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Market Power Europe: Exploring a Dynamic Conceptual Framework

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ABSTRACT
The conceptualization of the European Union (EU) as Market Power Europe reflects an understanding that the EU most consequentially affects the international system by externalizing its internal market-related policies and regulatory measures. While considerable evidence exists to support such an exercise of power, further elaboration of the conceptualization reveals a number of ways in which it may contribute to the EU as a Power debates. This article undertakes a crucial stock-taking exercise for employing Market Power Europe as a dynamic conceptual framework for understanding and researching the EU as a power. The findings suggest that the conceptualization may improve analytical clarity and advance our empirical and theoretical understanding of the EU’s external relations across various policy areas. These insights on the dynamic nature of the conceptualization as an analytical tool reveal important considerations for future scholarly work on the EU as a global regulator and beyond.

KEY WORDS
European Union, externalization, external relations, power, regulation
INTRODUCTION

Empirical developments and scholarly attention in European Union (EU) external relations have experienced considerable advances over the last decade. Nowhere is this more noticeable than in the EU’s role as an international regulator. So profound are these advances that they have helped to inspire the suggestion that the EU may be conceived of as Market Power Europe (Damro 2012). Indeed, such a conceptualization reflects an understanding that the EU most consequentially affects the international system by externalizing its internal economic and social market-related policies and regulatory measures.¹

Drawing from a wide range of scholarly contributions, the conceptualization of Market Power Europe (MPE) builds upon insights from two established literatures – Comparative and International Political Economy (CIPE) and the EU as a Power debates – that have run rather independently of each other and not always grasped opportunities for mutual enrichment. But MPE is not intended to be a hegemonic conceptualization of the EU to which both literatures must announce their allegiance. Rather, its original formulation provided a framework for guiding empirical research on the EU as a power without necessarily foreclosing on different understandings and approaches.

The MPE conceptualization also serves as a call to the EU as a Power debates to consider more fully the findings of CIPE research, including the types of empirical research undertaken in this special issue. While the following discussion takes note of and draws from the other contributions to this special issue, the article is not intended to serve as a conclusion that summarizes and synthesizes the collective findings. But
given the prominent role of regulation and regulatory processes for MPE, this special issue provides a particularly useful context for undertaking a stock-taking exercise of the conceptualization.

Contributions to the EU as a Power debates have helped to establish that the EU should be taken seriously as an international actor. These debates may be fragmented today, but they remain valuable efforts to address the ever-present ontological questions about the EU’s existence and seek to provide conceptual bases from which to understand the EU in international affairs. The aim of this article is not to provide the definitive statement on which conceptualization of the EU as a power is best. Rather, as a stock-taking exercise, the article aims to clarify and elaborate important aspects of MPE and to explore the utility of employing it as a conceptual framework – not an explanatory theory – that provides a rethink of and a way to take forward the debates.

As a conceptual framework, the article finds that MPE can serve as a basis for identifying and organizing the factors and concepts that inform empirical research and help to drive the development of explanatory theory. When MPE is viewed and employed as such an analytical tool, the article also finds that it is dynamic in the sense of being flexible enough to allow and encourage testing of various explanatory factors and to incorporate insights and new findings from the growing scholarly work on EU external relations. The dynamic nature of the framework also helps to generate analytical advantages through empirical and methodological contributions that further our understanding of the EU as an international regulator and, more generally, as a power.

The article proceeds in the following manner. The next section identifies general contours of the EU as a Power debates, which help to inform the subsequent
identification and discussion of areas in which MPE may make contributions. The article then elaborates MPE as a conceptual framework and discusses the nature and utility of such an analytical tool. Next, the article turns to recent research that helps to expand two important components of the framework – the three core characteristics of MPE and the exercise of power through externalization. The following section reflects upon further areas in which MPE may generate analytical advantages for the EU as a Power debates. The article concludes with a summary of the findings and their implications for future research.

CONTOURS OF THE EU AS A POWER DEBATES

The study of the EU in international politics started with and, in many ways, continues to be a reaction to the reluctance of state-centric International Relations (IR) scholarship to problematize the EU as an actor in and of itself (Niemann and Bretherton 2013, Bretherton and Vogler 2005, Rosamond 2005). This need to situate the EU and its apparent uniqueness as an actor has helped to generate a proliferation of conceptualizations of the EU as a power in the international system. The resulting ‘EU as a Power debates’ (Damro 2012) identify particular characteristics that may contribute to the EU as a power and prioritize questions about what kind of power the EU is, what the EU says as a power and what the EU does as a power.

