Small States in the European Union: What Do We Know and What Would We Like to Know?

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Abstract Recent developments in the European Union have created new opportunities and challenges for small member states, increasing the demand from policy-makers and diplomats for coherent and accessible analyses of the conditions and potential strategies of small states in the EU. Unfortunately, the academic literature on small states in the EU appears both diverse and fragmented: there is no agreement on how we should define a small state, what similarities we would expect to find in their foreign policies, or how they influence international relations. However, if we are to understand the challenges and possibilities currently faced by small EU member states, we need to systematise what we already know and to identify what we need to know. This article makes a modest contribution towards this goal by answering three simple questions: What is a small state in the European Union? How can we explain the behaviour of small EU member states? How do small states influence the European Union?

Introduction

The development of the European Union (EU) over the past decade has dramatically altered the conditions for the external behaviour of small states in Europe. The enlargements in 1995, with Sweden, Finland and Austria, and in 2004, with Poland, Hungary, Slovenia, the Czech Republic, the Slovak Republic, Estonia, Latvia, Lithuania, Cyprus and Malta, changed the balance between small and big EU member states. This has led to a long and difficult debate on the future institutional set-up of the Union, including discussions of the effect that a large majority of small states may have on the EU in the future (Brown 2000; Galloway 2002; Moberg 2002; Hosli and Machover 2004).¹

The rapid development of the EU as a security actor has created new tensions between big and small EU member states, particularly as the contours of a new great power directorate has emerged (Keukeleire 2001; Gegout 2002; Wivel 2005). The collapse of a strict division of labour between great powers and small states in Europe after the Cold War left small states with more freedom of manoeuvre in their foreign policy actions (cf Knudsen 1996a). An important prerequisite for this increased freedom of manoeuvre has been the regulation of interstate relations through EU rules and institutions radically modifying the small states’ traditional security problems (Løvold 2004). This at the same time creates an ‘integration

¹ All of these except Poland are usually regarded as small states.
The dilemma between preserving national autonomy and seeking to influence European affairs through active participation in European integration (Kelstrup 1993; Petersen 1998).

These developments have created new opportunities and challenges for small states increasing the demand from policy-makers and diplomats for coherent and accessible analyses of the conditions and potential strategies of small states in the EU. Unfortunately, to the outsider (and sometimes to the insider as well), the academic literature on small states in the EU may appear both diverse and fragmented. Today, as in the past, the study of small states is plagued by a lack of cumulative insights, a paucity of coherent debate and the absence of sufficient outlets for academic publications. Moreover, there is no agreement on how we should define a small state, what similarities we would expect to find in their foreign policies, and how small states influence international relations (Antola and Lehtimäki 2001, 13–20; Knudsen 2002, 182–185; Archer and Nugent 2002, 2–5). However, if we are to understand the challenges and possibilities currently faced by small EU member states, we need to systematise what we already know and to identify what we need to know. We intend to make a modest contribution towards this goal by asking three simple questions: What is a small state in the European Union? How can we explain the behaviour of small EU member states? How do small states influence the European Union?

What is a Small State in the European Union?

Constructing a working definition of small states is important if we are to identify their challenges and possibilities or to explain their behaviour with any precision. However, there is no agreement on how to define small states and, as we show in this section, the definition used most often is problematic.

The concept of small states is contested in the theory and practice of international and European affairs. The concept is regularly used in public discourse and in scholarly analyses of European and international relations. Yet, there is no consensus about the definition of small states, and the borders between such categories as ‘micro state’, ‘small state’ and ‘middle power’ are usually blurred and arbitrary (cf Neumann and Gstöhl 2004, 6). Traditionally, the roles of great powers and small states were very different in international relations. This was particularly true of the 19th-century European states system, in which the great powers ‘decided on meeting as it were in concert on a regular basis, in order to discuss questions of concern and to draw up agreements and treaties. From this activity, documents with legal force evolved, and since they were underwritten by these … powers and not by others, the category “great power” became a legal category, signalling the inequality of states and coexisting (uneasily) with the principle of sovereign equality’ (Neumann and Gstöhl 2004, 3).

Today, the distinction between great powers and small states is not based on the fundamental rights of states: all states are sovereign and equal before the law and the great powers no longer write international law without interference from other states. However, this fundamental legal equality coexists with formal and informal inequality of other kinds. In the EU, the numerical representation of states in the various institutions varies with states’ size, although the weightings
are not purely proportional to population.\textsuperscript{2} Also, informal consultations and agreements among great powers continue to be commonplace in international and European relations. Thus, formally and informally the distinction between great powers and small states continues to be important in European politics. However, this distinction implies that it is possible to define what we mean by a ‘small state’ and here we have several options.

