European Social Policy
and Europe’s Party-Political Center of Gravity, 1957–2003

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Abstract

Europe’s ‘political space,’ its dimensionality and its impact on European policies have received increased academic attention lately. Yet, one very basic element of this political space, the party composition of EU member states’ governments, has never been studied in a systematic way in the rich literature on European integration. In this paper we explain why the EU literature would benefit from a closer analysis of Europe’s party-political ‘center of gravity.’ We give a systematic overview of the party composition of member governments from 1957 to 2003. This includes analyses of how the support for integration, the left/right political conviction, and the ideological homogeneity or heterogeneity of the member states affected strictly intergovernmentalist EU institutions like the Council over the course of time. We draw on expert surveys, the data of the Comparative Manifesto Project, and data about government composition. Our case study about the fate of European social policy from the Treaty of Rome to the present day highlights the argument that analyses of European integration require an understanding of the party-political dimension of this process.

Zusammenfassung

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1 Introduction

The literature on European integration lacks a systematic analysis of the partisan composition of EU member states’ governments. We still do not know how government composition in EU member states has determined the party composition of the European Council and, in turn, how this has had an impact on EU politics. (Neo)realist and intergovernmentalist integration studies have asked why and to what extent member states have pooled sovereignty at the European level (cf. Moravcsik 1991, 1993, 1998; Garrett 1993; Grieco 1995, 1996). In these accounts, political actors labeled ‘France,’ ‘Germany,’ ‘Britain,’ ‘Italy,’ etc. occupy center stage. They are understood to be either bearers of national interests or mere spokespersons of domestic economic coalitions. To what extent they also are party-political beasts has largely remained outside of systematic consideration. (Neo)functionalist or institutionalist analyses, on the other hand, tend to focus on those EU actors like the Commission and the European Court of Justice that almost by definition are on a nonpartisan, non-national mission to fight for the European cause (Sandholtz/Stone Sweet 1998; Stone Sweet/Sandholtz/Fligstein 2002; Alter 1998; Alter/Meunier-Aitsahalia 1994; Burley/Mattli 1993; Pollack 1997). Hence, realist and functionalist perspectives have occupied the extreme poles of the national/supranational continuum, but have neglected the genuine party-political dimension of the European integration process.

The many policy studies in the literature on European integration have often mentioned in passing the importance of the party composition of decisive EU member governments for the fate of this or that policy, but they have never attempted to investigate this important dimension in EU politics more systematically (see e.g. the contributions to Wallace/Wallace 2000). Studies more directly interested in the party-political side of EU integration have looked extensively at European elections (Reif 1980; Reif/Schmitt 1984; Eijk/Franklin/Marsh 1996; Eijk/Franklin 1996), at the emergence of a European party system within the EU parliament (Hix/Lord 1997; Hix 1999; Hix/Kreppel/Noury 2003; Kreppel 2002; Ladrech 1997), at the cleavage structure and ‘issue congruence’ of Europe’s emerging ‘political space’ (Schmitt/Thomas-sen 1999), at the positions national parties take towards European integration (Ray 1999; Marks/Wilson/Ray 2002), at the feedback effects of European politics on national party systems (Mair 2000), or at the relations between national parliaments and EU-level politics (Martin 1995; Maurer/Wessels 2001), to name some of the current research topics in this context. Yet, EU scholars have been far less interested in national elections and their European reverberations.

True, academic interest in the salience and dimensions of Europe’s political space has considerably intensified lately, and recent contributions increasingly emphasize the

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importance of a ‘horizontal’ left/right dimension in addition to or crosscutting with the ‘vertical’ national/supranational dimension that had informed previous EU-integration studies (Hix/Lord 1997; Hix 1999; Hooghe/Marks/Wilson 2004; Marks/Steenbergen 2004). This has motivated research on voting behavior within the European Parliament (EP) (Kreppel/Tsebelis 1999), on national party competition over European issues (Gabel/Hix 2002; Pennings 2002), or on party-political voting behavior within the Council (Mattila 2004; Zimmer/Schneider/Dobbins 2004). Yet again, the government composition of EU member states has not been an object of academic interest. So far, no one – at least to our knowledge – has taken a systematic look at the party composition of the EU member states’ governments, how party composition has translated – with varying degrees of political heterogeneity – into a party position of the Council, and how this has affected EU politics (cf. Nyikos/Pollack 2003: 326).

At the same time, there is an abundance of anecdotic evidence that highlights, for instance,

– the importance of Christian democratic hegemony in the EU’s six founding states for early EU institution-building during the 1950s,
– the importance of the fact that the French-German ‘integration motor’ in the 1970s, 1980s, and 1990s always embodied a cross-party agreement between social democratic and conservative governments, or
– the importance of Europe’s shift to the left in the second half of the 1990s for EU politics, such as the employment chapter of the Amsterdam treaty or the reinterpretation of the Stability and Growth Pact.

However, rich anecdotic evidence has not yet generated any academic activity in collecting systematic evidence. We think the time has come to – at least partially – ‘replace names with variables’ by going beyond an analysis that views national governments mainly as representatives of national (economic) interests. In our view, they should also be seen as the representatives of the political parties that form these governments.

Accordingly, this paper is understood as a first systematic exploration into a research area that has largely been circumvented by EU scholars. It proceeds as follows: In Section 2, we lay out a more detailed argument for why the analysis of national government composition in EU member states should have (had) more prominence in studies on EU policies and politics. In Section 3, we offer a systematic, quantitative analysis of the EU’s center of gravity\(^1\) from 1957 to today, of the party-political heterogeneity in the Council, and report the location of member governments and the Council on the integration/national sovereignty axis. In Section 4, we give a brief account of

\(^{1}\) The center-of-gravity approach was first used to analyze national parliaments (Gross/Sigelman 1984). Section 3 below deals with its technical details.
the history of European social policy from the 1950s to the present with a special focus on its party-political dimension. In Section 5, we summarize our conclusions.

2 Why the study of national elections is central to studies on European integration

The lack of any systematic analysis about the party composition of the governments of EU member states contrasts strikingly with the plethora of arguments that have underlined the importance of this dimension. For instance, in his authoritative treatment of the “political system of the European Union,” Simon Hix (1999) counted “national elections” among the most important channels through which EU citizens can exert influence and can make demands on the EU system: “In national elections citizens choose governments who subsequently represent these citizens in the Council” (1999: 5; cf. Schmitt/Thomassen 1999; Mair 2000; Hix/Lord 1997). But how have voters in EU member states actually voted in national elections between 1957 and today? Which kind of governments represented EU citizens in the Council? How have national voters – via their national elections – determined the party composition of the Council? Surprisingly, we still don’t know.

It is quite ironic that we have extensive knowledge about ‘second order’ European elections, while there has apparently not been much academic interest in the impact of ‘first order’ national elections on European integration and everyday EU politics. Similarly, the literature on the Council contains extensive discussions about the different voting weights of the member states, combined with an intricate debate about the pros and cons of different power indices (among the many, see Hosli 1999, 2002; Hosli/Machover 2004; Widgrén 1995; Pajala/Widgrén 2004; Albert 2003). Yet we still lack an analysis of the partisan composition of the Council. An analysis of the party-political composition of EU member-state governments promises to generate answers to important questions like the following: Has political cohesion between the EU member states increased over time? How heterogeneous or homogeneous, how ‘left’ or ‘right’ were the Council of Ministers and the European Council in terms of party politics? Has European market integration also led to the emergence of common electoral cycles and political trends in the national elections of member states? How have the several waves of EU enlargement affected political homogeneity within the Union? Have periods of integration been periods of political homogeneity among the member countries’ governments, whereas periods of stagnation corresponded with increased political heterogeneity?