Starting with Civilian Power, Duchêne (1972) suggested that the EU’s unique characteristics made it a different kind of actor for which military power had been supplanted by civilian power. Since Duchêne’s rather ‘imprecise description’ (Orbie 2008: 5), the array of particular characteristics and labels for understanding the EU as a power have grown considerably. But this proliferation has left the debates rather fragmented among different conceptualizations that are often characterized as rivals.
In this sense, the various contributions can be thought of as resembling ‘debates’ moreso than a coherent research programme of scholarly inquiry.\textsuperscript{3} As a result, the debates may have missed opportunities to advance our more general understandings of the EU as a global actor.

Attempting to generalize about the EU as a Power debates is a risky business because of the rich diversity of the various contributions and conceptualizations. But there are contours that can be identified for the debates in general, if not specifically applicable to all of the contributions. While general, these contours help to identify empirical and analytical challenges that serve to inform the subsequent reflections on MPE.

Although an understanding of the EU as \textit{sui generis} is (at least implicitly) common in the extant literature (Phelan 2012, 367), it creates the so-called ‘N=1 problem’ that undermines the ability to generalize about and from the EU’s dynamics and to engage with other scholarly literatures.\textsuperscript{4} This has led to an enduring problem for the EU as a Power debates: the perceived N=1 treatment of the EU as \textit{sui generis} can keep the research rather isolated and self-referential, effectively discouraging interaction with other more generalizable literatures. As Phelan argues, ‘the study of the EU is not well integrated into—indeed, it appears increasingly segregated from—wider international relations scholarship’ (2012, 368). As a result of the N=1 limitation and a tendency to rely on Duchêne’s original but imprecise description of Civilian Power as a ‘conceptual anchor’ (Nicolaïdis and Howse 2003: 344), the EU as a Power debates have a tendency to be viewed as largely descriptive and often contributing little to the development of explanatory theory. Forsberg even goes so far as to argue that prominent conceptualizations in the debates resemble ideal types in
need of further clarification in order to overcome their lack of explanatory power (2011).  

A *sui generis* focus on the EU can also limit full consideration of the analytical concept of power itself and the way it works. To overcome such a shortcoming, contributions to the debates have usefully employed insights, to varying degrees, from Barnett and Duvall’s (2005) IR taxonomy of power (Bicchi 2006, Diez et al. 2006, Lavenex 2014, Holden 2009). But the general contour of the debates is an absence of investigations into the fungibility of power across various policy areas. In other words, the debates do not undertake concerted efforts to determine the extent to which power in one policy area can become power in other areas. Likewise, disagreement and analytical confusion can arise over exactly what the EU as a power is trying to promote in different policy areas. For example, from a Civilian Power perspective, the EU may be exercising power to promote civilian ends. However, it is often ambiguous or unclear exactly what those ends or objectives are, especially when they appear inconsistent or are inconsistently pursued in practice across different policy areas (Smith 2005).  

Finally, when the EU as a Power debates do explore causality, there is often a tendency to view material/interest-based and social/ideational factors as competing sources of power. Moreover, while there are material/interest-based critiques and studies of the EU as a power (Pollack 2012, Hyde-Price 2006, Zimmerman 2007), the debates tend to be dominated by accounts that privilege the social and ideational sources of power. As Youngs argues, ‘Many – probably, most – analysts have come to posit a pre-eminence of ideational dynamics as key to the EU’s distinctiveness as an international actor’ (2004, 415). Due to this analytical focus, the debates risk overlooking the complex interplay of material *and* social factors that contribute to the
EU’s identity and exercise of power across policy areas. This leads to a tendency to emphasize the persuasive nature and tools of the EU’s exercise of power and a failure to make explicit the potential role played by various causal factors that may arise from the EU’s market size, institutional features and domestic interest contestation in its exercise of power.

**MPE AND THE UTILITY OF CONCEPTUAL FRAMEWORKS**

The MPE conceptualization is not merely another critique of the previous contributions to the EU as a Power debates. Rather, drawing from the CIPE literature on the EU as a regulator, it serves as an acknowledgement and response to the more general contours of the debates outlined above. As such, MPE can be thought of as a way to engage with existing critiques and to develop an explicit and clear conceptual framework that may help to move forward the debates.