The simplest way of defining small states is to see them as those states that are not great powers. This is the definition that follows directly from the historical development in the 19th and 20th centuries when the number of small states rose sharply as a consequence of decolonisation and the break-up of empires (Neumann and Gsto¨ hl 2004, 4). Even today, this definition is commonly used. It is not very helpful, however, for trying to understand and explain the challenges and behaviour of small states in the European integration process. During the European concert in the 19th century or superpower rivalry during the Cold War, the great powers could easily be distinguished from the rest, but, as noted by Jennifer Brown (2000, 13), whether an EU member state is ‘big’ or ‘small’ is not always clear-cut. It depends on whether we look at population size, potential or actual influence on the integration process and its institutions, or how the states in question view their own role and influence in the Union. Thus, neither ‘great power’ nor ‘small state’ is self-evident. By characterising small states as ‘not great powers’, we would evade the question rather than answer it.

Most attempts at defining small states have sought to answer the question in terms of capabilities, that is, the possession of power resources in absolute or relative terms.\textsuperscript{3} This is also the case in the EU, where ‘the most common yardstick by which magnitude is measured is that of populations’ (Brown 2000, 13). Defining small states using these criteria allows us to get a more clear-cut definition than defining small states as ‘not great powers’. Two problems follow from this capability-based definition if we are to use it as a starting point for analysing small states in the EU.

First, without context, power tells us little about the behaviour of small states or the challenges that they face. For instance, measuring a state’s gross domestic product (GDP) does not necessarily tell us a lot about how this state will behave, what influence it will get and how it is perceived by other states. It might not even tell us very much about the economic power of the state: Luxembourg’s GDP is only a very small fraction of the Union’s total, but the country’s economic challenges are very different from those faced by countries with similar GDPs in southern and central Europe (Brown 2000, 13–14).

Using population size or military expenditure, rather than economic indicators, does not solve the problem. There is no reason why a country with 20 million people should be a great power and a country with 18 million should be a small state, or why number five in Europe measured in terms of military expenditure should be characterised as a great power and number six should not. Would numbers one to five face a different set of shared problems than numbers six and seven? Would they follow a shared strategy distinguishable from that followed by numbers six and seven to solve these problems? So far, the evidence

\textsuperscript{2} Cf the discussion on small-state influence below.

\textsuperscript{3} This discussion builds partly on Hans Mouritzen and Anders Wivel (2005, 3–4).
clearly suggests that they would not.\footnote{See the section on small-state behaviour below.} No matter whether we use absolute or relative criteria, they will always be arbitrary.

Second, the power possession definition is closely tied to security policy, which makes it less relevant when studying small states in the EU. Traditional power resources such as GDP or military expenditure are important indicators of a state’s ability to engage in and win wars, but they tell us little of a state’s ability to influence the environmental policy of the EU. Even population size is only a very crude indicator of a state’s clout, despite its importance for allocating votes in the Council of Ministers and European Parliament, because of the consensus culture of the Council of Ministers.

One potential solution to these problems would be to seek to combine objective factors (the material, quantifiable aspects of power) with subjective factors (the perception of power). As noted by Robert Keohane, an alternative definition of a small state is ‘a state whose leaders consider that it can never, acting alone or in a small group, make a significant impact on the system’ (Keohane 1969, 296). Alone this definition is not useful when analysing small states in the EU, because very few states enter the EU without believing that they can influence the system, at least when allying with like-minded states or institutions (for example, the European Commission). But in combination with material factors, this alternative definition can be useful. For instance, following Raimo Väyrynen, Clive Archer and Neill Nugent suggest that we combine objective factors, such as ‘size of diplomatic corps’ and ‘size of GDP’, with subjective factors, such as ‘foreign governments’ view of a state’s size and capability’ and ‘domestic government’s view of its own state’s size and capability’ (Archer and Nugent 2002, 2–3). This solves the problem of a security policy bias, but still leaves the problem of arbitrariness.

Alternatively, we might move to a relational definition of small states. Thus, in a recent volume seeking to explain the foreign policy of small European states since the end of the Cold War, Hans Mouritzen and Anders Wivel and their collaborators shift the focus from the power that states possess to the power they exercise (Mouritzen and Wivel 2005).\footnote{Mouritzen and Wivel prefer ‘non-pole powers’ to signal that their study is not based on what is usually understood as small-state theory.} Being a small state is seen as tied to a specific spatio-temporal context, not a general characteristic of the state: a state may be weak in one relation, but simultaneously powerful in another. According to this definition, small states are those states which are unable to change the basic contours of this context: ‘[t]hey are stuck with the power configuration and its institutional expression, no matter what their specific relation to it is’ (Mouritzen and Wivel 2005, 4). Conversely, a great power is a state capable of changing the condition for policy-making: should the United States choose to move all its troops from the European continent or to leave the North Atlantic Treaty Organisation (NATO), or should France choose to leave the EU or fundamentally change its position on EU security policy, this would radically change these institutions and therefore conditions for policy-making. In contrast, if Denmark left NATO or if Austria fundamentally changed its position on EU security policy, the consequences would mainly be felt by these small states themselves. Therefore, they cannot credibly threaten to leave, alter or destroy the institutional structures. For this reason, they
are expected to face a different set of challenges than the great powers. However, if we look at different contexts—different issue areas than security policy—the relations will be different.

