



Knocking on Closed Doors: An Examination of the Extent to which the External Opportunity Structure Conditions EU Effectiveness in International Procurement Liberalisation

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Abstract

This thesis examines to what extent the external opportunity structure conditions the relationship between cohesiveness and effectiveness in the EU's efforts to liberalise international public procurement. Procurement represents one of the most significant areas of challenge and untapped potential in the global marketplace but, despite the EU's best efforts, other countries have proven reluctant to liberalise their procurement frameworks, as public contracts have immense value as a policy tool.

It has been suggested that the EU could achieve far greater external effectiveness on the international stage in general if it acted with greater internal cohesiveness. However, the varying effectiveness the EU has achieved in procurement liberalisation suggests that consistently high internal cohesiveness does not suffice to deliver high external effectiveness. As such, this area merits further study; pursuing a better understanding of the external factors that constrain or facilitate the EU's ability to translate high internal cohesiveness into high external effectiveness is vital to developing better negotiating strategies to engage with and overcome these obstacles in the future.

Evidence from five case studies is examined: the 'Singapore issues' debacle, the 1994 WTO GPA negotiations, the WTO GPA revision negotiations, the EU-Canada CETA, and the EU-India FTA. In each case, the EU's external effectiveness was measured by assessing the outcome of negotiations against the objectives the EU had set itself, and the external opportunity structure was assessed by examining two variables; the policy arena and the bargaining configuration, that is, the bargaining strategies employed, the relative asymmetrical or symmetrical bargaining power of players in negotiations, and the negotiating positions assumed by other parties.

Notwithstanding high internal cohesiveness, the external opportunity structure is shown to play a crucial role in conditioning EU external effectiveness in this field. More specifically, the negotiating position of the EU's counterparts plays a crucial role in determining EU external effectiveness, more even than bargaining strategies or the relative asymmetry of bargaining power in negotiations; once other actors accept the principle of procurement liberalisation, the EU can exploit high internal cohesiveness to achieve high effectiveness. However, the case studies selected illustrate that distributive, coercive

bargaining strategies relying on asymmetrical power distributions to pursue procurement liberalisation run the risk of derailing multi-issue negotiations entirely, as in the case of India and the Doha Development Round. This suggests that, in fields as controversial and politically contentious as procurement liberalisation, the EU cannot rely on the asymmetrical negotiating power it often enjoys to force through the procurement objectives it seeks where other parties oppose liberalisation on principle. Looking forward, it should instead work harder either to persuade other actors that the advantages that procurement liberalisation will bestow on their economies outweigh the political risks it entails, or to adopt more integrative, value-creating negotiating strategies that offer significant market access advantages in other areas in exchange for procurement liberalisation.