The EU’s identity—from where the MPE conceptualization begins—is based upon three inter-related and mutually reinforcing characteristics: market size, institutional features and interest contestation. Through this formulation, MPE does not depend upon the EU being a *sui generis* actor. Rather, the three characteristics are drawn from the general CIPE literature and may be common to any market power’s identity (Damro 2012, 686-689). While the CIPE literature usefully identifies important and relevant causal relationships among factors that may be associated with these three characteristics, it is important to highlight that the original formulation of MPE is not, in and of itself, an explanatory theory that posits causal relationships. It may, however, add value to such pursuits when employed as a conceptual framework for theorizing about such relationships.
Conceptual frameworks, although not always made explicit, are essential components of empirical research processes and projects that help to direct and ground researchers (Ravitch and Riggan 2012). While there is no single definition of ‘conceptual frameworks’, they may generally be understood as abstract representations or analytical tools that help make conceptual distinctions and organize ideas, thereby bringing structure and coherence to empirical research. As part of a research process, conceptual frameworks are also dynamic in the sense that they are flexible and open to revision and expansion as new findings emerge from ongoing scholarly inquiry. A conceptual framework is, therefore, a tool for and a necessary step in researching and understanding social, economic and political phenomena. The phenomena in question for MPE are the EU’s identity and nature as a power and its exercise of power via the externalization of market-related policies and regulatory measures.

As Ravitch and Riggan (2012) argue, researchers often fail to make clear distinctions between terms like conceptual frameworks and theory or theoretical frameworks. While the terms should not be conflated, conceptual frameworks do relate to theory and may contribute to theory testing and development. For example, Blaikie argues that conceptual frameworks ‘lend themselves to the development of propositions about relationships between concepts, and are intended to apply to a wide range of situations’ (2000, 144). For MPE, the ‘concepts’ among which propositions about relationships may be developed are drawn from the three characteristics and the phenomenon of externalization. The ‘wide range of situations’ may be thought of as varying across time, geographic location and policy area. In this sense, while a conceptual framework is ‘broader than traditional notions of theory’ (Shields and
Rangarajan 2013, 24), explanatory theories can be seen as ‘sub-components’ that may address certain aspects of the conceptual framework (Ravitch and Riggan 2012).

MPE can be viewed as an explicit conceptual framework that distinguishes among three distinct characteristics of the EU’s identity and the EU’s exercise of power via externalization. Such ideas are not simple. But elaborating, organizing and making them explicit in a conceptual framework is an important step in establishing them as analytical tools for advancing our understanding of the EU as a power. In the MPE context, ‘sub-component’ theories of the conceptual framework may be seen as explanatory theories that identify relevant causal relationships between and among the three core characteristics and externalization. At the same time, such sub-component theories may help to identify additional factors, such as external factors, that can help to expand the dynamic MPE conceptual framework. These sub-component theories are numerous and may include, for example, CIPE contributions that help to generate explanations (for the EU and other actors) of the causes of externalization. As will be discussed, empirical contributions to this special issue and the scholarly works referred to below may be seen as representative of such sub-component theories.

Among sub-component theories, material/interest-based and social/ideational explanations and causal mechanisms may be identified and associated with the three characteristics and externalization of MPE. But as a conceptual framework, MPE remains flexible and does not simply organize the characteristics as competing explanations for externalization. Rather, the proposition that the three core characteristics are inter-related and mutually reinforcing encourages us to think about the conceptual and/or causal connections and relationships among them in order to generate more complete understandings of the EU’s identity and actions as a power. By not privileging or necessarily excluding a priori any one type of causal factor,
MPE allows us to see potential connections and provides a broader basis from which, ultimately, to theorize and conduct empirical research that can evaluate causality in the analysis of the EU as a power. Such engagement with different causal factors and mechanisms may even be seen as ‘healthy’ and may ‘help scholars move away from perpetual rivalry in disciplinary “ism” wars and toward dialogue across theoretical perspectives’ (Barnett and Duvall 2005, 45).

In short, conceptual frameworks operate as important analytical tools that help to advance knowledge by organizing empirical research and grounding theory testing and development while also remaining open to adjustment and revision. Due to the fragmentation and often descriptive nature of the EU as a Power debates, such a dynamic analytical tool that remains open to consideration of various potential causal factors and mechanisms provides an opportunity to build our understanding of the EU as a power and both complements and contributes to research aimed at explaining the EU as a power.