The relational definition of small states requires prior knowledge of the states and their context, and therefore usually forecloses large n-studies and the use of quantitative methods. But the relational definition allows us to escape the problems of the power possession definitions by defining small states in a non-arbitrary way. Like a ‘focusing device’, it directs our attention to ‘the experience of power disparity and the manner of coping with it’ (Knudsen 1996b, 5; cf Gartner 1993, 303), and is not tied to a particular issue area. In essence, it changes our focus from the possession of power to the exercise of influence.

The widely used power possession definition of small states is problematic, because its arbitrary nature serves as a poor starting point for analysing the behaviour or challenges of small states. The alternatives are either a more comprehensive definition including material and subjective factors or a relational definition stressing the importance of the spatio-temporal context. What we would like to know in the future is how well these definitions will serve the goal of identifying the challenges and explaining the behaviour of small states. We will begin answering this question by using the relational definition as our organising principle for answering the two last questions of the article: How can we explain the behaviour of small EU member states? How do small states influence the EU?

How Can We Explain the Behaviour of Small EU Member States?

We would expect small states to favour institutionalisation of interstate relations in regional and world politics, because all members of international institutions are usually subject to the same rules and face the same sanctions if they break the rules. Thus, raw power matters less in an institutionalised environment. At the very least, ‘international institutions make resource-based power effects more visible because norms and rules are formalized and thus require justification’ (Neumann and Gsto¨ hl 2004, 2). In addition, the institutions of regional economic integration allow small states to obtain benefits that are usually available only to large countries, such as economies of scale and increased competition (cf Mattli 1999, 31–40; Gsto¨ hl 2002, 3–4). For these reasons it is surprising that small states have reacted so differently to the process of European integration and the prospects of EU membership. Some, like the Benelux countries, have been core members for much of the EU’s history; whereas others, such as Denmark or Greece, have been more focused on maximising their national benefits from the integration process; and still others, like Norway and Switzerland, are not even members (cf Wallace 1999).

How can we explain why small states react so differently to what seem to be similar favourable conditions created by regional integration? Without modification, neither the international relations literature nor integration theory is very helpful (cf Mouritzen and Wivel 2005, 5–8). As noted by Neumann and Gsto¨ hl, ‘[t]he available case studies in IR [international relations] heavily concentrate on great powers, and thus look only at one particular sample of states’ (Neumann and Gsto¨ hl 2004, 2). Furthermore, EU integration theory tends to focus on either institutions or great powers, leaving the implications for small states implicit. Thus, it should not be surprising that some studies on small states and...
the EU either refrain from detailed theoretical frameworks (for example, Arter 2000; Hanf and Soetendorp 1998) or allow for multiple or eclectic frameworks (for example, Branner and Kelstrup 2000; Miles 1996).

The relational definition of small states stated above suggests that different contexts favour different variables. One way of exploring which variables may be relevant is to utilise the general insights of IR theory. By doing this, we can identify at least three clusters of variables that merit further investigation. The literature systematically applying the assumptions of IR theory to explain the behaviour of small states in regard to European integration is small, and we cannot say if any of the three clusters is more useful than the others. So far, they have merely resulted in the construction of ‘first-cut theories’ presenting us with candidate solutions to the puzzle of heterogeneous small-state behaviour towards the EU, but all three of them have proved useful in particular studies and therefore merit further investigation.

First, realists point to the importance of power. This was essential in traditional small-state studies, which originally took their point of departure from the puzzle that small states continued to survive despite their lack of power. An increasing number of realists with an interest in foreign policy are now rediscovering the virtues of classical realism and trying to modify it to today’s world. Olav Knudsen identifies six key variables that are central to preserving the autonomy of smaller states: strategic significance of geographic location, degree of tension between leading powers, phase of power cycle for nearest great power, historical record of relations between small state and nearest great power, the policies of other great powers and the existence of multilateral frameworks of security cooperation (Knudsen 1996b). Although these variables will not be equally relevant when applied to small states and the European Union, they do provide us with a list of variables from which to start. In an attempt to explain the foreign policies of European small states from realist premises, Mouritzen and Wivel and their collaborators update the geopolitical tradition of international relations to fit an institutionalised environment such as Europe. Their argument shows how EU- and NATO-mediated geopolitics prevail in most of Europe with important consequences for small states’ foreign policies. The variation in the policies of small states is explained mainly in terms of differences in institutional affiliation with the great powers, leaving the states with very different room for manoeuvre in their foreign policy (Mouritzen and Wivel 2005).