These are questions of critical importance. They touch upon the democratic legitimacy of the EU, are crucial for any analysis of the balance of power between the Commission, the Council and the Parliament in everyday European politics, and – as
we argue in the following sections – help us to better understand EU policies, such as social policy. However, we cannot answer all of the above questions in this paper. We can but only start to respond to three of them. First, has partisan cohesion between the EU member states increased or decreased over time? Second, how ‘left’ or ‘right’ and how supportive or skeptical of integration were EU member-state governments and therefore the Council? Finally, what were the consequences of this for European social policy?

Four brief examples demonstrate that an analysis of Europe’s partisan dimension is indispensable for EU studies. First, George Tsebelis has argued (Tsebelis 1994; Tsebelis/Kreppel 1998) that the European Parliament, under qualified majority voting, can become a conditional agenda-setter in the case where heterogeneous interests prevail within the Council. One important source of ‘interest heterogeneity’ within the Council is undeniably the diversity of its political composition. This diversity refers not only to the traditional left/right dimension, but also affects the integration/national sovereignty dimension, given that left and right parties seem to differ systematically in their support for integration (Ray 1999; Hix 1994; Aspinwall 2002; Hooghe/Marks/Wilson 2004; see our Figure 4 below). Therefore, we would like to know something about the party-political heterogeneity in the Council.

Second, Hix and Lord (1997: 4) have argued that in European politics “key players may rush to form agreements while there is a favourable conjuncture in the domestic politics of member states” to lock “successor governments into EU-level agreements.” Yet, a ‘favorable conjuncture’ must be defined also, if not foremost, in terms of partisan homogeneity among the EU member states. Again, we would need systematically compiled information on the party composition of EU member states in order to recognize a ‘favorable conjuncture’ when we see one. Such information seems even more warranted today since the regular Head of States/European Council meetings have substantially increased in importance for the fate of the European integration process since the 1990s.

Third, in a closely related argument, Paul Pierson has emphasized the importance of changes in preferences of EU member states, so that at any given point in time the European Union is never simply the sum of the ‘interest parts’ of all member countries. For Pierson, the most important source of preference change is “change in government” (Pierson 1996: 140). So why not study government change by asking exactly how Europe’s voters changed preferences over time?

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2 More generally on delegation and the agenda-setting power of the European Commission, the European Court of Justice, and the European Parliament see Pollack (2003). See also, for a similar argument about the relation between the Council and the European Court of Justice, Weiler (1991).
Fourth, scholars studying the “institutionalization” of Europe (cf. Stone Sweet/Sandholtz/Fligstein 2002) emphasize that EU institutions must often be understood as ‘institutionalized dispute resolution’ between member states. Yet many of these disputes have a party-political aspect to them, as the Stability and Growth Pact demonstrates. Here a conservative German government tried to create an institutional arrangement that would force fiscal discipline upon less monetarist participants of the Economic and Monetary Union (EMU), a desire which became much less burning once the German social democrats came to power in 1998. Again, in order to understand the design of the institutions created at the EU level as well as their later functioning, we would need to gain systematically compiled findings about the political positions of the countries negotiating over and later utilizing these EU institutions.

In the literature on European integration and the EU, such an analysis is still missing. We lack systematic analyses about the partisan composition of the Union’s member state governments and therefore also about the center of gravity of a “purely intergovernmentalist” EU institution like the Council (Schmitt/Thomassen 1999: 6). This is even more surprising since it is relatively easy to obtain the necessary data (Woldendorp/Keman/Budge 2000; Laver/Hunt 1992; Budge et al. 2001; Huber/Inglehart 1995; Ray 1999). It is true that comparable quantitative evidence is hard to find especially for the early years of European integration in the 1950s. Yet, the empirical evidence available – if interpreted with caution – does allow us to trace the changes in Europe’s party-political center of gravity from the early days of integration until today.

In our explorative study, we take the initial steps towards closing the existing lacuna in the literature. We report data about the political composition of EU member-state governments and derive from this the party-political center of gravity in the European Council. We convey our findings about changes of attitudes towards European integration in the various national governments and look at the degree of partisan homogeneity within the EU. We then use our comparative-quantitative evidence to shed fresh light on the history of European social policy between 1957 and 2000.

Before we proceed, a few words of clarification seem to be in order. First, our analysis of the party complexion of EU member-state governments is meant to be complementary to existing accounts of the European integration process. We would like to draw attention to one largely neglected dimension of the European integration process without denying the roles that other important aspects, emphasized in previous studies, have played in it, such as national geopolitical and economic interests, a common European experience of war and destruction, or the importance of a shared cultural heritage with a common set of values and beliefs. Second, given that we travel in largely uncharted terrain, our analysis is of an explorative nature, to some extent. By implication, our case study obviously does not have the status of a ‘theory test’ that would allow us to assess the explanatory value of our approach against alternative accounts. Instead, the case study is meant to demonstrate that a permanent party-political conflict over Europe’s specific institutional design and over the extent to
which Europe can pool sovereignty previously claimed by the nation state has been a fil rouge of European integration since its beginnings in the 1950s until today. Thus, in this paper we provide both systematic, quantitative evidence and detailed case-study evidence on the party-political dimension of European integration.

3 Parties, ideology, and European integration: The evidence

Europe’s party-political center of gravity

There are several methodological approaches that aim at locating a government’s political position. On a general level, two strands of studies can be distinguished: The first possibility is to group the governing parties into party families or on any kind of left–right scheme (for an overview, see Schmidt 1996). The other way to measure partisan positions is to generate so-called ideological centers of gravity (Gross/Sigelman 1984) that combine some power indicator (for coalition governments) with the respective party’s position on an ideological scale. Especially for the calculation of the centers of gravity, it is necessary to have some kind of quantitative data on partisan preferences. Asking country experts for their opinion is clearly one feasible approach (Laver/Hunt 1992; Castles/Mair 1984; Huber/Inglehart 1995), while problems of reliability and validity remain. Additionally, expert surveys typically reflect the situation at a given point of time. Even if we make the assumption that parties’ preferences are stable over time, missing data for some parties remains a practical problem.

The Comparative Manifesto Project (Budge et al. 2001) aimed at filling this gap. Using quantitative content analysis of party manifestos, the authors promised to provide time-variant data on multidimensional preferences for most parties in twenty-five countries over much of the postwar period. Even with the huge effort, some of the project’s basic assumptions might appear problematic: Do party manifestos really mirror true preferences or are they merely rhetorical propositions in order to win elections? Despite these methodological and theoretical reservations, we will recur to the use of both kinds of data for two reasons: First, there simply is no empirical alternative. Second, even in the light of the aforementioned problems, the subsequent analyses should contain important information especially if we focus on trends and differences rather than on the comparison of absolute positions in policy space at given points in time.

Doubts may also be raised with respect to the value that the center-of-gravity approach has in the EU context. If all major decisions in the European Union require – either formally or informally – unanimity, what sense does it make to average the party-political positions of member governments? Would not an analysis of the posi-
tion of the ‘pivotal country’ be more warranted? This, we claim, means taking the second step prior to the first. An analysis of the ‘pivotal EU government’ would first require placing countries on a (left–right) political spectrum. This is something which has not yet been undertaken systematically, and it is exactly what we do in this paper. Moreover, for any kind of outlier analysis we also need to know the ‘sample mean.’ In order to assess the distance between the ‘most extreme’ country on a given policy dimension and the EU mean, we need exactly the kind of center-of-gravity approach that we apply here. As a first approximation to the question of political distances, we report the standard deviation of our center-of-gravity measure (see Figure 2). We must leave it to future analyses to investigate with more detail the concrete location of EU member governments on given issue dimensions. Finally and more substantially, we also think that ‘averaging’ countries’ party-political positions is justified in our context since the EU literature shows that unanimity does not mean that each country possesses full veto power for each and every issue (Héritier 1996; Caporaso 1992) – preference outliers are disciplined by the majority and by norms of reciprocity. Even a Margaret Thatcher was unable to pursue a policy of ‘the permanent no.’