NEW RESEARCH FINDINGS AND MPE

While MPE in its original formulation did not specify causal relationships among the three core characteristics and externalization, the characteristics can help to identify factors and concepts that may be operationalized as independent variables with the potential to condition externalization. In a similar manner, the conceptual framework can benefit from new research findings that emerge from the testing of sub-component theories designed to engage more readily with the causes of externalization. This section examines such new findings that are emerging from research that has engaged in different ways with the framework.
Three Characteristics of MPE

The greatest attention in the recent research has been related to the first characteristic of market size. Perhaps this is not surprising, given the label of Market Power Europe. But privileging the term ‘market’ in the label MPE, does not mean that the other characteristics of institutional features and interest contestation are analytically less important than market size. It is simply an indication that the EU’s identity, both historically and presently, rests crucially upon market integration, an ongoing experiment in social, economic and political organization that intimately involves and deeply implicates the EU’s various institutional features and actors as well as interest groups alignments. While market size is an important characteristic of the EU’s identity, the extent to which it matters as an individual causal factor varies considerably. The recent studies that grapple with this characteristic tend to suggest that, while market size may be necessary for the EU to be a power, by itself, this characteristic is not typically sufficient to explain the EU as a power. This finding encourages further scrutiny of the other two core characteristic and the extent to which they and market size are inter-related and mutually reinforcing.

The second characteristic of institutional features is broadly formulated and sufficiently flexible to cover a wide variety of aspects and actors that may be seen as fitting into an understanding of the EU as a regulatory state (Majone 1994, 1997). If the EU is a regulatory state, MPE must take into consideration the policymaking processes and decision-making rules for issuing regulatory measures, which can vary depending on the policy area in question. But while the EU’s institutional rules are important, this characteristic does not neglect the role of actors. For example, MPE must also consider a variety of actors that operate within these processes and rules and that may condition externalization, including EU member states and institutions – e.g.,
European Commission, European Parliament, Council of Ministers, European Court of Justice.

Due to the regulatory focus of the conceptualization, MPE also considers the various networks of national regulators and EU-level regulatory agencies that may condition externalization. Herein arises the focus in the conceptual framework on the EU’s institutional ability, or regulatory capacity (Bach and Newman 2007, Bradford 2014, Young this volume), to externalize its market-related policies and regulatory measures. But MPE is not limited to regulatory capacity. Rather, the dynamism of the framework allows this second characteristic to be open to a wide array of possible actors, institutions and network or governance arrangements that may play a role in the development and externalization of EU market-related policies and regulatory measures. For example, the framework can benefit from identification and consideration of the actors and institutional mechanisms (such as peer review) that are now often involved in what has been termed rule-making by ‘experimentalist governance’ (Sabel and Zeitlin 2010). Such rule-making includes a number of new tools that may be usefully considered in the context of the MPE framework. In particular, when the mechanisms of experimentalist governance extend and develop on a transnational or global scale (Zeitlin 2015), they may contribute to the potential for the EU to externalize its internal market-related policies and regulatory measures.13

Recent research that has engaged more directly with the MPE conceptualization has also identified a variety of institutional features that may help to condition the EU’s externalization, including domestic regulatory templates (Quaglia 2014b), institutional rules and internal cohesiveness (da Conceição-Heldt and Meunier 2014), EU competence and the type of international agreement being
negotiated (Jurje and Lavenex 2014) and the stringency of EU standards (Young 2014). In sum, these institutional features fit well with the MPE framework and help to expand the potential factors that may condition the relationship between the second core characteristic and externalization.

The final core characteristic of MPE, interest contestation, can also be formulated in a broad sense and understood generally as societal pressure. This characteristic, therefore, encourages consideration of the potential pressure exerted by all types of interest groups, not simply firms or economic actors. The preferences of such domestic actors may also vary depending on the type of regulation in question.14 The ways in which these various societal actors contest their preferences and the extent to which they form pro-externalization coalitions capable of influencing decision-makers should help us to understand the extent to which the EU seeks to externalize its market-related policies and regulatory measures. For example, European airlines and environmental groups have been found to pressure the EU for externalization of aircraft emissions standards (Staniland 2012). But the influence of such societal pressure need not be limited to actors within the EU because civil society actors in EU partner countries have also been found to condition externalization (Postnikov and Bastiaens 2014). Finally, societal pressure may also be linked to the other two core characteristics because, while market power may incentivize some groups to push for externalization, they need appropriate institutional channels through which to lobby for their preferences (Turkina and Postnikov 2014).

MPE’s dynamism also allows adjustments to take into account new findings that identify additional factors not directly linked to any one of the three characteristics. For example, despite its analytical starting point (the EU’s identity),
the conceptual framework can accommodate and build upon findings related to concepts like the EU’s actorness and its effectiveness (Niemann and Bretherton 2013). Similarly, the EU’s exercise of power may be conditioned by external or international contextual factors, including the constellation of preferences and distribution of power (Young 2014), geographical proximity and perceived push factors from third countries (Jurje and Lavenex 2014) and competing mandates of international organizations (Staniland 2012). In addition, Newman and Posner (this volume) argue for the importance of the global regulatory context. Given their potential importance, MPE analyses need to create room for consideration of such factors, especially the ways in which they influence the actors involved in externalization and the ways in which they are transmitted through the three characteristics of MPE. Indeed, the original formulation of MPE warned of the importance of considering such ‘external pressures’ in the analysis of externalization (2012, 690). The role of such factors in understanding the EU as a power should, therefore, be considered in tandem with the largely domestic factors arising from the three characteristics of the conceptual framework.

