# Codebook for Data from: "The Effects of Power and Structure on State Bargaining Strategies"

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# Part 1: Codebook for Key Variables

The central independent variables used in the paper, "The Effects of Power and Structure on State Bargaining Strategies," are original measures used to code abstract features of the "bargaining structure," as highlighted by formal bargaining models. For many of these structural factors, rules for empirical measurement did not before exist. Indeed, the lack of empirical measurement rules has been specifically highlighted as a problem standing in the way of large-N tests of structural effects on state bargaining strategies (Odell 2002). Rules carefully detailing how each of these original measures are constructed are therefore laid out in this section of the Web Appendix.

The data used to code these variables are derived from 146 interviews conducted with Ambassadors, Deputy Ambassadors, and other state representatives directly involved in the EU negotiating process. This type of data-gathering process allowed for detailed characteristics of real-world international negotiations to be understood and identified. However, it is important to recognize that it also raises potential measurement issues. Indeed, all empirical data that relies on interview evidence, survey evidence, and other types of retrospective self-responses face these potential issues.

The measures that I propose benefit from several factors that I put to use in order to lessen the measurement problems stemming from this type of data-gathering process. For several of the independent variables, I drew on contemporaneous (and non-public) documentary evidence in order to corroborate the response of interviewees. In addition, I also conducted as many interviews as possible before an agreement was reached on the dossiers under consideration, and independently interviewed multiple state representatives that were involved in the same negotiating process. The contemporaneous nature of the corroborating documentary evidence (and a significant portion of the interview evidence) help to lessen the issues of strategic misrepresentation that can stem from retrospective responses. Moreover, the non-public nature of the negotiating documents that I was able to obtain further help to lessen this problem. Finally, the use of multiple, independent interviews to gather the measures help to lessen problems related to relying on a single individual's response.

In the discussion of the coding rules that follow, I lay out a detailed description of the steps that were taken to measure each of the (often abstract) structural characteristics of a

negotiation. In addition, I provide an in-depth discussion of the steps that were taken to lessen the empirical measurement issues that potentially stem from a reliance on interview evidence to code empirical data.

## Coding "Cooperative Strategy"

The dependent variable in this analysis is designed to capture the cooperative nature of the bargaining strategy adopted by each EU member state in each bargaining interaction. Building on the conceptualization presented above, several categories of bargaining behavior can be empirically identified. In the interviews, questions were asked: "What did you actually do when negotiating with the other states in the EU?" Given that this was a semi-structured interview, many follow-up questions were asked. Questions were also asked about the behavior of other state negotiators to fill in missing holes, as well as to corroborate the claims of other states' negotiators.

The *least cooperative type of bargaining behavior (category 0)* is characterized by tactics designed to extract concessions from other states. Empirically, this type of behavior consists of tactics such as veto threats or threats to delay agreement. In negotiations subject to a majority voting decision-rule, in which individual vetoes are not possible, this type of behavior is characterized by tactics that aim to construct a "blocking minority" – a coalition of states with enough votes to block an agreement. Both types of tactics serve to "hold agreement hostage" in an attempt to extract concessions from opposing states.

To code this category of behavior, I relied largely on documentary, rather than interview evidence. Any time there was a documented record (either in the EU documents, or in the news media coverage of the negotiations or negotiation outcomes) which indicated that a state vetoed or voted against a potential agreement, that state was coded with a bargaining strategy of cooperativeness 0, adopting highly non-cooperative behavior.

Beyond this obvious behavior, states that threatened to veto an agreement or constructed (or attempted to construct) a blocking minority were also coded in this category. If an interviewee stated that she used a veto threat, her state was coded in category 0. This evidence was then corroborated through interviews with other state representatives from her state, as well as representatives from other states. Where there were discrepancies, the modal response regarding the behavior of that state was used.

Finally, if an interviewee stated that she was a member of a state that worked with other states to attempt to form a blocking coalition, all of these states were coded in category 0. This evidence was then corroborated through interviews with other states, both within and outside of the coalition. The modal response regarding the behavior of each state supposedly involved in that coalition was used.