For the subsequent analysis we use three sources in particular: One expert survey for parties’ position on a left–right scale (Laver/Hunt 1992), one expert survey for parties’ preferences towards European integration (Ray 1999), and the data of the Comparative Manifesto Project (Budge et al. 2001). Our first step in this comparative analysis is to look at the government composition in EC/EU member states since 1957 and to group them into different party-families. Figure 1 reports the partisan ‘color’ of the governments in the EC/EU member states. In order to distinguish party families, we relied upon the party-family scheme of the Manifesto Project. Governments were coded as ‘Left,’ ‘Right,’ ‘Liberal,’ or ‘Christian Democrat’ if the respective parties held more than half of the government seats in parliament. We shaded the respective box if this majority lasted longer than half a year. For coalitions in which the coalition parties held an equal share of the seats, the partisan color of the prime minister tipped the scales. If there was no dominant majority for more than half of the year, we calculated the daily-weighted average of the respective share of seats. If there still was no majority indicated, we shaded the respective area as such.

In Figure 1, several developments immediately stand out. Remarkable and important for our further analysis are, first, the strong Christian democratic hegemony in the 1950s and 1960s; second, the fact that with each enlargement the European Union shifted to the left; third, the strong role of conservative parties in the 1980s; and fourth, the remarkable shift to the left in EU member-state governments in the second half of the 1990s.

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3 We grouped the parties in the dataset according to an integrated party-family coding scheme. We used five groups: ‘Left’ (contains communists, ecologists, and social democratic parties), ‘Liberals,’ ‘Christian Democrats,’ ‘Right’ (contains conservatives and nationalists), and ‘Others.’ We omitted regionalist and special-interest parties.
Figure 1  Partisan color of the EC/EU member States
In a more fine-grained analysis we may ask how changes in government composition have translated into changes in the Council’s ideological center of gravity. Here we take the Laver/Hunt data (1992) on the “increase service vs. cut taxes” question (ranging from 1 to 20) as our basic left–right socioeconomic item and aggregate the party positions according to the parties’ weight in government (measured as a percentage of the seats held by all governing parties). These data are then averaged for all EU member states. We admit that extending the Laver/Hunt data generated in the early 1990s far back into the 1950s is not without problems. Again we would like to stress that a cautious interpretation of the quantitative evidence is warranted, and attention should be focused on changes over time rather than on specific policy positions at any given point of time. Moreover, we can crosscheck our findings from the expert data with the party-family data reported above. Given that both data display very similar political trends, trust in our methodological procedure seems justified.

What kind of picture do the Laver/Hunt data produce? As can be seen from Figure 2, the European center of gravity clearly mirrors the shift of national governments to the right in the late 1970s and early 1980s. The 1980s turned out to be a quite conservative decade, and only in the second half of the 1990s could social democratic parties fight their way back into government. The left interlude around the mid-1970s was to a considerable degree caused by the first EU enlargement of membership to include Ireland, Denmark, and the UK in 1973. Denmark and the UK were being ruled by labor parties either at the point of entry into the Union or soon thereafter. Furthermore, Europe has steadily become politically more heterogeneous, as can be seen from the increasing standard deviation in Figure 2.

Following the same methodology, we can also calculate the ‘support for integration’ of EU member-state governments using the data generated by the survey of Leonard Ray (1999; Figure 3). The averaged government positions are located on a 1 to 7 range from low salience and low support to high salience and high support. Interestingly, support for integration quite strongly varies inversely with the ‘leftness’ of EU member-state governments, with low points in both dimensions found in the second half of the 1970s and the 1990s – a finding further confirmed once we look at these dimensions from the party-family angle (see Figure 4).

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4 We have abstained from weighting national centers of gravity with the different national voting weights in the Council, assuming that unanimity was the predominant voting rule for most Council decisions in most of the period covered. A more detailed analysis must be left to future publications.
Figure 2  Ideological left-right stance of the European Council


Figure 3  Support for integration of the European Council

The box-plot in Figure 4 again contains the individual expert-coded values of support for integration (range 1–7, higher values suggesting stronger interest in integration issues, averaged over the available observations) taken from Ray (1999). The boxes display the median, the total range, the 25th percentile, and 75th percentile. We included all parties that had been at least once part of the government on the respective national level since 1957 and grouped them according to the party-family scheme of the Manifesto Project. Figure 4 shows that the median values and the variance of the individual party positions differ a lot between the three analyzed party families. The Christian democrats clearly show the highest median and the smallest bandwidth while the social democrats are much less pronounced and display more internal heterogeneity. Figure 4 makes it clear that conservatives and social democrats often share skeptical attitudes towards the EU, a point important for the early, formative compromises on European social policy competencies – as we will argue in more detail below.
Changing preferences: The Manifesto evidence

For the analysis of preference shifts, we transformed the Comparative Manifesto Project dataset on a yearly base. We used the Manifesto Project indexes for the parties’ positions on the left-right political spectrum and on ‘planned economy,’ ‘market economy,’ and ‘welfare’ issues. The party values for the years between elections have been linearly interpolated. We then grouped the parties in the dataset using the integrated party-family coding scheme. We again classified the groups as ‘Left,’ ‘Christian Democrat,’ ‘Liberal,’ and ‘Right’ and omitted regionalist and special-interest parties. For the calculation of country-specific values, we weighted the annual scores by the relative share of seats in parliament. We then generated the arithmetic mean.

Figures 5 to 8 report the preferences shifts of the four major party groups in the respective EC/EU member countries. On a general level, the Manifesto left–right index sheds some light on ideological movements (Figure 5). While the right remains rather stable over the analyzed period, the left shows an interesting move rightwards. Starting in the early 1970s, the left thus increasingly referred to right topics in its manifestos. Although ideological differences remain between Europe’s main political camps, they are much less pronounced today than they were in the 1960s.

The left always puts strong and even slightly increasing emphasis on welfare-state issues (Figure 6) and obviously opposes free market policies for the entire period (Fig-
However, a systematic change of preferences occurred nevertheless: Throughout the 1980s and 1990s, the mentioning of market-regulation issues declined sharply (Figure 7). Today all three party groups have virtually converged in this dimension.

Figure 6  Affirmative positions on the welfare state

Figure 7  Affirmative positions on market regulation
The data presented so far show substantial variation in the center of gravity and in governmental attitudes towards integration from the late 1950s to the late 1990s, the latest available data point. We continue our analysis by changing the perspective. In the following case study, we look at the development of the ‘social dimension’ of European integration. Social policy is at the center of the ideological divide between left and right (Tsoukalis 1993: 148), and – as we show in the following section – shifts in the center of gravity have influenced the path of European social policy.