Externalization

As Young (2014) notes, various terms have been employed in the literature to capture what MPE refers to as ‘externalization’. For MPE, externalization ‘occurs when the institutions and actors of the EU attempt to get other actors to adhere to a level of regulation similar to that in effect in the European single market or to behave in a way that generally satisfies or conforms to the EU’s market-related policies and regulatory measures’ (Damro 2012, 690). This is not a particularly high standard in the sense that it does not require the EU to attempt to get other actors to take on board verbatim all
the technical details of European policies and regulations. In fact, getting other actors
to behave in a way that *generally satisfies or conforms to* European rules may include
the EU externalizing rules that are not identical to its own (see below). It does,
however, capture a phenomenon through which the EU may exercise power on
potentially all other types of public and private actors in the international system.

Through an MPE approach, externalization can be understood and explored in
two stages: the study of EU attempts (or non-attempts) to externalize and the study of
actual success or influence via externalization. In the first stage, the factors that
contribute to the likelihood of attempts at externalization are analysed, such as the
significance of market size, the effect of institutional features and the formation of
and contestation between pro- and anti-externalization coalitions (Damro 2012). In
conceptual terms, this is a fairly straightforward understanding of externalization: the
EU intentionally undertakes an effort to get other actors to adhere to or behave in a
way that generally satisfies its market-related policies and regulatory measures.

There are, however, other possibilities for externalization that are worth
exploring in the first stage. For example, the EU may intentionally decide for any
number of reasons not to undertake an attempt at externalization.16 But even in
instances of such an apparent non-attempt, it is possible that the EU may still
externalize unintentionally (Bradford 2012, Vogel 1995). Given the EU’s ‘presence’
(Allen and Smith 1990, Damro 2012) and the potentially inadvertent pressures that
follow from the three characteristics of MPE, unintentionality remains an important
element of EU externalization and, therefore, needs to be considered an essential
component of the conceptualization.

Cases of unintentional externalization via a non-attempt may be rare and
methodologically difficult to identify, but they may resemble the mechanisms of
policy convergence that Holzinger and Knill (2005) refer to as transnational communication: lesson-drawing, transnational problem-solving, emulation and international policy promotion. While these four mechanisms require some degree of communication between the EU and other actors, that communication from the European side does not necessarily have to be motivated by an explicit intent to get the other actor to adhere to or behave in conformity with the EU’s market-related policies and regulatory measures. Rather, the communication may simply comprise the sharing of information that, at least theoretically, can be absent an intent to externalize. If so, a case would exist in which the EU did not attempt to externalize, but an ‘unintentional tool’ was exercised that may contribute to the success of externalization in the second stage.

The second stage of externalization is where much of the CIPE literature and empirical contributions to this special issue (Birchfield this volume, Kissack this volume, Young this volume) focus their analyses to ascertain the extent of EU influence. As Young (2014) notes, much of the literature on the EU as a global regulator tends to treat the EU as a dominant player. While MPE draws from this literature to emphasize the importance of looking at the EU as a regulatory actor, it leaves claims about the extent to which the EU is indeed a dominant global regulator to second-stage empirical testing. Just because the EU can be understood as MPE and may be analysed as MPE does not mean that it always gets—whether intentionally or unintentionally—other actors to adhere to or behave in a way that generally satisfies its market-related policies and regulatory measures. Failure is a very real possibility. What can be said from an MPE perspective is that empirical studies of externalization typically involve pressure – whether intentional or unintentional – related to the EU’s
market size and/or an individual or constellation of the actors operating within EU policymaking processes and rules, and/or coalitions of interest groups.

FURTHER REFLECTIONS ON POTENTIAL MPE CONTRIBUTIONS

In addition to its dynamic nature, MPE may offer empirical and methodological contributions that further our understanding of the EU as a power. This section sketches out such potential contributions, in particular the ways in which the subjects of MPE externalization may be empirically broadened and the MPE approach may be used to avoid methodological pitfalls related to evaluating policy inconsistency in EU external relations.