Strategies that are cooperative in nature are characterized by the offering of meaningful concessions. When such concessions are made, there is variation in the magnitude of those offers. In particular, such concessions can fall into two main categories. In *the most cooperative type of concession offer (category 3)*, a state makes concessions that signify a willingness to accept the outcome preferred by opposing states on at least one of the central issues in the negotiations. Less cooperative are concession offers that indicate a state's willingness to adjust its position, but the lack of a willingness to accept the most preferred outcome of

opposing states on any of the issues (category 2).

Coding these categories of behavior relied on interview evidence, but could be corroborated after the fact by documentary evidence (analyzing the outcome of the negotiation). When a negotiator was asked what she actually did in the negotiation process, if concessions or a concession exchange was described, that state was coded as being in either category 2 or 3. Follow-up questions about the size of the concessions were then asked.

If the interviewee responded that, "We accepted that XXXXX.", where XXXXX reflected the ideal position of an opposing state, that state was coded in category 3. Again, these responses were corroborated through interviews with multiple state representatives as well as across time with the same negotiator. Other state representatives were also asked about the strategies of other states. In addition, after the fact, an analysis of the outcome illustrating that the result of the negotiation on that issue did in fact fall at the ideal point of opposing states also served to further corroborate this coding.

During the follow-up questions about the size of the concessions, if the interviewee responded, indicating that, "We gave them some, but we did not give them everything," that state was coded in category 2. As with category 3, these responses were also corroborated through interviews with multiple state representatives, across time with the same negotiator, and through interviews with other state representatives. They were also corroborated using documentary evidence of the final outcome of the negotiation.

The *second least cooperative type of bargaining behavior (category 1)* is defined by the refusal to offer concessions as well as the lack of concession-extracting tactics. It is often characterized by demands for concessions (with no overt tactics to extract those concessions) or promises of concessions that are never carried out.

When coding this variable, if there was clearly no evidence of concessions and no evidence of concession-extracting strategies, a state was coded in this category. Moreover, evidence of demands for concessions (along with no evidence of concession-extracting tactics) leads to a coding of 1, as does evidence of promises of future concessions without any concessions ever being made.

This dependent variable is labeled *Cooperative bargaining behavior*, and is an ordered, categorical variable with larger values representing "more cooperative" behavior.

# Coding "Difference in Issue Salience"

The measure of the difference in issue salience is based on the finding in the formal issue linkage literature that the linkage of issues that are more different valued create a larger zone of agreement (Tollison and Willett 1979; Sebenius 1983). This measure is therefore a proxy that measures the average zone of agreement across each pair of states on each issue in a given negotiation. The larger is the average zone of agreement, the more differently valued are the issues in that negotiation, all else constant.

This measure is calculated by (1) coding the distance between the two states' bargaining positions and (2) the distance between each state's bargaining position and reservation point (the point farthest from its bargaining position at which each state would be willing to accept an agreement). I then use that information to determine the size of the policy space within which both states would be willing to accept an agreement – the "zone of agreement" for

those two states on that issue.

### Step 1: Code States' Bargaining Positions

The first step is to determine the bargaining position of each state on each of the (main) issues in the negotiation. Information on states' bargaining positions was gathered through elite interviews with state representatives, asking questions such as, "What were [your state's] goals in this negotiation?" Where possible, interviews were conducted with multiple state representatives to ensure accuracy of the answers, and representatives were re-interviewed across multiple years. When possible, these interviews were also substantiated by analyses of "footnoted" (often non-public) working documents that I was able to acquire. These working documents indicated each states' positions on each article and clause throughout each draft directive.