4  Party politics and Europe’s social policy, 1957–2000

The subsequent section explores how Europe’s shifting party-political center of gravity influenced political decisions. More specifically, the following pages offer a narrative account of how political majorities have had an impact on the development of ‘Social Europe.’ We look at constitutional EU social policy, that is, the base for social policy found in the Treaty of Rome to the Treaty of Amsterdam, as a plausibility probe for the importance of party politics in the European integration process. As displayed in Figure 1, the 1960s were a Christian democratic decade, the 1980s and early 1990s were dominated by center-right governments, and only the second half of the 1990s witnessed a social democratic majority. Hence, with the exception of Amsterdam, all major Treaty reforms were negotiated when the left clearly was in minority. We argue that this center-right dominance worked to the detriment of European social policy.
The Treaty of Rome

In 1950/51, when the European Coal and Steel Community (ECSC) was founded, the Christian democratic majority in the six member states was striking. In Belgium, Germany, Italy, and Luxembourg, the prime ministers were Christian democrats. In the Netherlands, the Katholieke Volkspartij was the strongest party, although a social democrat (Willem Drees) headed a grand coalition. The picture was more varied in France, where the Christian democrats (Mouvement Républicain Populaire [MRP]) never achieved a dominant position, as they did in its neighboring states. Through-out the Fourth Republic, governments frequently changed and Georges Bidault of the MRP only briefly held office in 1950; long enough, though, for his fellow party member Robert Schuman to put forward the idea of a Coal and Steel Community. Until 1956/57, when the Treaty of Rome was finalized, the situation had not changed in Germany, Italy, Luxembourg, and the Netherlands. In Belgium, however, social democ-rat Achille van Acker came to office in 1954, heading a coalition with the liberals. France experienced two socialist prime ministers in 1956–57 (Edgar Faure and Guy Mollet) who were more in favor of integration than their predecessors. The relative party-political homogeneity across the ECSC states facilitated and shaped the European Economic Community (EEC) negotiations.

For this early period, the difference between moderate parties left and right of the center regarding integration should not be overemphasized. As Haas (1958: 153) pointed out and as Figure 4 confirms for later periods, the Christian democrats were most strongly and consistently in favor of European integration, yet most center parties were in the main supportive – although both the SPD (Sozialdemokratische Partei Deutschlands) and the SFIO (Section Française de l’Internationale Ouvrière) remained hesitant for most of the fifties. Only the far-left and the far-right fundamentally opposed integration. Hence, there was no clear cross-country party division of EEC supporters and opponents when governments began to discuss the benefits of further integration. In fact, there was an implicit consensus across parties that integration should be restricted in scope. Neither the left nor the right contemplated transferring social policy to the European level – although for different reasons. While the left concentrated on consolidating national welfare states, center-right parties sought to contain further welfare expansion through a liberal Common Market. Even where Chris-

5 There was much stronger party competition of center-right parties in France than in Germany or Italy, for example, where the Christian democrats turned out strongest in elections for a long time. For an account of the Democrazia Cristiana’s hegemony, see Tarrow (1990). For a more general discussion why there was no strong Christian democratic party in France, see Kalyvas (1996: chapter 3).
6 In contrast, Belgian social democrat Paul-Henri Spaak was a fervent supporter of European integration.
7 This inverted U-curve holds still today. Communists and nationalists oppose the European Union, while centrist parties take a supportive stance (Hooghe/Marks/Wilson 2004: 122–126).
tian democratic parties in government built “social capitalism” (van Kersbergen 1995), they were disinclined to transfer it to the European level. Hence, the implicit consensus between parties to limit sovereignty transfers led to the predominance of economic integration. Europe’s “Smith abroad, Keynes at home” compromise (Gilpin, quoted from Ferrera 2004: 96) was in its very essence a party-political compromise.

As actors approvingly remarked at the time, the newly created economic constitution came close to the liberal ideal of enabling markets, while taming governments (Müller-Armack 1966; von der Groeben 1987). The Treaty of Rome – with the exception of the Common Agricultural Policy – was based on the liberal principles of undistorted competition, noninterference, and nondiscrimination (cf. Streit/Mussler 1995: 14–15). Moreover, it established the legal framework and institutions to press ahead with negative integration – “the removal of tariffs, quantitative restrictions, and other barriers to trade or obstacles to free and undistorted competition” – but hampered positive integration (Scharpf 1999: 45, 50–52). In retrospect, the EEC created the kind of liberal order that the German ordoliberals of the CDU (Christlich Demokratische Union) failed to obtain domestically.

Ludwig Erhard, the German economics minister, strongly detested the national buildup of the welfare state that culminated in the 1957 pension reform (see Abels-hauser 1996); in the very same year he also had to accept a much weaker merger and collusion control than he and his ordoliberal combatants had initially advocated. Because Erhard suffered these defeats domestically, he fought for a liberal international order. Consequently, he supported the British proposal of a European Free Trade Area rather than a ‘little Europe’ customs union. However, he was overruled by Chancellor Adenauer who attached overriding importance to closer cooperation with France (Lee 1995: 43–44). In fact, the German position on the Common Market was an intra-CDU compromise between the Protestant, free-market, transatlantic party faction and the Catholic, pro-welfare-state, ‘Francophile’ camp.

Accordingly, and in spite of Erhard’s initial reservation to ‘little Europe,’ liberal German economists and lawyers of the CDU crucially shaped the EEC’s economic constitution (Gerber 1994: 71–72). Hans von der Groeben, a member of the Spaak Committee, managed to gain majority support of the experts for a “market economy structure for the Common Market” (Küsters 1989: 86) against more interventionist French and Italian concepts. Early on, Alfred Müller-Armack, an Erhard confidant and state secretary in the ministry, wrote an influential text that gave direction to the Committee’s discussions. A number of officials from the Ministry of Economics – who were both pro-market and pro-integration – saw the Common Market as a way to secure those tough competition rules that they had unsuccessfully attempted to enact in Germany (Hentschel 1998: 380). Hence, after Messina, the struggle was not just about Europe

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8 Katzenstein (1978: 316) more generally observes: „From its beginning in 1949, the West Ger-
versus the nation state but about what kind of economic order would be established in the interplay of both levels. In fact, German officials tried to ‘rescue’ the market from excessive government intervention rather than from the nation state as such. This is not to say that they successfully defended liberal principles on each issue in the negotiations; however, they largely managed to ward off market-distorting social policy clauses (Küsters 1982: 266, 305). After Rome, it was mainly the European Court of Justice (ECJ) that promoted the four freedoms – the free movement of persons, capital, goods, and services – but it made use of the EEC’s economic liberalism that German ordoliberals had written into the treaty. This development may not have been fully anticipated in 1957 (Ehlermann 1995), but it was welcomed by liberals as a "List der Idee" (Müller-Armack 1966: 405).

Prior to the Rome agreement, there nonetheless was a dispute on social policy, mainly between Germany and France. This is not surprising, as the governing party most distant to the center of gravity is the pivot in negotiations – in our case, this was the French socialist government. Thus our approach not only maps the overall ideological landscape but also helps to identify pivotal players in negotiations and could in future analyses be extended towards a more detailed bargaining approach. In fact, the ordoliberal wing of the CDU and the French socialists were the negotiators farthest apart ideologically. To assent to the Common Market proposal, the French government demanded a mandate for some social policy harmonization in the treaties (Falkner 1998: 57). Already in 1936, the left-wing Front-Populaire government of Leon Blum had introduced the 40-hour week without wage reductions, overtime premiums, and paid holidays. The French also adhered to the principle of equal pay for women and men. Owing to this, the Mollet government argued that social rights would disadvantage French industry in a customs union. It is important to note, however, that rather than promoting general social policy harmonization, the focus was on alleviating cost differentials for French producers.

man state has subscribed to an ideology of economic liberalism (Soziale Marktwirtschaft) which has been more strictly adhered to in defining international objectives than in domestic economic policy. Although this ideology justifies temporary state interventions in the market, West German governments have consistently advocated a liberal international economy."