The EU is active – to varying degrees – in all policy areas on the international agenda. In empirical terms then, MPE needs to consider a wide variety of policy areas as well as the diverse non-EU public and private targets of externalization, such as ‘states, international and regional organizations, and non-state actors’ (Damro 2012, 690), that may be active in those policy areas. From an analytical point of view, the EU’s wide range of targets and policy areas in its external relations also means that there is great potential for cross-policy analyses that may reveal insights into the fungibility of power. To capture this potential, the dynamic nature of MPE allows it to be more inclusive of policy areas than restrictive. The point of a conceptual framework is not to delineate exactly what the EU can and cannot externalize but to suggest ways forward in which the ‘subjects’ (Damro 2012, 690) that the EU externalizes can be interpreted in a broad enough way to capture empirical diversity across policy areas.

The original formulation of MPE identified the ‘subjects’ of externalization as the EU’s economic and social market-related policies and regulatory measures. These
subjects of externalization are not limited to the narrow set of policies often associated
directly with the Internal Market. Rather, they may be thought of as a range of the
policies and measures the EU externalizes, running from directly market-related (e.g.,
competition policy, consumer policy) to indirectly market-related (e.g., environment,
anti-discrimination, gender equality, protection of child). Within such a range, the
subjects can also include private standards and soft law that are promoted by the EU.
In addition, as noted above, because successful externalization may only result in
other actors behaving in a way that generally satisfies or conforms to the EU’s
market-related policies and regulatory measures, the subjects may include
internationally and bilaterally developed rules (Barbé et al. 2009) and internationally
agreed objectives (Scott 2014) that are mirrored in – but not necessarily identical to –
the EU’s internal rules.

To illustrate the empirical basis of this broad and flexible interpretation of the
subjects of externalization, we need only look to the EU’s primary legislation, its
treaties. Indeed, with the removal of the Maastricht pillar structure, conceptual lines of
demarcation among different policies are less clear. For example, as Article 3(3) TEU
clarifies, the internal market is related to a variety of policies, including, *inter alia,*
areas traditionally thought of as the domain of other conceptualizations in the EU as a
Power debates (e.g., human rights, sustainable development, gender equality,
solidarity).¹⁹ Broadening further, MPE’s understanding of economic and social
market-related policies and regulatory measures can be interpreted to cover all types
of EU legislation and instruments (including those arising from private standard-
setting bodies) and, conceivably, the entire *acquis.* When viewed in the context of
enlargement policy, these subjects may even be conceived of as including the full set
of Copenhagen Criteria.
While there may be a relative absence of physical force in the EU’s exercise of power (Damro 2012, 691), this does not mean that MPE cannot contribute to an understanding of the EU as a security actor. Indeed, under the broad interpretation of the subjects of externalization sketched herein, the potential for studying the fungibility of power is maximized because the conceptualization may be applied to market-related policies and regulatory measures that are associated with security, such as sanctions, arms trade and the defense industry. The Commission has also noted the market-related link with security in its efforts toward an export control system for dual-use goods (European Commission 2010, 15). Such internal export control measures have serious security-related implications for the activities of others – including governments, firms and non-governmental actors – outside the EU seeking to import or (legally or otherwise) obtain European dual-use goods. Likewise, the EU’s efforts towards a Comprehensive Approach (Gebhard 2013) may provide fruitful inroads for MPE analyses of more traditionally security-related policy areas like the Common Foreign and Security Policy and the Common Security and Defence Policy.

Another way in which the MPE conceptualization may contribute to the EU as a Power debates is by helping to avoid methodological pitfalls related to evaluating policy inconsistency. While a number of scholars have identified different types of practical or policy inconsistency in EU external action, the discussion herein focuses upon what might be called ‘internal’ and ‘horizontal’ inconsistency within, between or among different policies (Gebhard 2011). Such policy inconsistency is analytically problematic because it can create methodological pitfalls for the EU as a Power debates when EU objectives are broadly constructed as imprecise civilian ends, values, principles and/or norms.
For example, starting at the origin of the EU as a Power debates and taking a Civilian Power perspective, the EU can be seen to pursue ‘civilian ends’ as its objectives (Orbie 2008). While there is disagreement over exactly what are these civilian ends, Smith has noted that they tend to include goals such as international cooperation; solidarity; strengthening the rule of law; responsibility for the global environment; and diffusion of equality, justice and tolerance (2005, 66). While these goals may be normatively appealing, Smith has argued that ‘the problem here is that such civilian ends are still quite fuzzily defined (for example, what does “solidarity” mean in terms of policy practice?)’ (2005, 67). As a result, ‘not only do we not have a good idea of what “civilian ends” are, but also we cannot (and should not) state uncritically that the EU is actually pursuing civilian ends…’ (2005, 74). In effect, because these civilian ends are ‘fuzzily defined’, they become analytically problematic in so far as their fuzzy nature means they can overlap or outright conflict.