Drawing on the information gathered from these sources, states' bargaining positions on each issue were plotted in one-dimensional policy space. First, the most extreme opposing positions on each issue were be identified. Any states with bargaining positions that reflect those extreme positions were plotted at opposite ends of the one-dimensional policy space. These "extreme" positions define the bargaining space on that issue. Other states' bargaining positions were then be coded in relation to those extremes. States that were "closely associated with" one of the two extreme positions, but that were somewhat less extreme in their goals were identified. The bargaining positions of these states were plotted a "small distance" from the extreme position with which they are most closely associated. Finally, the positions of states that did not lean toward one side or the other were plotted in the middle of the policy space.

With an assumption of single-peaked preferences,, a categorical measure of the distance between each pair of states' bargaining positions was assigned. The three coding rules above correspond to a "large," "small," or "medium," distance from one extreme, respectively. Moreover, states a small distance from one extreme are a "large minus small" distance from the other, and a "medium minus small" distance from states in the middle. Finally, states that share the same position on a given issue are coded with "zero" distance between them.

### Step 2: Code States' "Give"

The second step in coding the relationship between linked issues is to determine the "give" of each state on each issue in the negotiation. Formally, this captures the distance between a state's bargaining position and reservation point on a given issue; substantively, it reflects the "flexibility" in a state's position on an issue, given the other issues to which it is linked in the negotiation. Detailed interviews (or surveys) with state representatives are an important source of this type of information. States' "give" can be assessed by asking negotiators questions such as, "How important was achieving [your stated goal] on this issue *relative to* the other issues at stake?'

Because of the lack of precision in translating answers to these types of questions into a concrete "measure," a set of categories can be used to code a state's "give" on each issue. A state is coded with "small give" on an issue if achieving its stated goals on that issue was "very important" compared to the other issues in the negotiation. In the most extreme

cases, a state is coded with "zero give" if the importance associated with this issue was even greater than issues considered to be "very important." A state is coded with "large give" on an issue if winning on that issue was "not that important" to the state in the bargain as a whole. In the most extreme cases, a state's give is coded as "very large" if an issue was not at all important to a state's interests, relative to the other issues in the negotiation. Finally, if the importance a state places on an issue falls in-between these two sets of categories, a state is coded with "medium give."

To increase the reliability of the measure, statements were corroborated through separate interviews with multiple state representatives and/or questions posed to the same individual at different points in time in the negotiation process.

Finally, it is important to note that "give," which captures flexibility in a state's bargaining position, might or might not translate into actual concession offers. A state might have been very flexible on an issue, but then for some reason did not have to offer concessions on that issue to achieve an agreement. Conversely, a state might have been highly inflexible in its position on an issue, but might still have been forced to offer concessions against its interests, because of the use of coercive tactics by the other side. The measurement steps here are designed to capture states' interests across a given set of issues being negotiated, not the actual negotiating behavior that they eventually adopted. Actual concessions that are offered should therefore not be used in the coding of this measure. This is particularly important to ensure the exogeneity of this measure from the dependent variable, which captures state bargaining behavior.

**Step 3: Calculate the Zone of Agreement for Each Issue-Pair**

Based on the coding in steps 1 and 2, the zone of agreement for each pair of states on each issue can be calculated by adding together the "give" of both states and subtracting away the distance between their bargaining positions. What is left is a measure of the distance in the policy space within which both states would be willing to accept an agreement on that issue.[1]

To carry out this calculation, numerical values were first assigned to the categorical measures of the distance between states' bargaining positions and each state's "give." Other than ordinal requirements, no one set of numerical values is necessarily better or worse than any other. For simplicity, I normalized the bargaining space on each issue to the [0,10] interval, and assigned the following values: for the distance categories, zero=0, small=2.5, medium=5, and large=10, and for the "give" categories, zero=0, small=2.5, medium=5, large=7.5, and very large=10.

**Step 4: Aggregate to Characterize the Overall Negotiation**

Using these values and the coding rules laid out above, a value to represent the size of the zone of agreement for each pair of states on each issue was calculated. The measure that I propose here is the average of the zones of agreement created by the linkage of a given set

[1]For the special cases in which this calculation of the zone of agreement is greater than the bargaining space that exists between the two states' bargaining positions, the value was coded to reflect only the distance between the states' bargaining positions.

of issues across all pairs of states on all issues. Larger values indicate that a larger zone of agreement was produced, and thus the issues linked in the negotiation were characterized by a greater difference in their relative salience to the negotiating states, all else constant.