9 List der Idee can be translated as the ‘cunning of an idea.’ Müller-Armack alludes to Hegel’s List der Vernunft (‘cunning of reason’): The actors of the time acted according to their own interests and beliefs but produced an unintended outcome with its own rationality. Hence, liberalism succeeded ‘unplanned.’

10 The ordoliberals’ opposition to expanding welfare was an exception among European Christian democrats of the time.

11 Kahn-Freund (1961: 167) argues that social policy costs were directly related to higher French tariffs. Controlling their gradual reduction through ‘little Europe’ was presumably more attractive to the French than trade liberalization in the European Free Trade Association proposed by the British government. See Camps (1959: 37).
Yet, any social policy was anathema to the German delegation. In particular, Erhard objected to any increase in welfare (Milward 2000: 213–214). Eventually, Adenauer and Mollet reached an agreement in a meeting on 6 November 1956: While the treaty was to include a section on social policy, most of its provisions would not be binding. This compromise was the largely symbolic victory Mollet needed to gain domestic support for the Treaty of Rome (Lynch 1994: 84, 1997: 181). In due course, French worries about the negative impact of national social policy on industry’s competitiveness vanished because the economy grew at a high rate after a devaluation of the franc in 1958. Moreover, German wages and social-security spending were also rising. As levels of social spending of the maturing continental welfare states grew more similar, the incentives for harmonization decreased. Hence, Article 100, which allowed for the harmonization of such national laws and regulations that affected the Common Market, was not utilized. However, this early “road not taken” led in due course to the “decoupling of economic integration and social-protection issues” (Scharpf 2002: 646).

In the EEC treaty, twelve out of 248 articles (117–128) were devoted to social policy (Hantrais 2000: 2). Article 118 conferred to the Commission the task of promoting “close cooperation” in the social policy field, namely in employment, labor law and working conditions, basic and advanced vocational training, social security, prevention of occupational accidents and diseases, occupational hygiene, the right of association, and collective bargaining between employers and workers. This article excluded any transfer of power. Instead, it relied on soft coordination through information exchange, studies, opinions, and consultation. In contrast, Article 119 demanded that each state shall “ensure” and “maintain … the principle that men and women should receive equal pay for equal work.” From the 1970s onwards, this provision led to a number of ECJ rulings that brought about considerable, though varied change domestically (Alter/Vargas 2000; Tesoka 1999).

Social policy, as understood in the EEC treaty, was clearly linked to the formation of an integrated (labor) market. Accordingly, the newly created European Social Fund (Articles 123–128) provided the financial means to improve labor mobility within the EEC through vocational training and retraining. It also aimed at supporting and alleviating industrial change throughout the Community. Besides these supplements to the Common Market, there was no autonomous social policy at the European level. Social policy was not only connected but also clearly secondary to the economic aims of the treaty (Kleinman 2002: 84).\footnote{Yet, as Scharpf (2002) and Chassard (2001) point out, social policy harmonization would have been much easier among the six initial member states than at any later point in time since they belonged to the group of Bismarckian welfare states.}

The EEC treaty provided the means for market-making but not for market-correcting policies. The responsibility for the latter remained with the member states. In the end,
this legal and economic order created its own dynamic that further weakened the possibility for Community social policy. As Weiler (1991: 2429) points out, the member states reacted to the ECJ’s constitutionalization of a federal-like legal order by strengthening political intergovernmentalism. The most visible outcome was the ‘empty-chair crisis’ and the resulting Luxembourg Compromise that guaranteed the veto right for each government (Dinan 1999: 46–49; Parsons 2003: 138–141). This move towards political intergovernmentalism did not affect the power of the Court – who successfully established the doctrines of direct effect and supremacy (Weiler 1991) – but it effectively prevented any progress in new policy areas. Accordingly, positive integration was even harder to achieve while negative integration proceeded apace (Scharpf 1999: 50–57). As a result, the political economy of the EEC treaty came close to the ordoliberal conception that Hallstein, Böhm, and Müller-Armack had promoted in the negotiations: The European Court of Justice guarded competition, nondiscrimination, and market-opening, while blocked decision-making in the Council shielded against interventionist temptations (Joerges 1994: 37–38).

To sum up, we do not argue that party politics alone explains the complex move towards European integration in the 1950s. However, a look at the center of gravity helps explain why economic integration prevailed over social policy harmonization. It complements existing accounts in illuminating why certain negotiation outcomes were more likely than others.

Relance Européenne: The Single European Act

The next treaty reform was not negotiated until the mid-1980s. In the meantime, the European Community had become much more diverse. In three successive enlargements, two Anglo-Saxon states (the United Kingdom, Ireland), a Scandinavian (Denmark), and three South European countries (Greece, Spain, Portugal) had joined or were about to enter the Community. Heterogeneity had increased not only in terms of ‘worlds of welfare’ but also politically (see above, Figures 1 and 2). Hence, from a party politics perspective, the 1980s were an unlikely period for a major relaunch of European integration. Even more unlikely were social policy initiatives. Margaret Thatcher in the UK and François Mitterrand in France were ideological antipodes. While the British Conservative Party pursued a program of liberalization, privatization, and deregulation, the French socialists pursued a state-interventionist, reflationary Keynesian policy. Moreover, Thatcher’s attitude towards European integration was unenthusiastic – to say the least – and Mitterrand, although generally supportive of integration, focused on the national arena. Only after French economic policy failed, did Mitterrand turn towards Europe. He then became a proponent of market integration and liberalization in the European Community to bolster his domestic policy reversal (see Keohane/Hoffmann 1990: 287–288; Ross 1995: 258, n. 52). Given the dominance of center-right parties that undertook neoliberal policies do-
mestically, the only conceivable avenue for further integration was to remove prevailing trade barriers and thus complete the Common Market (Moravcsik 1998: 317, 332, 341; Dinan 1999: 110). Since the Single European Act (SEA) reflected internationally the domestic “movement to the market” (Hall 1999: 154), little importance was attached to social policy.

The Single European Act was signed in February 1986 by twelve member states. During the mid-1980s (1983–1987), there was a strong center-right majority across Europe. In 1985, seven out of ten prime ministers were either conservatives or Christian democrats (Belgium, Denmark, Germany, Ireland, Luxembourg, the Netherlands, and the UK). In Italy, the Democrazia Cristiana was still the strongest party but, for the first time since the war, a socialist (Bettino Craxi of the Partito Socialista Italiano) led the government. France and Greece were governed by the left. A year later, the situation had changed only insofar as France experienced the first phase of the cohabitation of President Mitterrand and then Prime Minister Jacques Chirac. Moreover, the new members were split: Spain had a social democratic, Portugal a conservative government.

The Single European Act was a market-making, liberal enterprise. France’s turnaround was a prerequisite for the relaunch since it reduced the ideological distance between the negotiating governments. Moreover, coming to an agreement was facilitated first by the shift of the center of gravity to the right and second by the ideological change of center-right parties (see Figures 5–8 and cf. also Moravcsik 1991: 72). As Figure 6 shows, from 1970 onwards, center and center-right parties developed an increasingly affirmative position towards free markets, while Christian democrats followed suit in the early 1980s. The left, in contrast, remained reluctant until the 1990s. What is more, center-right parties not only had converging ideological positions on economic policy but also valued European integration positively (this is in line with the long-time pattern that Christian democrats are the strongest supporters of integration). Figure 2 displays a massive upswing both in support for and the importance attached to integration. This development peaked between the mid-1980s and the early 1990s – only to drop drastically after Maastricht.