From another prominent contribution to the EU as a Power debates, we learn that the EU’s objectives can be thought of as norms. In his influential formulation of Normative Power Europe, Manners has argued for consideration of five core norms – peace, liberty, democracy, rule of law and respect for human rights and fundamental freedoms – and four minor norms – social solidarity, anti-discrimination, sustainable development and good governance (2002). Again, the problem of policy inconsistency may arise when promoting such norms. From a methodological point of view, the core of this problem is that any instance of externalization that appears to be the promotion of one fuzzily defined norm may at the same time contradict or be inconsistent with the promotion of other fuzzily defined norms. The resulting uncertainty about what exactly is being promoted and the inability to disentangle empirically what the EU is doing as a power leaves little room for scholars to generate
with confidence any general statements about what kind of power the EU really is or to judge what the EU says and does as a power.

This methodological pitfall associated with policy inconsistency may be overcome with an MPE approach that encourages a more targeted analysis geared toward tracing the EU’s externalisation of market-related policies and regulatory measures. In order to understand the EU as a power, MPE does not require the EU to be policy-consistent in its externalisation nor does it require the EU’s objectives to be consistent. Rather, it provides a framework through which the EU’s externalisation can be traced and evaluated without depending upon reference to rather vague and general objectives (i.e., higher-order ends and norms) that may contain multiple meanings and/or are inconsistent or inconsistently pursued in practice. Such an approach encourages analysis of the EU as a power through the careful and empirically detailed interrogation of the more specific and fine-grained (often technical) subjects of market-related policies and regulatory measures. By avoiding the methodological pitfall of inconsistency, the conceptual framework also usefully opens space for analysing the fungibility of power. Without doing so, it would be analytically problematic to separate and know when power in one policy area becomes power in another because exercises of power in each area under investigation may pull against the multiple and inconsistent meanings of fuzzily defined general objectives.

CONCLUSIONS

As a stock-taking exercise, this article has explored the utility of considering and employing Market Power Europe as a conceptual framework, an analytical tool that may help to advance our empirical and theoretical understanding of the EU as a
power. While numerous other contributions offer ways in which to conceive of the EU as a power, the result is a rather fragmented and often descriptive literature, or set of debates, among seemingly rival conceptualizations. These debates tend to understand (at least implicitly) the EU as a unique or *sui generis* actor, which can limit the extent to which contributions benefit from and add to other more generalizable literatures. At the same time, contributions to the debates tend to emphasize ideational dynamics and the persuasive nature of the EU as a power while overlooking the potential roles played by various other factors that may arise from core characteristics of the EU’s identity as a power.

When viewed as an explicit and dynamic conceptual framework, MPE may add considerable value to these debates. Given its generalizable foundations, the framework does not depend upon or advance an understanding of the EU being *sui generis*. Rather, by drawing from the CIPE literature, MPE’s generalizable foundations – its three core characteristics – may be common to any market power’s identity. This reliance on the broader and more general CIPE literature also helps to ensure that the framework is analytically flexible enough to take into account new theoretical and empirical developments arising from research on the material/interest-based and social/ideational sources of power.

As shown in recent research related to the conceptualization, the three characteristics of MPE can be thought of in a variety of ways. Through an MPE approach, the extent to which these three characteristics contribute to externalization of market-related policies and regulatory measures can be analysed in two stages. Across these two stages, investigations need to consider the role of persuasion and coercion as well as intentionality and unintentionality. But they also need to consider variation in EU attempts and non-attempts as well as actual success and failure.
Despite a tendency in the growing literature on the EU as an international regulator to see the EU as a dominant actor, MPE is flexible enough to accommodate the failure of externalization without losing its conceptual or analytical value. This flexibility also allows for and encourages further adjustment and revision of MPE as ongoing research continues to generate new findings that may help to elaborate more thoroughly and extensively the three characteristics and externalization, as well as additional external factors that may condition the EU’s exercise of power.