Second, liberal theory points to the importance of domestic interest groups and how their costs and benefits are affected by participation in the integration process. Small states are expected to be more interested in developing regional institutions because their smaller territories make them more susceptible to the negative externalities of interdependence (Hansen 1997, 12). But how do we explain the significant variations in small state behaviour towards European integration? One answer is given by Christine Ingebritsen, who shows how differences between the EU policies of the Nordic states can be explained mainly as a consequence of how each country’s leading economic sectors are affected by the integration process, and also how they exercise their political influence (Ingebritsen 1998). Also, after analysing 30 cases of policy decisions, Sieglinde Gstöhl points out how economic interests have played some role in the policies of Sweden, Norway and Switzerland towards the European integration process, although these interests were often dominated by political constraints (Gstöhl 2002). In addition,
preferences and therefore policies may be influenced by side payments such as economic transfers compensating domestic interest groups for costs endured as consequences of the integration process (Hansen 1997, 13).

Third, constructivists point to the importance of discourse. For instance, Ole Wæver finds that ‘[a]n analysis of domestic discourses on “we” concepts like state, nation, “people” and Europe can explain—and up to a point predict—foreign policies … when applied to medium and minor states’. Wæver argues that the discourse of smaller states ‘explains mostly their dilemmas and problems—but occasionally they too impinge on overall European developments, not least via their referenda on European questions’ (Wæver 2002, 20). In general, the constructivist EU literature allows us to understand why some states are consistently more reluctant or positive than others towards EU integration by pointing to the importance of compatibility of discourses at the national and the EU level (Marcussen et al 1999; Tiilikainen 1998), but so far it has been less successful when trying to explain sudden policy shifts (cf Gsto¨ hl 2002, 6).

These variables are not necessarily mutually exclusive, and one important task in the future is to identify the potential and problems following from combining them to get a more comprehensive understanding of small-state behaviour. In recent years this work has begun. For example, Gsto¨ hl (2002) combines an analysis of economic interests in market access with political constraints stemming from the fear of political elites or populations (that is, the fear that integration may lead to a loss of national identity or political autonomy) in order to explain the sceptical policies of Norway, Sweden and Switzerland towards the EU; Ingebritsen (1998) explains the EU policy of the Nordic states by combining pressure from economic interest groups and geopolitical constraints; and Morten and Wivel (2005) and their collaborators combine the effect of present geopolitical constraints with the perceived lessons of past geopolitics to explain the post-Cold-War foreign policies of small European states. These studies have successfully produced new knowledge on the behaviour of small states, but they have left unanswered two challenges that need to be met in the future.

First, while combining insights from different theoretical perspectives might be fruitful, this is easier said than done—at least if the ambition is to conduct a logically coherent analysis. Thus, we need to better understand how to combine materialist variables, such as power, with the observation that power affects foreign policy only through the interpretations and perceptions of policy-makers. This is a challenge to theory development in political science and international relations in general, and small-state analysts will benefit from the general debates on this subject.

The relational definition of small states given above allows us to give a tentative answer to this challenge. If the specific spatio-temporal context were decisive as argued in this definition then we would expect the importance of the variables pointed out by realists, liberals and constructivists to vary with issue area. Thus, we would expect the importance of geopolitics stressed by realists to be more important in security politics than in economic or environmental politics; we would expect the interest groups stressed by liberals to be most important with respect to economic, trade and labour issues affecting strong organised interests; whereas the discursive questions stressed by constructivists would matter most in identity politics, providing important insights into how small states value national autonomy in relation to influence in the EU (cf Goetschel 1998). For this reason,
we would expect the number and identity of small states to vary with issue area. What is termed ‘small states’ according to the conventional power possession definition is mainly relevant with regard to traditional security issues, whereas these ‘small states’ may be great powers in issue areas where traditional power resources are less important and economic flexibility, diplomatic competence and discursive power matter more.

Second, the EU’s gradual development into a genuine political system necessitates the inclusion of different types of actors at multiple levels in the analysis if we are to understand the actions of small states. Studies of small states are, of course, state-centric in the sense that they aim to understand a particular type of state, but—to put it in a somewhat positivist language—even if the dependent variable is state action, independent and intervening variables need not be. Thus, we need to explore how small-state behaviour in the EU is affected by the specific construction of the EU’s political system, and how state action is affected by the actions of other actors at different levels.

How Do Small States Influence the European Union?

The greatest challenge to small states in an enlarged Union is the continued pressure large states exert to change the EU institutional structure in their favour. This was the case in the last two treaty negotiations—the Nice Treaty and the Constitutional Treaty (Beach 2005; Galloway 2001; Kirk 2000; Norman 2003a; Magnette and Nicolaïdis 2003). The small states also face the danger that the large states will increasingly negotiate the big issues outside the formal institutional procedures. Navigating this peculiar political landscape becomes even more difficult because the overlapping and interlocking nature of the relations among states and between different levels of governance aggravates a dilemma between autonomy and influence experienced by most small states in international relations.