The literature offers a number of explanations for Europe’s relaunch in the mid-1980s. Moravcsik (1998: 317) maintains that the convergence of economic interests of Britain, France, and Germany led to the Single European Act. He also stresses the importance of the French domestic-policy reversal (ibid: 332–335). In contrast, Green Cowles (1995) underscores business interests and the impact of the European Round Table of Industrialists, while Sandholtz and Zysman (1989: 96–97) argue that it was only Commission entrepreneurship that lead to bargaining success. We do not dispute that any of these factors may have played a role. However, in our view, these accounts miss a crucial set of variables – shifts in political majorities and ideological convergence. The predominance of center-right parties in the 1980s, growing support for integration, and parties’ increasing acceptance of the market certainly facilitated
an agreement on the liberal Single European Act. We think that a politically more heterogeneous Council would have complicated such a solution. Certainly, national interests mattered as well; however they mirrored not only producers’ concerns but also party ideology. In Moravcsik’s view, it does not matter ultimately who negotiates since politicians are simply the mouthpieces of national economic interests. Yet, what is perceived as a domestic economic interest depends on the party in power. We suggest that bargaining success becomes more probable with increased political homogeneity among the bargaining partners.

In the end, the negotiators decided that the SEA was to complete the internal market. Until 1992, the four freedoms were to be realized (Sandholtz/Zysman 1989: 95). This decision was remarkable for four reasons (see also Padoa-Schioppa 2000: 84). First, fixing a date – ‘1992’ – bestowed a degree of urgency and a clear goal to the endeavor. Second, the political decision in favor of liberalization and the removal of trade barriers was cast in technical terms. The Commission actually presented more than 300 measures to create the internal market, many of them highly specific and not easily accessible for public debate. The argument was that the SEA only completed what the Treaty of Rome had envisioned thirty years ago. Third, heads of government and state agreed to make use of qualified majority voting on issues concerning the internal market. Thus they acquiesced to a substantial loss of sovereignty for the higher good of freeing markets. Fourth, in addition to qualified majority voting, the principle of ‘mutual recognition’ served as a focal point (Garrett/Weingast 1993). Any product legally produced in a member state had to be admitted throughout the entire European Community (Alter/Meunier-Aitsahalia 1994). Mutual recognition allowed Commission and ECJ to autonomously propel negative integration (Streeck 1995a: 393–394).

In social policy, the SEA contained two changes. Articles 118a and 118b were introduced. The first one allowed for qualified majority voting on directives about the working environment, that is, on issues concerning the health and safety of workers. Article 118a rendered it possible for the European Commission to play the “treaty-base game” (Rhodes 1995: 100), “that is, to push its legal competence to the limit by a skillful (and at times rather devious) interpretation of treaty provisions.” For example, the Commission used Article 118a to obtain qualified majority voting on a directive stipulating daily and weekly rest periods during work time. The second amendment called for the development of a dialogue between management and labor at the European level – echoing the Social Action Program’s demand in the 1970s. However, Article 118b only led to the inconclusive, Commission-sponsored ‘Val-Duchesse’ talks of management and labor (Ross 1995: 38).

The 1980s ended with a solemn declaration of the European Council that adopted the ‘Charter of Fundamental Social Rights for Workers.’ This attempt to institutionalize social rights was – mainly due to resistance by the British government – not only non-binding but also scaled down and limited to workers only (Streeck 1995a: 403). As a
result, it was even a step behind the Council of Europe’s Social Charter that most governments had signed already in the 1960s. The state of affairs at the turn of the decade ridiculed the idea that with progress in economic integration social policy would follow suit. Whereas in economic policy the French turnaround had brought this pivotal actor in line with the majority, no such reversal occurred in social policy; instead, the British Conservatives successfully blocked progress.

Maastricht: EMU and the protocol on social policy

The Maastricht decision for Economic and Monetary Union (EMU) was the most far-reaching transfer of power sovereign states have ever granted to supranational institutions. Not only were the EU member countries abandoning monetary and exchange-rate policy as instruments for national economic policy-making, they also took an unprecedented step by creating a central bank even more autonomous than the German Bundesbank (Scharpf 1999: 115). The underlying ‘sound money’ paradigm was bolstered by rules for limiting deficits and debts that went as far as allowing for fines if a member state violated its commitment. In contrast, the social dimension was limited to the Social Protocol. Due to British resistance, the social policy provisions could not become a regular part of the treaties but were merely allowed to be appended to them. Their content was solely binding for the eleven signatory states of the Social Agreement. This would only change six years later in Amsterdam, when the political majority in Europe – and, crucially, in Great Britain – had swung to the left.

In general, the Maastricht Treaty fits well to a partisan explanation. In 1991, ten out of twelve member states had conservative or Christian democratic prime ministers (Belgium, Denmark, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, and the UK). Only France and Spain were governed by socialists/social democrats (see Figure 1). Of those, France supported monetary union, first, as a way to control reunified Germany and, second, to regain influence on monetary policy – even an independent European central bank seemed more accessible than the Bundesbank (Dyson/Featherstone 1999: 83–85, 757). In sum, the center of gravity of the European Council, its support for integration, and the importance attached to inte-

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13 This was a difficult legal construct. While all member states signed the Social Protocol, they agreed therein that only eleven out of twelve would adhere to the Social Agreement. That means, Great Britain was a signatory state to the Social Protocol, but the Social Agreement did not apply to it. For a more general overview of the legal aspects of Maastricht social policy, see Bercusson (1994).

14 Moreover: “Christian Democrats dominated the three presidencies charged with the task of initiating and completing the two IGCs [EMU and political union]. During the second half of 1990 Italy held the Presidency, followed by Luxembourg and the Netherlands” (Johansson 2002: 876).
As immigration gave impetus to reach an agreement. Not surprisingly, integration focused once again on economics. In anticipation of later government changes and with the purpose to commit less disciplined states (independently of governing parties), the negotiators at Maastricht created autonomous institutions and hard law to permanently lock in their policy preferences.

However, at Maastricht, eleven out of twelve states also accepted the Social Agreement. Given the center-right dominance, the question remains: “Why did they do it?” (Lange 1993). We will first look at the contents of this agreement and then return to this question.

The Social Agreement contained three significant changes: First, it extended the range of social policy, which thereafter encompassed the following areas (Article 2, Social Agreement):

1. Health and safety of workers
2. Working conditions
3. Information/consultation of workers
4. Equal labor market opportunities and treatment of women and men
5. Integration of persons excluded from the labor market
6. Social security/social protection of workers
7. Protection of workers after termination of their employment contract
8. Representation/co-determination
9. Employment conditions of third-country nationals
10. Subsidies for job creation

At the same time, a number of issues were explicitly excluded, namely pay, the right of association, the right to strike, or the right to impose lock-outs. Second, the Social Agreement limited unanimity. For the first five items on the list, the Council could adopt directives relying on qualified majority voting. While qualified majority voting still demanded a high degree of consensus, it nonetheless deprived individual governments of their veto power. Yet, this did not hold for the items six to ten, which retained unanimity. Third, the agreement inaugurated corporatist procedures that not only guaranteed social partner consultation but also allowed management and labor to conclude agreements (Article 4, Social Agreement). Hence, in addition to the legislative path to social policy directives, the agreement also created a corporatist one (see Falkner 1998: 82–84; Dølvik 1999: chapter 8).

