitive. It especially concerned the areas of taxation (art. 95 EC), social security (art. 42 and 137 EC), asylum and migration (art. 62-68 EC), common commercial policy (art. 133 EC), structural and cohesion funds (art. 159 and 161 EC) and environment (art. 162 (2)) (Gray and Stubb 2001, p.16; Ludlow 2001, p.15-17). One way out was to limit the extension of QMV to only part of the article. This however required a redrafting of the text and this was a complex and technical task. The Commission and some of the member states had placed the QMV question high on their agenda and engaged actively in the formulation of compromise proposals, especially in the case of trade where the chair had a strong national position (multiple brokerage).

What was needed in the QMV dossier by the time France took over, was a broker who could propose a strategy to manage this end game and formulate compromise proposals that would meet the sensitivities of the member states.

*Supply*

With a view to enlargement, France favoured the further extension of QMV. Contrary to the Portuguese presidency who tried to organize the debate around different categories of provisions, France opted for a case by case approach whereby each article under consideration for QMV was negotiated separately. This is understandable because the main focus of the negotiations in the last six months of the IGC concentrated on the most controversial dossiers and the only way to forge an agreement was by reformulating the article. On two of the dossiers France had a particularly strong point of view: it fiercely advocated the use of QMV in the area of social security coordination (this was a hobby horse of Prime Minister Jospin but also President Chirac was supportive) and particularly opposed it for the common commercial policy. The problems with art. 133 had to do with its hostility to the use of QMV in cultural matters, audiovisual services and education. A big lobby group of actors and media personalities had mobilised the press and exerted strong pressure on the government not to let down French and European culture. Chirac nor Jospin wanted to be seen as being too soft on this highly visible issue. The presidency was in a difficult position as there were several other delegations pushing hard for QMV in the trade area.

The QMV dossier was to a large extent handled at the level of the preparatory group (Gray and Stubb 2001, p. 11) and the presidency performed primarily as a broker. It listened to the various positions around the table and tried to take into account the concerns in the different member states. According to some observers, it gave in too easily to the objections of the national delegations and this may have to do with the fact that in some dossiers such as trade, France itself was in a demanding position. It performed a very active broker role on both the social security and the taxation article but its attempts to forge an agreement were without result, despite active support by the European Commission (social security) and the

German delegation (taxation). Denmark vetoed an agreement on social security and the taxation article was a bridge too far for a whole range of member states.

In the dossier of commercial policy, France itself was the main problem. It limited its role as broker to a minimum and left it to the European Commission and the Finnish delegation who both actively engaged in formulating compromise proposals that also tried to meet the French concerns. It was only in Nice that agreement on this matter was reached (Galloway 2001, p.108). Some have argued that the rigid position of France on this article weakened its general position as broker and reduced the possibilities to exert pressure and demand concessions from other delegations. It was indeed unfortunate that on one particular issue the chair had such major interests at stake. On the other hand, it is doubtful whether by setting an example and giving up major national interests, France would have convinced other member states to do the same. In sensitive areas such as taxation and social security this is indeed very questionable. The situation was furthermore not dramatic because the European Commission and the Finnish delegation stepped in and succeeded to hammer out an agreement with exceptions for the audiovisual sector.

*D=S?*

The QMV dossier demanded primarily a broker and except for the trade provision, where there were strong national sensitivities, France provided that role. The fact that France was strongly opposed to QMV in the trade article may have affected its credibility as broker but was less problematic than one would expect because there were other brokers in the system filling the vacuum. The social security and taxation cases also illustrate the limits created by the decision-making mechanisms in Intergovernmental Conferences. Member states can always resort to their veto right whatever the efforts of the chair to develop a compromise.

**c The size of the Commission**

The question of the size of the European Commission - one Commissioner per member state or a body with a fixed number of members- was highly divisive. It was not just about the optimal number of members but also about the future weight and influence of member states. The smaller member states pleaded in favour of one Commissioner per country using the legitimacy argument; the larger ones preferred a reduced-size Commission (Galloway 2001, p.46-47).

*Demand*

Having already been discussed in Amsterdam, the positions of the different delegations with regard to the size of the Commission were well-known (transparent). It was however also sensitive because the member states linked it with the question of their future influence in the EU. The situation was further complicated by the fact that the dividing line between the positions ran between the small and big member states. The atmosphere was one of distrust. Big countries were looking for sufficient compensation for the loss of their second Commissioner. The smaller ones feared that the principle of rotation amongst Commissioners would only apply to them. The fact that France, one of the strongest advocates of a limited-size Commission was at the helm of the EU during the final stage of the IGC negotiations only increased their fears.