Of course, the larger European states have to navigate in the same political landscape as medium and minor states, but they have a better chance of influencing the integration process, particularly in issue areas where large and costly resources are necessary to implement decisions. Small states are at the same time more dependent on strong international institutions and less able to influence their decision-making. For this reason small states have a number of challenges when trying to influence EU decision-making.

Our relational definition of small states suggests that small-state influence will vary with policy areas and institutions: as the contexts change so will the small

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6 Derek Beach’s book on *The Dynamics of European Integration* (2005) offers an extensive account of the negotiating process leading up to the Nice Treaty and other Treaty negotiations within the Union.

7 The large states have since the foundation of the EU had the tendency to negotiate amongst themselves outside the institutions and to present the negotiation outcome to others as a ‘final deal’. See detailed discussion in Thorhallsson (2000) and Pedersen (1998). The large states may find themselves increasingly pressed to use this decision-making method if they feel marginalised in a EU dominated by small states.

8 On the dilemma between autonomy and influence, see Goetschel (1998).
states and their possibilities of influence. We begin by briefly discussing policy areas before turning to institutions.

**Policy Areas**

Franco-German cooperation and the ability of these two countries to compromise and reach bargains on fundamental issues is widely acknowledged as decisive for the historical development of the integration process, leading some analysts to speak of a ‘cooperative hegemony’ (Pedersen 1998). This is not only due to their possession of conventional capabilities, such as a large GDP and population, but also to their agenda-setting powers. The limitations of the traditional power possession definition are demonstrated by the limited influence of the United Kingdom in several policy areas.

Looking across policy areas, two conclusions emerge from the literature. First, the influence of small states is smaller on security policy than on other policy areas. Small states always played a marginal role in the development of EU security policy and, after the Cold War, big member states have strengthened their informal cooperation. One example is the establishment of the Contact Group for Bosnia and Kosovo including big EU member states—Britain, France, Germany (and from 1996, Italy)—as well as the US and Russia, but no small EU member states. More recently, the specific problems tied to the Iraq War, as well as the future of EU security policy in general, have been discussed informally between the big EU member states (Wivel 2005). As noted by one observer, ‘if a pattern is discernible it is the extent to which the smaller states were excluded from the ad hoc decision-making processes and military action’ (Duke 2001, 41, original emphasis). The success of Finland in getting its Northern Dimension Initiative to be official EU policy has not been matched in the implementation phase of the initiative, and small-state influence in other areas has been limited. In contrast, Belgium and the Netherlands played important roles in the creation of the European Monetary Union (EMU) (Maes and Verdun 2005), and several small states have played an active role in the creation of EU environmental policy (Liefferink and Andersen 1998).

Small states have extensively prioritised between EU policy areas, as well as within particular policy areas, in order to have necessary ‘administrative force’ to press for their interests. Accordingly, small states tend to be proactive in EU negotiations where they do have important economic and political interests at stake. They are reactive in sectors of limited interest to them. On the other hand, the large states tend to be proactive in all sectors (Thorhallsson 2000). A distinction can be drawn between the positive and negative influence of small and large states. Small states emphasise positive influence as they try to press for their own interests in the EU institutions. They do not have the administrative capacity to concentrate on preventing particular decisions that are not directly in their favour and mainly concern others. The behaviour of the large states within EU decision-making is considerably different, since they systematically try to prevent particular decisions that are favourable to others but do not concern their direct interests. For instance, the large states try to lower the cost of sectors of the Common Agricultural Policy and the Regional Policy from which they do not benefit. This can partly be explained by the large states’ wider interests within the EU—in controlling the EU
expenditure—and partly by their traditional large-state strategy to have overall control of the EU agenda (Thorhallsson 2000).

Second, when small states have succeeded in influencing EU policy, coalition-building has been decisive. Finland successfully worked to build a coalition for the Northern Dimension Initiative (Arter 2000), and in the EMU process Belgium allied with the Commission while the Netherlands worked closely with Germany (Maes and Verdun 2005). The small states look at the Commission as a key partner in their attempt to build coalitions and thus try their utmost to get the Commission on their side before facing the large states in the Council of Ministers (Thorhallsson 2000). In environmental policy, Germany’s participation is seen as crucial as the ‘green’ small states have little ability to set the agenda without German help (Liefferink and Andersen 1998, 268).

Institutions

During the most recent treaty negotiations a number of indicators emerged that suggest that when it comes to institutional issues, one of the main cleavages between member states is now between the large and small, as already noted. Calls for efficiency mean that small states face a growing pressure to alter the institutional structure of the Union in favour of the bigger member states. At the same time the continuing institutionalisation of the European political space creates new opportunities for small-state influence.

Two recent developments of the EU institutions have received special attention in the literature on small-state influence in the EU: the change of voting methods in the Council of Ministers and changes of the Council Presidency.