In sum, the Social Agreement entailed a modest expansion of social policy and a noteworthy procedural innovation. Its major drawback was that the new rules would not apply to the UK. The agreement certainly failed to institutionalize social citizenship and reinforced instead the tendency towards a “variable geometry” (Streeck 1995a: 404). Yet, whatever the merits, we still have to ask why it was concluded in the first place. Three points deserve attention.
First, as Figure 2 indicates, the positive attitude of the European Council at the beginning of the 1990s gave momentum to further integration. It was mainly carried by Christian democratic parties in government that shared a strong pro-Community ideology. Even though the quest for monetary union dominated their endeavor, these governments were willing to extend majority voting and to include social policy into the treaties (Johansson 2002: 886). The main conflict was with the British Conservatives because Prime Minister Major needed a symbolic success in order to maintain party unity at home (Lange 1993: 25–27; Pierson 1996: 154–155). The Conservatives adamantly blocked any social policy initiatives although British business considered it a “minor affair” after social welfare and collective bargaining had already been excluded (Moravcsik 1998: 422). Apparently, politics defined to a considerable extent what was in or against the national economic interest. It is hardly conceivable that a Labour government would have felt the need to be more pro-business than British business itself. We can therefore safely assume that had Labour governed, Britain would have agreed to include the social policy clauses into the treaty. Second, governments could transfer the right to conclude agreements to the social partners in the light of employers’ reluctance to make use of this right. And if employers agreed to common minimum standards, those most likely would not asymmetrically infringe upon competitiveness. Finally, the scope of social policy remained limited and secondary to economic integration. Even with the Maastricht changes, Europe’s social dimension was mainly restricted to labor market policies. Social rights were, if at all, conferred to workers and not to citizens. What is more, the result of economic integration was a net loss of policy-making capacity. While member states partially lost both autonomy (de facto regulatory capacity) and sovereignty (legal authority) in social policy, there was no increase in state-building and no gain in sovereignty at the European level to make up for the loss (Leibfried/Pierson 2000: 287–288; cf. also Ball 1996). Although the Maastricht Treaty’s social and industrial policy clauses were the fall from grace for some (e.g. Streit/Mussler 1995), it can hardly be said to have substituted interventionism for liberalism.

Making markets, not correcting them, has therefore remained at the heart of European integration (Leibfried/Pierson 1995: 76–77). Rather than extending protection against the market, social policy has been a means to improve the functioning of the market and to advance workers’ employability. We conclude this section with the argument that linking social policy to market-building reflects the specific trajectory of European integration and the predominance of Christian democratic parties along this path. Not genuinely opposed to welfare, these parties took a middle position between British Conservatives and French socialists (Lange 1993: 20, Table 4).\textsuperscript{15} Calculating the center of gravity does not, of course, precisely predict negotiation outcomes. Still, it enables us to identify the ‘negotiable set.’ Hix and Lord (1997: 189) not only

\textsuperscript{15} Moravcsik (1998: 453) argues that the poorer countries accepted the Social Protocol for side payments and, in the case of Spain, because of Delors’ appeal to socialist solidarity.
stress that the six Christian democratic prime ministers at Maastricht were in a strong position to influence the negotiations, but also that the final outcome – EMU and some social policy provisions – was close to their aims. By implication, an altered political majority would have produced a different outcome. It was only after Maastricht that the center of gravity changed to the left – yet, by then, the left had changed, too.

Turning left: Amsterdam and Lisbon

Between 1997 and 2002, more social democratic parties were in government at the same time than ever before during integration. For a brief period, the left dominated the agenda in the European Union. Both the Amsterdam treaty reform and the Lisbon summit took place during this time. The most notable results were the integration of the Social Agreement into the treaties, a new chapter on employment, and, at Lisbon, the introduction of the Open Method of Coordination to EU policy-making. Yet, while the governments heralded ambitious goals at Lisbon, little binding law was created; instead, employment policy became a soft law procedure of mutual learning and “governance by objectives” (Ekengren/Jacobsson 2000: 11). Two factors explain this outcome. First, the left had become far less interventionist – and instead more Blairist – than in the past. Second, as our data clearly show, the enthusiasm for further integration vanished after Maastricht. As a result, social democracy failed to build supranational institutions that could effectively commit their successors. Soft law is far more vulnerable to changing majorities than the Maastricht institutions for the EMU.

In the mid-1990s, the electoral fortunes began to change after an extended period of center-right dominance. In addition, three social democratic strongholds entered the European Union in 1995, namely Austria, Finland, and Sweden. At the Amsterdam summit (1997), ten out of fifteen prime ministers were socialists/social democrats (Austria, Denmark, Finland, France, Greece, Italy, the Netherlands, Portugal, Sweden, and the UK). 16 In Belgium and Luxembourg, there were grand coalitions headed by Christian democratic prime ministers. Only Germany, Ireland, and Spain had center-right coalitions. Perhaps even more important than the size of the left’s majority was the timing of the elections in Great Britain and France. Blair and Jospin were elected just weeks before the Amsterdam summit. While their predecessors had adamantly opposed an effort to strengthen Europe’s social dimension, both new governments supported it. For example, Tony Blair had made it clear that his government would sign the Social Agreement.17

16 For the third time, France experienced cohabitation, now with Jacques Chirac as president and Lionel Jospin as prime minister.
17 Thus Pierson’s (1996: 155) prediction came true that a single Labour victory would reverse the British opt-out.
As a consequence of the leftward shift of the center of gravity, heads of state and government decided in June 1997 to integrate the Social Agreement to the treaties. They also agreed on introducing a chapter on employment. Ever since the Essen European Council in 1994, employment policy had been on the agenda. Already then, the governments created a soft procedure on employment policy coordination that relied on common goals, benchmarking, and peer review (cf. Goetschy 1999). However, none of this was legally binding, and there were no sanctions should a government fail to keep its promise. Prior to Amsterdam, the battle was whether to make employment policy part of the treaties or not. Britain, France, and Germany were strictly opposed to this as they feared higher EU spending and excessive intervention of the European Commission. After the British and French elections, however, Germany was isolated. In particular, Lionel Jospin insisted on including the employment chapter and threatened to reject the Stability Pact (Jenson/Pochet 2002: 8). At the end, the summit adopted both the Stability and Growth Pact and formalized the Essen procedures as the new Employment Title of the treaties. To be sure, the argument is not that the social democrats invented employment policy at the EU level, but that without the electoral swing to the left it would not have become part of the treaties. Thus the existence of an Employment Title was Jospin’s victory; its vagueness Kohl and Blair’s.

With Amsterdam, employment policy became a “matter of common concern” and the member states were asked to coordinate their actions (Art. 126). Any transfer of power to the European level was, however, consciously avoided. The details of the European Employment Strategy (EES) were laid down at a special summit in Luxembourg only a few months after Amsterdam. The following annual procedure was put in place:

1. every year, members states agree on Employment Guidelines specifying common objectives;
2. each government draws up a National Employment Action Plan (NAP) detailing the strategy of how it seeks to achieve these goals;
3. based on a Commission draft, the Council and the Commission publish the Joint Employment Report, which assesses and evaluates member states’ NAPs as well as their policies;
4. the European Council annually reviews this report and modifies, if appropriate, the Guidelines.

At the Luxembourg summit, no consensus could be reached on defining a target for unemployment as a counterpart to those concerning public deficits, inflation, and debts (Rodrigues 2001: 4). The Commission proposed a more rigorous set of Employment Guidelines and urged the member states to accept clearly specified quantita-

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18 In fact, the Essen Employment procedures were meant to fend off more ambitious proposals of the ascending social democratic majority in the European Council (Hix/Lord 1997: 194).
tive targets; but it could not overcome their resistance (Biagi 2000: 57). Moreover, the EES was essentially nonbinding. At the same time, it was more intergovernmental and voluntaristic than the traditional Community method. Why was this “soft law” (Kenner 1999) approach chosen? Pollack (2000: 269) offers the following explanation:

In the weeks prior to the Amsterdam European Council, a traditional French Prime Minister, Lionel Jospin, collided with a new center-left project promoted by the British Prime Minister, Tony Blair, which accepted the traditional socialist goals of employment and social welfare but was more sceptical of binding regulation and intervention at EU level. The final version of the Treaty, I argue, most closely reflects the new center-left programme of Tony Blair, which seems likely to dominate the Union’s social agenda in the years to come.