## Coding "Agreement Importance"

The second important feature of the bargaining structure are the outside options of states. This is another factor for which a rigorous, systematic measure does not currently exist (Odell 2002). To measure this, I recognize that the better is a state's outside option, the less "need" that state has for reaching an agreement. I then code this "need for agreement," drawing on interview evidence with state negotiators. In particular, negotiators were asked the degree to which each state placed importance on "reaching an agreement, in and of itself" in each bargaining interaction. This is coded as a four-category variable, labeled *Agreement importance* where reaching an agreement, in and of itself, was "very important" (coded 3), "important" (coded 2), "somewhat important" (coded 1) or "unimportant" (coded 0) for each individual state in each negotiation.

To attempt to avoid problems of endogeneity, whenever possible, these questions were asked in interviews conducted before an agreement was actually reached. This was done to lessen interviewees incentive to misrepresent the importance of agreement to make up for significant concessions that might have been made by their state (or vice-versa). About half of the interviews that were conducted for this study took place before the negotiations being analyzed were completed, allowing for many state representatives to be interviewed in this way.

Moreover, multiple representatives from each state were interviewed whenever possible to corroborate these answers. When discrepancies existed, the modal answer was used.

Larger values indicate that achieving an agreement, in and of itself, was more important to the interests of a given state, and thus that it like faced a worse outside option than in other, less important negotiations, all else constant.

## Coding "Parliamentary Scrutiny"

In the EU, the negotiations analyzed take place between representatives of the governments of the member states. However, the Parliament of each state has the possibility to request the ability to "scrutinize" an agreement before that state can accept it. While each state's Parliament has the possibility for such scrutiny, the privilege is rarely exercised.

The *Parliamentary Scrutiny* variable is coded 1 for all negotiations in which a state's Parliament has requested such a scrutiny reservation, indicating that it has the right to examine the agreement before that state can officially vote "yes" or "no." These reservations are almost always entered before real negotiations begin, and are therefore temporally prior to the bargaining strategies the state negotiators then adopt.

To code this variable, all relevant working documents for each dossier under consideration were examined. Any state that entered a Parliamentary Scrutiny reservation on a given dossier was coded 1 for that negotiation, and 0 otherwise. The relevant documents which

highlighted Parliamentary scrutiny reservations were Council documents: 14874/05 for the REACH Directive, 11054/04 for both the Regulation and Directive on Fluorinated Gases (the directive being the application to car air conditioners), 11635/06 for the 7th Research Framework Programme and Eurotom, 15310/05 for the Services Directive., and 6296/03 for the Racism and Xenophobia dossier.

# Coding "Publicity"

To code the *Publicity* variable, one of the several sources for EU news – *EU Observer* – was scrutinized. This is one of the most detailed sources of up-to-date information about the workings of the EU. Moreover, as described by the EU Observer's founder, "We see our job as reporting the news that matters to citizens, politicians and business leaders, providing independent coverage, and keeping our demanding readers in the know" (http://euobserver.com/static/about). The goal of this news source is thus to cover information that "matters to citizens" - the exact factor this variable, *Publicity*, is designed to capture.

To code this variable, I therefore searched the *EU Observer* archives. All dossiers for which an *EU Observer* news article was written covering some aspect of the negotiation process were coded 1 for the *Publicity* variable and those that were not were coded 0. This indicates that the negotiation process was publicized and subject to at least some degree of domestic and public scrutiny.

This coding does not code a dossier as "publicized" if only the outcome was covered in an article. In these cases, the negotiation and negotiation strategies adopted by the state representatives were not subject to scrutiny;, the outcome was simply reported. This does not fit with the logic of the argument underlying this concept.