The formal voting methods of the Council of Ministers have changed considerably over the past two decades. The qualified majority voting method (QMV) now applies to most policy areas and has largely replaced unanimity and simple majority voting. This is of particular importance because no policy or legislative decision can be taken without the agreement of the Council of Ministers (Westlake and Galloway 2004).

The two traditional methods—simple majority voting and unanimity voting—favour small member states. The simple majority voting method clearly favours the small states, since each state has the same weight regardless of their size, but it mainly applies to procedural matters in a very limited number of policy areas (Lewis 2003; Westlake and Galloway 2004). As a result, very few legislative acts were in fact subject to simple majority voting between 1999 and 2004 (see Table 1). The unanimity voting method requires the approval of all members of the Council—or at least the acquiescence of all members, since abstention does not prevent unanimity. Because of their veto power, member states having difficulties accepting a proposal are in a relatively comfortable negotiating position (Westlake and Galloway 2004). The unanimity voting method in the Council of Ministers provides small states with the same opportunity to prevent proposals from being adopted and the same bargaining power as large states, at least in theory. As shown in Table 1, this was the case in about 30 per cent of EU definitive legislative acts in the period 1999–2004. All treaties adopted from mid 1980s have limited the use of unanimity as the form of voting method, replacing it with qualified majority voting.
Table 1 shows that the vast majority, about 70 per cent, of EU acts in 1999–2004 allowed adoption by QMV. The QMV method clearly favours the large states to a greater extent than the other two voting methods. The population of the large states accounts for more than 70 per cent of the Union’s population (EU with 25 member states) and therefore it is impossible to form a blocking minority without the participation of large states. Moreover, due to the weighted vote methods (the large states having 50 per cent of the total votes in the Council), it is easier for the large states to build ‘a winning coalition’ by QMV than it is for the smaller states. Still, a majority of the member states have to accept a proposal under the QMV method for it to be adopted, which creates some leeway for small states in the negotiation process.

Table 1. Voting methods in the Council (percentages in parentheses)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total definitive acts adopted (decisions, directives and regulations)</th>
<th>Acts with legal basis allowing adoption by qualified majority</th>
<th>Acts with legal basis requiring unanimity</th>
<th>Acts adopted by simple majority</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>199</td>
<td>132 (66.3)</td>
<td>(33.7)</td>
<td>1 (0.5)</td>
</tr>
<tr>
<td>2000</td>
<td>191</td>
<td>135 (70.7)</td>
<td>(28.8)</td>
<td>3 (1.5)</td>
</tr>
<tr>
<td>2001</td>
<td>187</td>
<td>130 (69.5)</td>
<td>(30.5)</td>
<td>2 (0.9)</td>
</tr>
<tr>
<td>2002</td>
<td>195</td>
<td>139 (71.3)</td>
<td>(28.7)</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>196</td>
<td>136 (69.4)</td>
<td>(29.1)</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>229</td>
<td>158 (69.0)</td>
<td>(30.1)</td>
<td></td>
</tr>
</tbody>
</table>

Source: Council Secretariat (2005).

In theory, the extension of the QMV method into more policy fields seems to weaken the position of small states in the decision-making process of the Union. However, as generally acknowledged in the literature, the veto power of small states is limited in practice (Dosenrode 1998; Vahl 1997; Moravcsik 1991; 1994; Moyer and Josling 1990; Wallace 1986), and the threat to veto is an option mainly used by the larger member states (Thorhallsson 2000; Gillissen 1994). Furthermore, large states are twice as likely as small states to vote against a given proposal or abstain. Germany, Britain and Italy (three of the four largest EU members) are most likely to vote ‘no’ in the Council while Luxembourg, Finland, Austria and Ireland are least likely to vote against the majority (Mattila 2004). Dorothee Heisenberg notes that ‘in fact it is the smallest members that hardly ever vote against or abstain: between them, the five largest Member States account for 46 percent of the votes against and 54 percent of the abstentions’ (Heisenberg 2005, 77). In addition, the consensus culture in the Council of Ministers means that the voting method is of little importance in many cases (Heisenberg 2005; Dinan 1999; Lewis 2003; Phinnemore 2004; Westlake and Galloway 2004), and a vote takes place in only about 15 per cent of cases where the QMV method applies (Wallace and Hayes-Renshaw 2003). As a result, the impact of QMV on small-state influence should not be overstated, even though the recent enlargement of the EU may challenge the culture of consensus by making decision-making more difficult.