This quotation is in line with our data. Figures 1 and 2 show that, while the European Council turned left, both the importance of and the willingness for integration collapsed. After Maastricht, the momentum for integration lost steam. More importantly, Figure 5 shows that, since the early 1970s, a continuous ideological shift to the right had been taking place. Social democracy at the end of the 1990s was far more centrist than in the past. More precisely, it had become less interventionist. Looking at affirmative positions of party families on market regulation, Figure 7 demonstrates a near convergence of the party groups. The difference to the mid-1970s is striking. While the left remained supportive of the welfare state (Figure 6), it began to conceptualize it very differently – stressing activation and employability (Ashiagbor 2001; Hvinden/Heikkilä/Kankare 2001). In sum, social democratic governments in the 1990s little resembled their predecessors twenty years earlier; at the same time, the left was anxious not to give the EU credit for lowering unemployment since this would have diminished its electoral platform (Ladrech 2003: 119).

At the Lisbon summit in March 2000, center-left coalitions governed in eleven countries. They seized the opportunity to turn the EES into a new governance tool called the Open Method of Coordination (OMC) (Trubek/Mosher 2003; Wincott 2003). This “neo-voluntarist” (Streeck 1995b) method was thereafter extended to a whole range of policies (e.g. social inclusion, research and development, pensions) where a treaty base was lacking but governments still sought joint initiatives (Hodson/Maher 2001). As the OMC proliferated, the European Council devised more ambitious aims for the EU. It announced the goal to make the EU the world’s most dynamic and competitive economy with full employment and more and better jobs (European Council 2000). Yet, neither the goals nor the procedures were legally binding; they instead rested on voluntary compliance.

The goals of European integration have become more contested in recent years. While centrist parties generally remain in favor of integration, the implicit consensus over which policies can and should be handled jointly has vanished. As Hooghe/Marks/Wilson (2004) show, there is a clear left/right division on policies that regulate capitalism: The left supports European competencies for environment, cohesion, and employment policies; the right opposes them. The OMC was a social democratic attempt
to craft a social policy mandate onto the existing economic constitution. Yet, the actors that created the ‘Lisbon strategy’ are no longer present. Since 2000, the pendulum has swung back to the right and only four out of fifteen governments from the old member states still have social democratic governments. Whether their conservative successors are willing to invest much into the OMC remains to be seen. In terms of hard law, however, the left largely failed to use the ‘favorable conjuncture’ to create binding EU-level agreements. Two conclusions follow: In the future, the center of gravity as well as partisan homogeneity of the European Council (and the Council of Ministers) will become even more important. Second, timing matters. Since the left for the first time held a majority of governments in the 1990s, it inherited institutions mainly shaped by center-right parties. Had social democrats rather than Christian democrats dominated European integration, it might either have developed differently – or not taken place at all. In conclusion, we would argue that scholars have to pay more attention to the party-political aspect of European integration.

5 Conclusion

In this paper we analyzed Europe’s party-political center of gravity and asked how it has shaped European integration, in particular how it affected European social policy. More specifically, we have looked at the development of the left/right divide of the Council, its support for integration, and the importance that EU member-state governments of varying compositions attached to European integration.

In terms of trends, our analysis showed a shift from the center-right (especially, Christian democratic parties), which dominated in the 1950s and 1960s, to the left in the 1970s. The 1970s themselves were rather a mixed decade, and after another turn to the right in the late 1970s, the return to power of social democracy did not occur again until the second half of the 1990s. We also found that the heterogeneity of the Council has increased with successive enlargements and that past enlargements produced shifts to the left. Moreover, sharp drops in support for integration followed periods that advanced integration. Especially at times when the center of gravity shifted to the left, the support for integration declined rapidly, a finding corroborating the literature that emphasizes the relative skepticism about integration on the part of Europe’s left parties. Furthermore, our data suggest that a fundamental difference exists among party families with respect to their support for integration. Christian democratic parties are more strongly and consistently in favor of European integration than either their social democratic or conservative counterparts. In addition, not only has the center of gravity of the Council shifted over time, but we could also show that parties’ positions differ with respect to the welfare state, to levels of market regulation, and to free market principles, again with substantial variation over time. In general, over the period under investigation, both center and left parties moved to the right. Hence, in
the second half of the 1990s, when social democratic parties for the first time held a majority of governments in the EU, they were markedly less interventionist than they had been in the past; instead, they generally had come to accept the EU’s liberal economic constitution.

To illustrate the importance of party politics for European integration, we looked at EU social policy since the Treaty of Rome. We claim that there are clear party-political explanations for why the ‘social dimension’ has been subordinated to economic integration. We emphasized an implicit formative consensus among center-left and center-right parties to confine social policy to the national level. While the left focused on national welfare expansion, the right hoped to contain the national welfare state via a liberal European market order. Therefore, none of the governments at the time were in favor of a genuine EU political responsibility in the social policy domain. Subsequently, European integration moved very much along the same track, although center-right parties more actively relied on the Community to put pressure on national welfare states from the 1980s onwards. In contrast, the left tried to reconcile EMU with a higher profile in social policy by introducing soft coordination for employment and social policies. We would argue that Christian democrats have been far more successful in fashioning European institutions than have social democratic parties.

As we have shown in this paper, the center-left majority at the end of the 1990s offered a historically unique opportunity to balance Europe’s economic path to integration. While it is true that social democrats have put employment and social policy back on the agenda, they have chosen soft law to promote it. As such, the OMC remains vulnerable to changing political majorities. Today, the electoral fortunes of the left have changed, and it seems that Social Europe’s window of opportunity is closing. If governing parties have to seize ‘favorable conjunctures’ to lock-in their successors, it appears that the left made insufficient use of its opportunity to do so. It may take a long time until an equally impressive return of social democracy will occur.
Notes on data and methods

The expert-coding data on the left–right positions has been taken from Laver/Hunt 1992. We used the “increase service vs. cut taxes” item. Where Laver/Hunt data were missing, data from other expert surveys (such as Katz/Mair) were transformed to apply to the respective scale. Where no other expert data were available, positions were estimated by using the left–right index of the Comparative Manifesto Project dataset. In order to smooth outliers, the position data were averaged over all observations and subsequently transformed to apply to the Laver/Hunt scale.

The European centers of gravity were estimated using a two-step procedure. First, the annual country-specific centers of gravity were calculated. The government share of seats was used as weight for coalition governments. If one or more government changes occurred, a weighted average of the individual centers of gravity (using the days of incumbency as weight) was generated. Subsequently, the yearly European center of gravity resulted as an arithmetic mean of the centers of gravity for the member countries. Because a nonpartisan cabinet governed Italy for almost all of 1995, this observation was dropped.

Some modifications were necessary since the Comparative Manifesto Project dataset does not cover all government parties of the analyzed countries for the whole time period. If parties were of minor importance, these observations were dropped. For the recent elections, we used the last available observations as a proxy for the current position. It goes without saying that we did not apply this procedure when analyzing preference shifts of the respective parties.

Data sources for the composition of governments and parliaments

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