These insights into the ways in which MPE may contribute to the EU as a Power debates also help to identify other important areas for further research efforts. For example, while MPE’s focus on a wide variety of directly and indirectly market-related policies and regulatory measures expands the scope of analysis, it increases analytical precision by avoiding methodological pitfalls that may arise when evaluating the EU’s pursuit of fuzzily defined and potentially inconsistent objectives. In particular, the approach encourages careful and empirically detailed interrogation of the EU’s more specific and fine-grained subjects of externalization. In addition, the concept of externalization can, at least theoretically, be applied across all policy areas, which may provide important inroads for analysing the fungibility of the EU’s power. Empirical work along such lines may even help to reveal the extent to which the framework can (or cannot) contribute to the analysis of power in more traditionally security-related policy areas. Ultimately, these reflections reveal the feasibility and benefits of employing MPE as a conceptual framework and suggest its potential for opening new exploratory avenues and contributing to theoretical developments in our understanding of the EU as an international regulator and, more generally, as a power.
BIOGRAPHICAL NOTE

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NOTES
This understanding is also reflected in external perceptions of the EU (Larsen 2014, Lucarelli and Fioramonti 2009, Chaban and Holland 2008). In so far as external perceptions matter for shaping an actor’s identity, such findings are important for making claims about the appropriateness of how to conceptualize the EU as a power.

For more recent treatments of Civilian Power, see Orbie (2008), Smith (2005) and Telò (2005).

For a similar characterization of these contributions as ‘debates’, see Neimann and Bretherton (2013, 263).

For a significant research effort that draws from other literatures to examine the role of the EU as a promoter and recipient of ideas, see Börzel and Risse’s Transformative Power Europe project at http://www.polsoz.fu-berlin.de/en/v/transformeurope/, accessed 31 March 2015.

There are, however, efforts to link individual conceptualizations to explanatory theory. See, for example, Manners’ claim that the normative power approach ‘makes it possible to explain, understand and judge the EU in global politics’ (2013, 304).

In addition, for a discussion of EU relational and structural power, see Keukeleire and Delreux (2014). See also Hill and Smith (2011) for different perspectives on the EU’s exercise of power.

See Meunier and Nicolaïdis (2006) for a discussion of the fungibility of EU trade power in the pursuit of non-trade objectives.

For exceptions that consider both ideational and material factors in the analysis of the EU as a power, see Youngs (2004) and contributions to Whitman (2011).

While Blaikie refers to ‘conceptual schemes’, his discussion of such analytical tools conforms to the understanding of ‘conceptual frameworks’ used herein.

For earlier discussions of market size from the CIPE literature, see Drezner (2007) and Gilpin (2001).


For a discussion of the nature of the EU as a regulatory state in the context of the EU as a Power debates, see Orbie (2008: 27-30).
Such extensions can take place, for example, through technical assistance (Sabel and Zeitlin 2010, 22-23) or when third parties are included in the EU’s internal governance processes across different policy areas (Zeitlin 2015, Lavenex 2014).

For examples of relevant CIPE work on domestic actors and preferences for externalizing product and process regulations, see Kelemen (2010), Kelemen and Vogel (2010), Vogel (1995). For the different domestic bargaining dynamics at play in externalization, see Young and Wallace (2000), Holzinger et al. (2008).

In addition, for a useful analysis of the EU’s role in international institutions that hinges on a related concept of ‘performance’, see Oberthür et al. (2013).

Instead of attempting to externalize, the EU may also engage in what Müller et al. (2014) refer to as policy protection or policy import. While not attempts at externalization per se, they are important variations in EU global regulatory behaviour vis-à-vis international institutions. As such, it is worthy of investigating the extent to which market size, institutional features and interest contestation figure in the likelihood of the EU pursuing either of these two options.

See also Young (this volume) for a discussion of processes of policy diffusion in the context of EU regulatory relations.

For Holzinger and Knill, the absence of communication may lead to independent problem-solving, through which convergence arises ‘as a result of similar but independent responses of political actors to parallel problem pressures’ (2005, 786). Under such conditions, it is unclear that the three characteristics of MPE would play any role in independent problem-solving.


For an investigation of the relationship between the EU’s arms industry/trade and its normative power rhetoric, see Erickson (2013).

For further discussions of consistency, see Keukeleire and Delreux (2014: 113-115), Portela and Raube (2012).

For discussions of different analytical and methodological aspects and problems related to the issue of inconsistency and the EU as a Power debates, see Diez (2013, 2005), Whitman (2011), Scheipers and Sicurelli (2007), Meunier and Nicolaïdis (2006), Sjursen (2006). For a useful analysis that reveals
the ways in which seemingly complementary objectives may become conflicting objectives, see Börzel and van Hüllen (2014).

23 Manners seems to agree when he argues that ‘if normative justification is to be convincing or attractive, then the principles being promoted must be seen as legitimate, as well as being promoted in a coherent and consistent way’ (2011, 233).

REFERENCES