Another potentially important change in the conditions for small-state influence is the big EU member states’ success at the European Convention in

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9 Germany, Britain, France, Italy, Spain and Poland.
establishing a long-term chair of the European Council, elected by QMV for a term of two-and-a-half years, renewable once (CONV 489/03), and establishing a long-term Union Minister of Foreign Affairs, which chairs the Foreign Affairs Council. This constitutes a fundamental shift from the rule of rotating Presidencies of the European Council and the Foreign Affairs Council. Small countries fought hard to minimise the power of the chair of the European Council because they worried that the new chair would become an instrument of the larger countries, like Javier Solana, current High Representative for the Common Foreign and Security Policy (CFSP), who is in more contact with the foreign ministers of the large countries than those of the others (Center for European Reform 2003). Even though there will be a continuation of the rotating Presidencies of the other Council formations and small states managed to reduce the power of the long-term chair so much that he or she will have less power and influence than the leader of the country holding the rotating presidency under the current system (Magnette and Nicolaïdis 2003; Norman 2003a; 2003b), small states are likely to face increased pressure to amend the rotating Presidencies further and to give increased power to the long-term chairs (as would be the case if the agreement in the Constitutional Treaty is implemented). All the large states, except for Poland, were in favour of increasing the power of the chairs and changing the rotating Presidencies further during the Constitutional debate (Dehousse et al 2003; Magnette and Nicolaïdis 2003; Norman 2003a; CONV 489/03; CONV 457/02; CONV 591/03).

This push by larger states to increase the power of long-term chairs is problematic for small states, because they have used the Presidency to increase their influence and prestige. As noted by Rikard Bengtsson, Ole Elgström and Jonas Tallberg, the Presidency can be ‘translated into normative power through the opportunity to launch and promote novel policy ideas or ideational frameworks and can thus be claimed to be a tool especially well suited to smaller states . . . which lack traditional power resources’ (Bengtsson et al 2004, 314). Finland, for example, used its Presidency as a tool for achieving a more rewarding EU membership in the long run by promoting greater transparency, simplicity and efficiency in EU decision-making, as well as the Northern Dimension Initiative (Bengtsson et al 2004). Portugal used its Presidency in 2000 to push for the Common Strategy towards the Mediterranean and oversaw the first EU–Africa summit in conjunction with the Organisation for African Unity (Edwards and Wiessala 2001)—initiatives closely coupled to the country’s own geopolitical location. The Danish Presidency of 2002 focused primarily on enlargement and downplayed other issues. In terms of administrative capacity, this meant that the Danish Presidency was able to ‘coordinate and to some degree control the enlargement process despite its smallness and limited material resources’ (Bengtsson et al 2004, 328).

Unexpected events can have a big influence on the capacity of each Presidency to promote its priorities, whether at national, European or international level (Tallberg 2003, 20). When the Belgian Presidency started on 1 July 2001, expectations ran high that the Presidency would put the European train back on the rail. The Belgian Prime Minister, Guy Verhofstadt, presented a heterogeneous list of 16 ambitious priorities. The Belgian Presidency took its priorities very seriously and wanted to have great influence upon EU decision-making, but the events of September 11 changed the intended framework and Belgium was forced to change its priorities (Vos and Baillieul 2002). The ‘war on terrorism’ added a new
dimension to the Presidency with a workload amounting almost to ‘a second Presidency’ (Kerremans and Drieskens 2002, 50).

In addition to influence, the Presidency can be used to increase the prestige of small states, because it provides them with a ‘valuable opportunity to play a major international role not only with/on behalf of the EU and other Member States but on the wider world stage’ (Humphreys 1997, 15; Bengtsson 2003). This was the case of the Belgium Presidency in the ‘war on terrorism’ and in the autumn of 1999 Finland, which held the Presidency for the first time, found itself at the centre of attention worldwide due to the war in Chechnya (Stubb 2000).

However, the Presidency can cause the burden of double representation at meetings, which adds a considerable workload to the administrations of smaller states—small-state Presidencies often rely on a comparatively small number to carry out the duties of the Presidency (Humphreys 1997). Moreover, Bengtsson points out that, according to some estimates, 80–90 per cent of issues appearing on a Presidency’s agenda are predetermined, inherited from the predecessors, and thus all the Presidency can do is to further issues already appearing on the agenda. There is therefore not much room for the state holding the Presidency to advance its own priorities, and there is perhaps even less room when a small state holds the Presidency (Bengtsson 2002).

Paradoxically, it has been pointed out that the weakness of small states has increased both the influence and the prestige stemming from the Presidency, because weakness facilitates a role as honest brokers focused on compromise (Elgström 2003; cf Arter 2000). Small states are more efficient as mediators because they can never expect to be successful in pushing their national interests the way large countries can (Bjurulf 2001). In contrast, big EU member states have interests in most policy areas, as already discussed, and are generally expected to take advantage of their powerful positions to advance their own national interests (Bengtsson et al 2004). For instance, the French Presidency in 2000 ‘did not hesitate to exert pressure on reluctant Member States and largely disregarded small state advice in their aspiration to lead Europe forwards’ (Elgström 2002, 47). The style of the French Presidency stands in contrast to the consensus policy-making style of Austrian and Finnish Presidencies, which contributed to the kind of brokerage and package deals characteristic of a successful Presidency (Luther 1999; Stubb 2000).