By the start of the French presidency the two possible options that had emerged during the Portuguese term were still on the table: that of a capped Commission, or of a college with one Commissioner per country. Arguably, from a European point of view the first option was preferable. A smaller Commission would be more efficient and would likely be more independent and stronger. The second option would increase the risk of the Commission would becoming an unworkable body. It was however the model that was supported by the

majority of member states and the most easy to sell to national parliaments and the European public. For the first option to make a chance, a leadership approach was required. Member states would have to be convinced to think beyond their national interests and act in the interest of the EU as a whole. That would not be an easy task as the majority of them had a preference for a Commission in which one of their nationals would always have a seat. The polarisation of views and the high sensitivity of the dossier furthermore required an active broker role. The existence of two opposing camps meant that the chair had to come up with a proposal that made sufficient concessions to one of the two camps so that it would become acceptable for the entire group.

Surprisingly enough the European Commission itself did not actively engage in the debate on its future composition because it was divided over the question. Furthermore it was extremely sceptical about the chances that the proposal for a capped Commission would be accepted. Seen the high degree of polarisation the scope for brokerage by other member states was also limited. This laid a lot of responsibility with the chair.

#### *Supply*

The French position on the Commission was unmistakably in favour of a capped Commission and had already been argued in Amsterdam. At that time the Minister of European Affairs Michel Barnier had been a fierce defender of such approach. Both parties of the cohabitation agreed that a limited-size Commission was by far the preferable option and they made it a high priority of the IGC. From a efficiency and effectiveness point of view, a capped Commission was defensible but coming from a large member state which in the past often had obstructed rather than supported the Commission, the French position raised suspicion and fears for a hidden agenda. Contrary to the flexibility and the QMV dossiers where the French Permanent Representation took the lead, the Commission file was primarily handled at



the highest political level. President Chirac made it one of the central themes of the Biarritz European Council and actively engaged in forging an agreement on his preferred option.

By arguing in favour of a reduced-size Commission and underpinning it with long-term European arguments, France provided leadership. Initially it paid little attention to the creation of a good atmosphere or to compromise-building and pushed rather aggressively for its own preferred option. The first ministerial conclave of 24 July for example led to accusations that the presidency paper did not reflect the positions. At Biarritz (October 2000), things got even worse and the Luxembourg Prime Minister Juncker referred to the Summit as "a crazy trench warfare between small and large Member States" (Bulletin Quotidien Europe 2000, p.5).

Although the atmosphere in Biarritz reached an all low point, an important achievement was that the big five countries accepted a rotation on the basis of equality (Gray and Stubb 2001, p.12). In other words, they would, just as the smaller member states, not always be presented in the Commission. This was a re-assuring signal for some of the smaller countries. A further concession that helped to win the confidence of countries like the Benelux and Finland was the proposal to postpone the introduction of a capped Commission until the Union had grown beyond 27 member states. France also accepted to drop the idea of limiting the size of the Commission to 20 members and to postpone the decision on the exact number of Commissioners to a later stage.<sup>9</sup>

*D=S?*

The dossier on the size of the Commission demanded both leadership (albeit not in a friendly way) as well as brokerage. Initially, France performed primarily as a leader, arguing that a reduced Commission was in the general interest of the EU and European integration. It paid

little attention to the need for brokerage and pushed rather aggressively for its own preferred position. However, as Nice was approaching, it also started to assume its role as a broker and came with a series of compromise proposals meeting some of the main concerns of the smaller member states. Also in this case, supply fitted the demand.

#### **d Re-weighting of votes**

##### *Demand*

The re-weighting of votes in the Council had been at the basis of the failure of reaching agreement on institutional reform in Amsterdam and was also the most sensitive question on the IGC 2000 agenda. It is a typical example of zero-sum negotiations: more votes for one member state implied automatically a decrease in the relative position of others. Moreover, it proved to easily polarise bigger and smaller member states. At Nice, big member states wanted a sufficient compensation for the loss of their second Commissioner; small member states feared to become marginalised in an enlarged EU (Galloway 2001, p.71-76).

Having been discussed extensively in Amsterdam and under the Portuguese presidency, the re-weighting of votes dossier was already an 'old' topic and the positions of the various delegations were well known (transparency already existed). Arguments pro and contra a system of simple dual majority (majority of member states and of the population) and a simple re-weighting of votes had been repeated over and over again and by the time the French took over there was little substantial to add to the discussions. Being a topic that was receiving a lot of attention in the national press, every government wanted to make sure to get an optimal deal. It was clear that prior to Nice none of the delegations was ready to make concessions and that agreement would only be reached at the highest level of the European Council.