The "publicized" dossiers were the REACH Directive, the Services Directive, the 2007-2013 Financial Perspective, the Racism and Xenophobia dossier, and the EULEX Kosovo mission. The dossiers for which only an outcome was covered were the Fluorinated gas regulation and directive, the battery recycling directive, the 7th Research Framework Programme, and the EU mission to Georgia. The remainder of the negotiations were not explicitly mentioned as negotiations in either process or outcome, though they were potentially mentioned as policies and/or missions later on.

# Part2: Substantive Description of Cases

The *Services Directive* was an agreement designed to break down barriers to the trade in services across state borders in the EU. This was a highly politicized directive, negotiated from 2005-2007, and led to some of the most contentious and highly publicized negotiations in all of EU legislation.

The *REACH Directive* was a directive for the Regulation, Evaluation, and Authorization of Chemicals (REACH) used by industries within the EU. Environmental in orientation, this directive also had very real effects for companies located in the EU as well as for industries exporting chemicals and products to the EU.

The *2007-2013 Financial Perspective* was an agreement designed to cap the EU's budget expenditure in various areas for the 2007-2013 period. The outcome of this agreement would set limits on the EU budget and how it could be used, as well as determining in what sectors the majority of expenditures would be made. It would therefore have very real effects on the amount of EU expenditure each member state would receive for the next seven years.

The *Framework Decision on Racism and Xenophobia* was an agreement in the area of justice and criminal law. This framework decision would lay out standards that must be met by the legal and judicial policies of all EU member states regarding the criminalization of behavior that was racist or xenophobic in nature. It thus had the potential to require EU member states to change their national laws (and implementation of those laws) with regard to this type of criminal activity.

The *Fluorinated Gas Regulation* dealt with climate change issues, building upon the standards laid out in the Kyoto Protocol. In the Kyoto Protocol, the EU as a whole agreed to limit six types of greenhouse gases. Three of these were fluorinated gases. This directive aimed at regulating the emission of these fluorinated greenhouse gases in each of the EU member states so that the EU as a whole could meet its Kyoto commitments.

The *Directive Regulating Fluorinated Gas in Car Air Conditioners* also dealt with climate change issues, building upon the standards laid out in the Kyoto Protocol. This directive was dealt with separately from the Fluorinated Gas Regulation, and concentrated, in particular, on the regulation of gases for car air conditioners.

The *Battery Recycling Directive* was designed to set standards for the recycling of batteries that all states in the EU would be required to meet.

The *Seventh Research Framework Programme* is an EU program with a role similar to that of National Science Foundation in the United States. It is designed to provide funds to support scientific research in universities and industry across the EU. The negotiations dealt with the standards by which such funds would be allocated. The *Euratom Programme* was designed to provide funds specifically dedicated to nuclear technology research.

*EUMM Georgia* is an EU civilian mission to Georgia negotiated in 2008 in the aftermath of the Russia-Georgian conflict over the break-away regions of Abkhazia and South Ossetia.

*EULEX Kosovo* is an EU civilian mission to Kosovo negotiated from 2006 to 2008. It was designed to take over rule of law functions from the UN mission which had been in place since 1999, following the ethnic conflict between the Serbian and Albanian populations.

*Operation Atalanta* is an EU naval military operation negotiated in 2008 and designed to protect World Food Program vessels traveling to Somalia as well as commercial shipping and fishing vessels in the area from pirates.

*EUTM Somalia* is an EU military operation negotiated in 2009 and 2010 designed to aid in the training of Somali soldiers to provide protection to the Transitional Federal Government in Somalia.

Within this set of cases, twenty-three bargaining interactions are analyzed. Fourteen of these negotiations resulted in an agreement being reached, while nine did not. Of the nine no-agreement cases, seven were characterized by unanimity voting and two were subject to a qualified majority decision-rule; four were highly politicized and five were not. Of the fourteen interactions that resulted in agreement, eight were subject to a unanimity requirement and six were subject to qualified majority voting; four were highly publicized and ten were not.