The changing nature of the Presidency is an important challenge to the influence of small states, but it should be weighed against the potential gains in the efficiency of institutions. As small states benefit the most from an international environment characterised by strong international institutions, they have an interest in continued and increasing effectiveness of EU policy-making. Moreover, the most recent enlargement of the EU means that each state would have to wait more than 12 years between Presidencies—a gap set to increase with future enlargements. Thus, the importance of these recent changes should not be overestimated.

The literature has pointed to some important changes in the conditions for small-state influence in the EU, although, as the discussion shows, the implications may be less dramatic than one would believe at first sight. In addition, at least three issues need to be explored more fully. First, we need to explore how Europeanisation of new policy areas such as monetary and security policy changes the conditions for small-state influence in the European Union. Despite the rapid
growth of the Europeanisation literature in recent years, this problematic is still relatively unexplored from a small-state perspective.

Second, the most recent enlargement of the EU has changed the conditions for small-state influence. The increased number of small states increases the potential for alliances on issues where small states have common interests (most importantly on institutional issues), but at the same time the formation of small-state alliances within the EU tempts the big member states to act through informal meetings and ad hoc arrangements, rather than through formal institutions. Thus, both the benefits and costs of small-state alliance formation within the EU are likely to rise considerably.

Finally, more effort needs to be put into systematic analyses of the strategic possibilities of small states in the EU. So-called adaptation theory offers one set of concepts for doing this by delineating a strategic menu for small states under various external conditions (Petersen 1998). More recently the concept of the ‘smart state’ (Joenniemi 1998) has been applied to small-state strategy in EU security affairs (Arter 2000; Wivel 2005). Still, our knowledge of which strategies can be applied most effectively—in general and in specific issue areas—remains limited and needs to be expanded.

Conclusions

The aim of this paper is to make a modest contribution towards identifying what we know and what we need to know about small states in the EU by answering three simple questions: What is a small state in the European Union? How can we explain the behaviour of small EU member states? How do small states influence the European Union?

In answer to the first question, we argued that a relational definition of small states provides a better starting point for analysing small states in the EU than the conventional power possession definition. The relational definition, therefore, became the organising principle for the two ensuing sections. In the section on the behaviour of small EU member states the relational definition inspired us to look beyond the traditional realist theories focusing on power capabilities to domestic interest groups and questions of discourse as stressed in liberalism and constructivism. We argued that the importance of the factors pointed out by the three theoretical perspectives varied with issue area and that this led to variation in the number and identity of small states across issue areas. In the section on small state-influence in the EU, our relational definition suggested that small-state influence would vary with policy areas and institutions, and we explored to what extent this was the case. We argued that small-state influence on security issues was particularly problematic, but that the recent changes of EU institutions were less problematic than indicated by the high-profile clashes between small and big EU member states in recent years.

The discussions revealed a common theme running through our exploration of all three of the questions posed at the beginning of the paper: understanding the interaction of materialist and idealist factors is important whether we want to define what we mean by small states, explain their behaviour or understand their influence. Whether a state should be considered small may depend not only on its material resources, but also on its ‘soft power’ and the understandings of foreign policy elites and the public of the proper role of the state in global and regional
politics. Similarly, as pointed out in the discussion of small-state behaviour in regard to the EU, both great powers and market access as well as national identity and the perception of the lessons learned from history are important factors for explaining small-state actions. Likewise, both the institutional structure of the EU and unwritten norms and traditions in terms of policy-making within the Union matter for the potential influence of small states. Our examination of changes in voting methods in the Council indicates that the consensus culture for taking decisions may override the move from simple majority and unanimity voting methods to the QMV method. States will probably continue to press for changes of formal voting rules in hope of greater influence, but such alternations may be overridden by traditions of how decisions are reached. Furthermore, the structure of the Presidency has given small states the ability to influence EU policies, and thus small states have managed to curtail the most radical aspects of the large states’ proposals concerning the Presidency in the negotiations leading to the Constitutional Treaty. On the other hand, small states face the trade-off between the current Presidency structure and a more effective Presidency, which might benefit them in the long run.

Exploring these issues is important if we are to understand the challenges and possibilities of small states in the EU in the future. David Arter argues that small states may have to be ‘smart’ in order to maximise influence (Arter 2000), but why are some states ‘smarter’ than others? Only by examining the interaction of materialist and idealist factors at different levels (national, regional and global) will we get a better understanding of the strategy of small states inside and outside the EU. This is also important for understanding the nature of the EU. So far the study of the EU has focused mainly on institutions and great powers, largely ignoring the impact of small member states. However, the seemingly ever-growing majority of small states and the emerging divide between small and big EU member states on institutional issues necessitates a better understanding of how and why small states act as they do. In addition, the non-dogmatic and pluralist nature of the small-state literature has much to offer the study of a complex institution such as the EU, because it allows us to move beyond old categories and to rethink the theoretical and practical implications of the integration process. For these reasons, exploring the central issues of small states and the EU will be even more important in the years to come.

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