---

<sup>9</sup> The treaty only says that 'the number of members of the Commission shall be less than the number of Member states'. The protocol on enlargement attached to the Treaty stipulates that the number will be decided after the

What is demanded from the role of the presidency in such an extremely sensitive and complex situation? Seen the zero-sum character of the negotiations it is very doubtful whether a leadership approach would have been helpful, let alone possible. Member states were so obsessed with securing their own piece of the cake that it was a non-starter to try to elevate the debate to one that would be held in the context of transparency in the EU and efficiency in EU decision making. What was needed was a good broker, investing in the creation of a better atmosphere, actively engaged in the formulation of compromise proposals and trying to be as fair as possible. Ideally, the broker would not have a stake in the negotiations but as the chair was in the hands of one of the member states, this was not the case. The Commission was the only delegation around the table not fighting for votes itself but unfortunately it stayed on the sideline because it considered that the question had to be handled by the member states themselves.

*Supply*

France had high interests at stake in the dossier on the re-weighting of votes. It wanted in the first place to reinforce the position of the big member states and considered that a simple re-weighting of the existing system was the best way to do so. A second objective was to maintain parity with Germany (Ludlow 2001, p. 7). The latter question was widely discussed in the French press and both parties of the *cohabitation* had presented it as a top priority. Seen the high importance of the dossier, it was handled at the highest levels in Paris. None of the partners of the *cohabitation* wanted to be seen as selling out the interests of France and both closely observed each others' moves, ready to take political advantage whenever one of the parties would be considered as too soft. By adopting such a rigid position, Paris forced itself in a difficult situation both towards its own public as well as vis-à-vis the other member

---

signature of the treaty of accession with the 27<sup>th</sup> member state.

states. There was not the slightest attempt by the French government to explain internal - to the French public - that given the considerably higher number of inhabitants in Germany, a differentiation in votes with this country could be justified. The obsession with the parity question raised suspicion because the other member states feared that Paris' first objective was to secure the deal for itself rather than working towards a balanced proposal.

A clear strategy to bring the delegations to a compromise was entirely lacking. During the months prior to Nice, the debate was confined to a general discussion on principles and the first concrete sheet proposing a distribution of votes was only presented at the European Summit at Nice. Furthermore, President Chirac came to the table without having settled the parity issue with Germany. Being itself in a demanding position, the presidency was in a weak position and other member states such as Spain, took advantage of this (Ludlow 2001, p.8-12). To gain concessions, the French was making bilateral compromises, with Chirac 'distributing parliamentary seats and Council votes to anybody who looked likely to make trouble' (Ludlow 2001, p.7). Rather than calming down the tensions, the presidency contributed to a further antagonising of positions. Any presidency would have had a very difficult job in this dossier but many felt that with France in the chair the atmosphere got worse and willing to compromise dropped even further.

*D=S?*

The dossier of the re-weighting of votes demanded a broker role to forge agreement around a partition acceptable to large and small member states. Being obsessed with the parity question with Germany, France was too much occupied with defending its own interests. Its performance as a poor broker was all the more problematic as there was no backup brokerage capacity of other players such as the Commission.

## 5 Conclusions

This article makes four points which deepen the understanding of the roles and the performance of the chair. Together they provide a conceptual framework for the presidency. Firstly, the chair is more than an organiser and broker but also acts as political leader and as representative of the national positions and interests. This means that the dominant expectation of organiser is misleading. Secondly, there is not one best presidency style that applies to any given situation. The chair has to live up to the pulls from its various external and internal environments. This leads to a demand for a set of roles as well as to a specific supply. Thirdly, a set of hypotheses is formulated concerning how situational variables influence demand and supply. It proved to be possible to present a set of causal relations between situational factors and the demand and supply of presidency styles. Finally, the contingency perspective allows to go beyond evaluations that merely describe actions by positing that a good presidency is one that matches the demand and supply of roles.

The application of the developed contingency theory to the French performance during the IGC 2000 offers a systematic analysis of relevant supply and demand factors. The application nuances the critique that it was biased (defending national interests) and arrogant (bad brokerage). The real interesting question regarding the behaviour of the French chair is not whether it performed its tasks neutrally or well organised, but whether it provided the roles that were actually needed. There was only a big discrepancy between demand and supply in the debate on the re-weighting of votes. Here the criticisms are justified. In the other dossiers, the dominant style was that of broker (flexibility and QMV) or a combination of brokerage and leadership (Commission). Leadership was not always needed given the long time the dossiers had already been on the table. The lack of brokerage and the strong defence of the national position in the case of trade policy complicated the negotiations but did not prevent an agreement. There were other brokers in the system and the concessions France

acquired strengthened the legitimacy of the outcome in the eyes of the French public – which is evidently important for the EU as a whole. Generally, the relevant roles were performed in such a way that it is hard to maintain that the chair mishandled the IGC. Hence, on the whole: D=S.

The contingency approach to the presidency has potential for further study. Evidently, given the complexity of the outcome of EU negotiations, more research is needed to deepen insights into how demand and supply variables influence the (appropriateness of the) behaviour of the chair and to see how the hypotheses hold in other negotiation situations such as in the day-to-day EU decision making process.

The current debate about the presidency reform underlines the need for a contingency perspective. The frustration of policymakers and officials with the presidency is to a large extent based on the expectation that it should be well organised and neutral. These incomplete expectations do no justice to the functions it fulfils and they risk setting the discussion on a false track. Whatever the future shape of the rotating presidency, a proper conceptual framework for understanding its functions and performance will be necessary.

## References

*Bulletin Quotidien Europe*, Sunday, 15 October, 2000, No 7821.

*Council Guide (1997). Vol.1. Presidency Handbook*. Luxembourg: Office for Official Publications of the European Communities.

Galloway, D. (2001), *The Treaty of Nice and Beyond. Realities and Illusions of Power in the EU*. Sheffield: Sheffield Academic Press.

Gibson, K., L. Thompson, M. Bazerman (1996), 'Shortcomings of neutrality in mediation: solutions based on rationality', *Negotiation Journal*, Vol.12, No.1, pp.69-80.

Grant, Ch. (2002), 'Restoring leadership to the European Council'. *Policy Brief*. London: Centre for European Reform.

Gray, M. and A. Stubb (2001), 'Keynote Article: The Treaty of Nice – Negotiating a Poisoned Chalice?', *Journal of Common Market Studies*, Vol.39, Annual Review, pp.5-23.

Hayes-Renshaw, F., and H. Wallace (1997), *The Council of Ministers*. New York: Macmillan.

King, G., R. Keohane and S. Verber (1994) *Designing social enquiry: scientific inference in qualitative research*. New Jersey: Princeton University Press.

Kirchner, E. (1992), *Decision-making in the European Community: The Council presidency and European integration*. Manchester: Manchester University Press.

Lawrence, P., and J. Lorsch (1969) *Organization and Environment: Managing differentiation and integration*. Homewood: R.D. Irwin.

Ludlow, P. (1993), 'The UK Presidency: A View from Brussels', *Journal of Common Market Studies*, Vol.31, No.2, pp.246-268.

Ludlow, P. (1995), *Preparing for 1996 and a larger European Union: principles and priorities*. Brussels: Centre for European Policy Studies.

- Ludlow, P. (2001). 'The European Council at Nice: Neither Triumph nor Disaster', *A View from Brussels. A commentary on the EU*, No.10, Brussels: Centre for European Policy Studies.
- Moravcsik, A. (1999), 'A new statecraft? Supranational entrepreneurs and international cooperation', *International Organization*, Vol.53, No.2, pp. 267-306.
- 'Notre Europe: Discours prononcé par Monsieur Jacques Chirac, Président de la République Française devant le bundestag allemand', Berlin, 27 June 2000.
- Peel, Q. 2002 'Rebuilding Europe's Office. French plans for closer cooperation may make the EU more bureaucratic and less responsive to democratic control', *Financial Times*, 26 June.
- Report of the Three Wise Men (1979) *Report on European Institutions*, presented by the Committee of Three to the European Council. Luxembourg: Office for Official Publications of the European Communities).
- Schout, J.A. (1998), 'The presidency as juggler: Managing conflicting expectations', *Eipuscope*, no 2, pp. 2-10.
- Sherrington, Ph. (2000), *The Council of Ministers – Political Authority in the European Union*, Pinter: London and New York.
- Verbeke J. and W. van de Voorde (1994), 'The Presidency of the European Union: some reflections on current practice and recent evolutions', *Studia Diplomatica*, vol.47, No.3, pp. 29-40.
- Walton, R.E. and J.M. Dutton (1969) 'The management of interdepartmental conflict; a model and review', *Administrative Science Quarterly*, vol. 14, no.1, pp. 73-84.
- Westlake, M. (1999), *The Council of the European Union*. London: John Harper.
- Weyland, J., 'Strategies and perspectives of the Luxembourg Presidency', in E. Kirchner and A. Tsagkari (Eds.), *The EC Council Presidency. The Dutch and Luxembourg Presidencies*, London: University Association for Contemporary European Studies (UACES), pp. 15-21.



Wurzel, R. (1996), 'What role can the presidency play in coordinating European Union environmental policy-making? An Anglo-German comparison', *European Environmental Law Review*, Vol.3, No.2, pp.1350-1763.

Yin, R.K. (1989) *Case study research: design and methods*. London: Sage Publications.

Yukl, G. (1998) *Leadership in organisations*. Fourth Edition. Upper Saddle River, Prentice-Hall.